Class, Capital and Colonies in India and Palestine/Israel

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Abstract: The article “Class, Capital and Colonies in India and Palestine/Israel” studies the way Indian and Israeli Communist intellectuals conceptualized and understood European Colonialism. In contrast to present day settler-colonial theories – that disregarded Marxist critic of European expansion – Indian and Israeli Communists developed a Bolshevik colonial thinking. For Communists the triple forces of imperialism, capital and class devastated the “archaic” native way of life. In doing so they clear a path for European domination, settlement and class differentiation of both colonizers and colonized. The article traces Bolshevik colonial thinking to its origins in Marx’s and Lenin’s writings. It continuous to further examine the way these Marxist classics were interpreted by Indian thinkers as M.N. Roy, R.P. Dutt, and Israeli ideologies Eliyahu (Alyosha) Gozansky, Moshe Sneh, Meir Vilner and Tamar Gozansky.
Amir Locker-Biletzki

Class, Capital and Colonies in India and Palestine/Israel

Introduction

In recent years the use of settler-colonialism as an analytical concept of scholarship critical of the history and social structure of Palestine/Israel has become prevalent. Mainly scholars such as Lorenzo Veracini and Patrick Wolfe have developed the study of settler-colonial societies ("Introducing" 1-12; "Settler" 313-33; Wolfe). Their scholarly debate describes colonial societies as ones where white settlers attempted to eliminate the natives (not in all cases by physical annihilation). In such places the settlers created a settler nation-state, animated by the practice of invasion and removal of the native. A more explicit rendering of Zionist colonial logic is to be found in the seminal work of Israeli critical sociologist Gershon Shafir, justly regarded as one of the founders of settler-colonial studies. His groundbreaking work Land, Labor and the Origins of the Israeli-Palestinian Conflict outlines a sophisticated theory that defines the link between Zionism and settler colonialism. Land, Labor portrays the rise of Zionist colonialism out of the needs of the Eastern European settlers of the Second Aliya (literally "Ascending": the Zionist concept of Jewish emigration into Palestine) and their encounter with Palestine and its inhabitants (Shafir). The aim of this text in not to disprove the settler-colonial rendition of Zionism, but to show its intellectual "prehistory" in the words of Communist ideologues from the 1920s to the 1950s and the way Marxists in present-day Israel think about the colonial formation of the country.

One distinguishing characteristic of past and present settler-colonial theory is its distance from Marxist theoretical debate. In the case of Palestine/Israel, Marxist anti-Zionists were the first to describe the Zionist project as a colonial one. As will be detailed in the following pages, Israeli Marxists associated with the Communist Party (CP) theorized about Zionist colonialism. Working from within a Marxist tradition – which amalgamated Karl Marx’s writings about European expansion together with V.I. Lenin’s explanation of imperialism – they described the way capital accumulation and class formation drove the Zionist settler project. This article will trace a Marxist intellectual lineage that starts with Marx and Lenin, proceeding through such Indian colonial thinkers as M.N. Roy and R.P. Dutt, and ending with Israeli Marxists like Moshe Sneh, Eliyahu (Alyosha) Gozansky, Meir Vilner and Tamar Gozansky. For these Marxists, the colonial project was driven by two main motivations: class formation and capital accumulation.

Marx and Lenin on Class and Capital in the Colonial World

Class and capital are at the core of Marxist thinking. Marx and Engels – while charting a historical narrative of the emergence of class and capital in industrializing Europe of the 19th century – also portrayed a process whereby the European bourgeoisie would achieve the “destruction” of “archaic” socioeconomic structures in the non-European world. This element – together with Leninist concepts about European imperialism – was in turn elaborated upon by Marxists in colonial India and by the Communists in Palestine/Israel, consequently creating what I describe as Bolshevik colonial thinking.

