entrepreneur and hired labor. In recent years, kibbutz Hazore'a decided to set up an inter-kibbutz partnership with the neighboring kibbutz Giva'at-Oz. Kibbutz Hazore'a holds two-thirds of the investment capital and manpower, while kibbutz Giva'at-Oz has one-third of each. Profits are divided in the same proportion, two-thirds to Hazore'a, and one-third to Giva'at-Oz. 12

Another example is Arad plant in kibbutz Dalia going into partnership with kibbutz Ramot Menashe, both in manpower and capital investment. Some of the latter's members travel daily to work in the plant in kibbutz Dalia. Ramot Menashe in this case supplies 20 percent of capital investment and manpower in the Arad plant in kibbutz Dalia. 13

As far as their objective class-location, we argue that the labor force of kibbutz Giva'at-Oz employed in kibbutz Hazore'a wood industry and that of kibbutz Ramot Menashe employed in kibbutz Dalia'a Arad plant are not proletariat. They are more likely to fall within the boundaries of the petty bourgeoisie, since they are essentially self-employed by the capital share of their own kibbutzim in those industries. In this sense, they do not create surplus-value for either kibbutz.

In the second system of cooperation, based on manpower alone, "the industrial plant is owned by one of the kibbutzim and members of a neighboring kibbutz go to work there. The neighboring kibbutz only participates in the plant insofar as manpower is concerned, and in return, the workers are paid wages and their kibbutz is allocated a certain share of the profit after deduction of profits on capital investment."

An example is the Nirim Electronics Israel plant for military production.

Until 1967, both kibbutz Nirim and kibbutz Megan had an electronics factory.

Now, labor flows from kibbutz Magen into Nirim Electronics Israel plant.