At the core of Marx’s and Engels’ understanding of industrialized society lie the twin concepts of class and capital. As laid out in their principal writings from the late 1840s, they viewed capital, its production out of surplus value and from the division of labor between workers and owners as the driving force behind human affairs (Marx; Marx and Engels The Communist). Marx’s and Engels’ portrayal of socioeconomic development was confined to Europe – mainly England – in the throes of the first wave of the Industrial Revolution. However, Marx did not restrict his theories to Europe alone, but wished to understand the workings of capitalism in the then-non-capitalist world outside Europe. Confined to his journalistic work, Marx’s interpretation of the way imperialism affected mainly India became the fundamental text of a Marxist tradition of writing about the non-European. This tradition of writing, coupled with the Leninist writing about capital and imperialism, inspired the writings of Marxists in the colonial and de-colonizing world, including Israeli Communist ideologues. In turn, their understandings of the realities of Palestine/Israel identified some important elements of the overall settler-colonial mechanism of the Zionist-Palestinian conflict.

Marx did not systematically theorize about European imperialism and in fact never used the term, which was advanced by later Marxists. However, Marx was aware of the phenomenon of European expansion overseas and the effects it had on non-Europeans. Most of Marx’s writing on the subject was
done as part of his journalistic work for the *New York Tribune* and as part of his voluminous correspondence with Engels and others. In his famous 1853 article “British Rule in India,” Marx defined the role of the British in India as a socially destructive force: “England has broken down the entire framework of Indian society, without any symptoms of reconstitution yet appearing” (37). He went on to define the theoretical concept later to become known in Marxist discourse as the Asiatic Mode of Production (AMP). For Marx, the necessity arising from the construction and operation of large irrigation works “drove private enterprise to voluntary association” (37) in the West. However, in the “Orient where civilization was too low and the territorial extent was too vast” (37), a despotic centralized government was formed in order to mobilize the resources for such an undertaking. 1 Under this autocratic rule, nonetheless, the basic social unit in India, the village, remained remarkably untouched. Marx describes the Indian villages as closed small organisms, steeped in their traditional forms of production revolving around a close link between agriculture and manufacture. The inhabitants “care not to what power is transferred, or to what sovereign it devolves” (40), as war and famine leave the village essentially untouched. To these parochial bedrocks of the old order, the British as “the unconscious tool of history” (40) brought destruction and misery as they effected a social revolution.

Lenin contributed to the evolution of Bolshevik colonial thinking in his theoretical text *Imperialism: the Highest Stage of Capitalism* (1916). He explains the spread of European empires as originating in a change in the formation of capital itself. Basing himself on economic data, Lenin argues that the concentration of production in the hands of the banks, which deploy their control by granting or withholding credit, had made them “powerful monopolies” (31), ushering in a new stage in the development of capitalism, different from that in Marx’s day. Instead of “the old capitalism, when free competition prevailed” and where “the export of goods was the most typical feature … under modern capitalism, when monopolies prevail, the export of Capital has become the typical feature” (62). In place of the individual captains of industry and manufacturing, e.g., countries like England that traded goods in world markets, “in the last quarter of the nineteenth century… monopolist capitalist combines” in “a few rich countries” (62) had proliferated. This reconfiguration of wealth and control had resulted, Lenin argues, in “an enormous ‘superabundance’ of capital” (62) accumulating in the advanced countries. This surplus of financial capital is then exported to overseas colonies, as the big imperial powers have divided the world between them.

### Class and Capital in British India

The conceptual basis laid down by Marx were picked up by Marxists in the colonial world as the starting point for describing the formation of class society. Two Indian Marxist intellectuals are distinguished for their use of Marx’s paradigm in their analysis of India. Both M.N. Roy (1887–1954), the Bengali ex-terrorist turned Comintern agent in India and China, and R. Palme Dutt (1896–1974), the British–Bengali Stalinist gatekeeper of the CPGB (Communist Party of Great Britain), were passionate advocates of Indian independence. Ideologically, M.N. Roy moved from the Bengali anti-British terrorism of his youth to Marxism – adhering to early Bolshevikism had always had an independent and original aura to it – and then to an original philosophy called Radical Humanism of his later years. 2 Already in his early involvement in the international Communist movement, Roy envisioned colonial society as being ridden with class differences. Early in his revolutionary career, Roy described colonial societies as marked by the presence of modern classes (i.e., the working and middle classes). These views prompted his famous debate with Lenin. The 1920 Roy-Lenin debate – which took place in the course of the Second Comintern Congress – originated in “a draft thesis on the national colonial question” (Haithcox 93) that Lenin composed on June 5th 1920. Roy asserted that the aim of Communist parties worldwide was to combat the colonial and financial enslavement of the vast majority of the world’s population by an insignificant minority of

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1 There is no doubt that Marx and Engels reflected the racist norms of their times when dealing with non-Europeans and Jews. By the same token, they cannot be hailed as precursors of Third World national liberation – in the way it was developed by later Marxists and non-European nationalists. However, both of them supported the liberation of subjected peoples in Ireland and Poland and conditionally even outside Europe. They also supported the North’s anti-slavery stance in the American Civil War (Sperber; Tristram).

2 The life of Roy – one of the forgotten fathers of Indian independence – was the subject of a 2006 documentary film *The Comintern Brahmin – The Untold Story of M.N. Roy*, directed by Vladimir Léon. His ideological and philosophical development was the subject of two intellectual biographies (Patrick; Manjapra).
the richest and most advanced capitalist countries, a feature characteristic of the era of finance capital and imperialism.

In order to break the link between the mother country and the colonies and effect a national liberation in those colonies, Lenin suggested that "all Communist parties must assist the bourgeois-democratic liberation movement in these countries." Thus, the Communists in colonial and dependent countries, where the proletariat as a class and the Communist party were just emerging, had to form temporary alliances with non-Communist bourgeois nationalists in order to achieve the minimal aim of anti-imperialist liberation. In his draft, Lenin invited his "comrades... to let me have their opinions, amendments, addenda and concrete remarks" (Lenin). In response to this call, the young M. N. Roy challenged the draft. Roy attacked the basic assumption that an alliance could be struck between Communists and progressive anti-imperialist forces within the colonies. With the Indian Congress Party in mind, Roy argued that those forces "might desert to the imperialist camp in a revolutionary situation" (Haithcox, "Roy-Lenin" 94). Unlike Lenin, who was distrustful of grassroots activism, Roy resembled Marx "in his fervent faith in the class-consciousness of the proletariat" (Haithcox, Communism 16). To his mind, the workers in the colonies were the ones who could carry the anticolonial as well as the anti-capitalist revolution.

Underlying Roy’s understanding of revolutionary tactics in the colonial world was the premise that colonial (i.e., Indian) society was undergoing a process of capitalist modernization, which was creating modern antagonistic classes. This process is outlined in Roy’s text, elaborating on his views from 1920, aptly titled India in Transition. Already in the opening pages he turns to Marx’s AMP model. This is evident from the following: "feudalism as the basis of social economics, received its first deathblow in the earlier years of the British possession in the middle of the 18th century” (2). However, in keeping with his original thinking, Roy argues that while the British bourgeoisie in its occupation of the Indian subcontinent had been unwittingly progressive, it had usurped the role of destroying the old system from the evolving Indian property-owning class. The “glorious role of freeing the people from feudal fetters did not fall to the lot of the Indian middle-class... it was misappropriated by the British bourgeoisie” (157). That assertion differentiated him from Marx, who understood Indian society as agrarian by nature and not possessing a middle class apart from an artisan class. In contrast, Roy viewed British rule as having been imposed on a rather advanced society. He identified in India the development of a native bourgeoisie stunted by British intervention.

The first hundred years of British rule in India marked a period of social and political stagnation. This resulted from the ruthless destruction of the progressive tendencies in the production system. The political power passed to the control of the foreign bourgeoisie, which instead of helping the development of productive methods, pushed society back to the stage of an agrarian economy. This told heavily on the native middle class, which had already reached an advanced stage of commercial capitalism and stood on the verge of large-scale industrial production. The destructive work of the British in India reconstituted it as a colonial, capitalist class society. For Roy, Indian society was a class society. India was “divided into four distinct classes namely (1) the landed aristocracy, including the native chiefs (2) the bourgeoisie and the intellectuals (3) the petty peasantry and (4) the working class, including the landless peasants” (18). These classes were already antagonistic to each other. M.N. Roy “challenged the line of colonial difference that ran through European Marxist thought” (Manjapra 49). He “insisted that class consciousness among peasants had already developed and the revolt was on the way” (49).

He also predicted that the dual anti-imperialist and anti-capitalist revolution would be led by the recently constituted urban working class (49). In his 1923 work The Future of Indian Politics, he went further and argued that in order to reach a compromise with the Indian bourgeoisie – which was demanding the freedom to industrialize – the British government changed its policies in India. Stirred by the “(1) exigencies of the war, and (2) necessity of widening the social basis of imperialism” (Roy 23), the British allowed the wartime industrialization of the country. This compromise would push the nationalist struggle in India into the hands of “the classes which have nothing in common with imperialism” (95). Consequently, “the petty intellectuals, artisans, small traders, peasantry and the proletariat” (95) would lead the class struggle.

While showing elements of continuity and discontinuity with Marx’s understanding of class in the colonies, Roy’s thinking about the transfer of capital was influenced by Leninist thinking. In an early 1920 article for The Call, Roy writes: “the theory of over-production is very well known; it is equally well known and accepted by all exponents of the Proletarian Revolution, that the highly centralized capitalist organization will crumble under the insupportable weight of over-production” (“The Awakening”). In order to escape the inevitable collapse of their economic system, European countries find “the easy solution to the problem... in imperialist extension,” thus exporting their exploitation to the
less politically developed colonized nations. This economic expansion of markets results in “tremendous super-profit in return to the over-production at home.”

R.P. Dutt, the dour orthodox Stalinist, was markedly different from the Marxist freethinker Roy. However, in his major work on India – the 1940 *India Today* and the revised shorter version, the 1942 *Guide to the Problem of India* – he revisits some of Marx’s AMP elements, as well as Lenin’s fundamentals. First he reaffirms Marx’s portrayal of the late Mughal Empire and the transition to British East India Company rule and the British Raj. Marx’s influence is at work in these words: “Marx’s analysis starts from the characteristics of ‘Asiatic economy’, which the impact of capitalism for the first time overthrows” (*India To-Day* 94). The destruction of the Indian communal village that followed was followed by a capitalist reconstruction of society and the economy. The plundering exploitation of India first by the East India Company and then as a Crown Colony enabled – according to Dutt – the accumulation of wealth that underlay modern British industrial capitalism. In India, the breakdown of the old social order drove the mass of dispossessed artisans and small traders to the land, creating mass dislocation and poverty. In contrast to Roy, Dutt rejected the view that Britain would allow industrialization. He emphasized that British capital had moved out of the commercial and industrial capitalism that exploited India in Marx’s time into the age of finance capital. In this Leninist-inspired narrative, British imperialism had been motivated by “the requirements of nineteenth-century free-trade capitalism” (*India To-Day* 138) to develop the country’s railroad, irrigation and educational systems. In order to deepen its penetration and strengthen its hold on Indian markets and raw materials, it had to export capital to the subcontinent.

As regards class, Dutt locates the origin of the Indian middleclass in Marx’s assignment of a progressive role to the British in India. “The British rulers – in the midst of, and actually through all the misery and industrial devastation – were performing an actively progressive rôle” (*India To-Day* 273). Combating the old feudal and conservative forces, they supported the modernist inclinations of the emerging Indian middleclass, made up of Western-educated Indians and local industrial entrepreneurs. That class clashed with imperial rule when it turned for support to reactionary forces – vestiges of the old order – and tried to curb its economic interests (*India To-Day* 276). Out of those contradictions arose Indian nationalism. As for the Indian working class, Dutt asserts that it “is not numerically large in relation to the population” (*Guide* 132). He does not go into a detailed historical narrative of its development. Although he pays homage to the achievements of Indian organized labor, he – in contrast to Roy’s more inclusive definitions that included the rural working class – mainly refers to a relatively small number of workers in large industrial plants (*Guide* 132-4).

**Class, Capital and the Zionist Colonial Project**

While this chapter stresses the contribution made by anti-Zionist Marxist thinkers one cannot ignore the theoretical work by Zionist-Socialist thinkers. In contrast to the view of some scholars finding Marxist and socialist merit in the works of early Zionist-Socialists – I argue that the pre-eminence of Zionism in their theories made them blind to the colonial effects of Jewish settlement.

Haim Arlosoroff (1899-1933) was the maverick leader of Labor-Zionism. A German educated economist he headed, before his 1933 controversial murder, the Jewish Agency foreign relations department. A member of the anti-Marxist *Hapo’el Hatza’ir* (The Yong Worker) that developed a form of a nationalized socialism (Sternhell), his thinking stands outside of the Marxist tradition. When considering the reality of class war within the *Yishuv* he, in 1926, dismiss the idea on the grounds that “(1) Eretz-Israel is not an independent state but a British colony (2) it is a binational country” (“Milhemet”). In a colonial country such as this the class forces of in the metropolitan are the ones determining the class makeup of the depended country. Thus the workers stand with the bourgeoisie in one national front against British and Arab demands. For Arlosoroff the question of class is very much decided by Palestinian resistance to Zionism to the point that the workers movement gives up “elementary political demands – for instance – the founding of elected institutions and universal

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3 Dutt was the ideological gatekeeper of British Communism. He developed from a young radical objecting to World War One into a staunch Stalinist always toeing the Soviet line. At the same time, he was fervently committed to the Indian liberation movement – India being the birth-land of his father – and he was well versed in its politics and personally acquainted with such figures as Jawaharlal Nehru (Callaghan).

4 That in contrast to some of his earlier works where he shared many points of analysis with Roy – whom he knew and worked with in Europe (Callaghan)

5 A recent example of such scholarship is Udi Adiv recent book *Zionist Socialism the end of a Dream* (see Adiv).
suffrage” (“Milhemet”). The consequence of the emphasis on interclass collaboration and reducing the workers into a tool for the achieving national aims – is forming Zionism as a colonial capitalist project. When analyzing the role played by capital in forming the Zionist settler project in Palestine Arlosoroff theorize on the conditions to turn the Yishuv into the embryo of a state capitalist society. In a 1931 article analyzing the financial difficulties of the Zionist movement he invites private capital to work for the colonizing project. Private capital and initiative “discovered great force in the last ten years” (“Milhemet”). He only wishes, alluding to the hiring of “cheap” Palestinian labor, that it won’t “lower minimal work conditions.”

When he examined the economic motivations behind the Palestinian resistance to Zionist settlement Arlosoroff disregards the adverse effect Zionist settlement had on Palestinian peasantry. Instead of noting the dispossession of indebted peasants, the victims of the financial predatory practices of its elites, of arable lands and the destruction of Palestine’s feudal system, he stress “the benefit” (“Hayesod”) Zionism brought “to the Arab Falahim the small land owners and rural laborers” (“Hayesod”).

The theoretical work of Dov Ber Borochov (1881-1917) stands firmly within Marxist thinking. As the theoretician of the Zionist-Marxist Po’aley Zion (Workers of Zion), he developed a unique theory on the formation of class in Palestine. Borochov or, to be precise, the Borochovists⁶ wished to use Marxist analysis in order to establish Zionism. The main text that expresses this kind of Borochovism is Our Platform, from 1906. In this long programmatic text Jewish diasporic existence is presented as deformed and abnormal. Both the Jewish middle class and working class find themselves in am unresolvable contradiction: “The conflict between the need to move to the higher branches of production and the inability to achieve that by concentration in the developed capitalist countries, where the production of the means of production, and generally, the primary stages of production, are already taken by the native masses and non-Jewish immigrants” (Borochov 208).

 Denied access to the principle areas of industrial economy like mining, metal work and others Jewish workers are doomed to inhabit “the final stages of the production process, in the manufactory production of consumer goods, in the lowest forms of economic activity” (208). In that manner “the need for... industrialization and proletarization is halted” (208). Unable to form a functioning industrial capitalist class society, either in feudal Eastern Europe or in the developed west it is obliged that “the Jews wonderings will be no mere immigration but would assume the nature of colonization (settlement)” (208). That settler-colonial effort should be directed to “semi – agricultural countries” (208). Led by the Jewish proletarian Palestine will be the target of settler-colonial project where a Hebrew bourgeoisie society will be created (210). There the Jewish workers will be free to develop as a “native” normal class one that the “road ahead of it – is the one of class struggle” (210). In Palestine itself, according to Borochov, the political and economic backwardness will secure the country for Jewish “midsized and small capitals” (280) bringing with it the Jewish worker. As the big capital penetrate Palestine in the throes of primary accumulation (285) the country will emerge as full capitalist economy linked to Near Eastern and global markets.⁷ This in turn result in political autonomy for Palestine’s Jews which is “the aim of the Zionist movement. For the bourgeoisie Zionism – the final goal; for proletarian Zionism – a stage on the way to Socialism” (289).

The great Borochovist scheme creating a class society in Palestine was awash with calls for liberation. Called upon to save Jews from the terrors of Antisemitism and economic deprivation Borochov famously stated “the liberation of the Jewish People will come by the workers movement or not at all” (210). However when dealing with the Palestinian nation – emerging from the alliance between the peasantry and urban elites reacting to Zionist colonization – Borochov practice a colonial unknowing. Borochov, that never visited Palestine, displays outright ignorance of Palestine and its inhabitants. In way that will characterize many Zionist spokesmen in years to come he denies the nationhood Palestinians: “The natives of Eretz-Israel have no independent economic and cultural type, they disconnected and

⁶ Borochov himself revised many of his earlier ideas before his untimely death. His disciples also adjusted his theories to suit the mainstream of labor Zionism. Thus, for instance, his earlier notions that emphasized the creative role of the Jewish Bourgeoisie forming a capitalist society in Palestine and the liberating role of the Proletarian in class war after capitalism will be established, and the need of the working class to organizationally separate itself from the World Zionist Organization – were deliberately forgotten by those who professed to keep his legacy (Gutwein). The insistence on a more Marxist and orthodox version of Borochovism was the ideological motivation behind the split between right and left in Po’aley Zion in the wake of the October Revolution – out of this schism the first Communist groupings in Palestine emerged. Borochovist influence was apparent in Palestinian Communism (Dothan).

⁷ “The Jewish immigrants will provide ... not the needs of the local population, but will bring their goods almost exclusively to outside markets of their close Mediterranean vicinity, and eventually, with the growth of the means of production – to world markets” (286).
fragmented not just because of the country’s landscape and its religious differences, but because of its international nature. The native of Eretz-Israel are not one nation” (282).

As such they are destined to be acculturated by “whomever take it upon itself to bring order to Palestine” (282). The ones to do that will be “the Jewish immigrants” (283) and under their benign colonial hand “the local population of Eretz-Israel will be, in time, economically and culturally be assimilated by the Jews” (283). The colonial unknowing theorized by Borochov became in the hands of some of his later followers into self-aware colonial project. One that sought to use the capital streaming to Palestine/Israel and forming class society in the service of the colonial project. The society that emerged from this process was the subject of Marxist anti-Zionist analysis and critique.

The Marxist tradition of analysis of non-European societies under colonial conditions was not limited to colonial intellectuals in India. Israeli Communists used the basics of Bolshevik colonial thinking – as formulated by Marx, Lenin, Roy and Dutt to elucidate the role of class and capital in the history of Palestine/Israel. No single theoretician can be credited with the earliest evaluations of Palestine’s political economy from a Communist point of view. Persecuted both in their own communities and by the British authorities, very few Communists engaged in theoretical ideological debate and writing. However, ideology did inform their politics. It was evident in their exchanges with the Comintern and other documents. There one can find both Marx’s AMP framework and Lenin’s understandings of capital and empire.

One of the first ideological understandings of the role played by class and capital in the realities of Palestine can be found in a 1929 letter. Sent to the PKP’s Central Committee by the Comintern’s Executive (CE), its opening lines are imbued with Lenin’s ideological premises. Analyzing what the writer termed “the continued worsening of the contradictions between the toiling masses... and British Imperialism” (Zahavi 168), he explains it as stemming from the desire to strengthen the British Empire’s geopolitical interests by economic penetration:

The accelerated penetration of English Capital to Palestine: the interest of the English capitalists in what is called ‘The Dead Sea Franchise’ for the production of Potassium, the taking over of the electricity plant, the improvement of the Haifa Harbor, the building of the Mosul-Haifa oil Pipeline and more. More and more English Capital aspires to make Palestine into an outright colony of the British Empire. (168, Emphasis in the original)

A September 1929 booklet that presented the Comintern-dictated change in the Party’s position regarding the 1929 Riots was very much written in a Marxist vein. The events are rooted, according to the Communists, in the “destruction of the rural-fellaheen farm by the Zionists helped by the capitalist landowners” (Zahavi 176). In parallel to the disintegration of the traditional rural order, a new – capitalist and colonialist – order is emerging. Alongside the “shortage and poverty” and “at the expense of the poor Fellahen, richer (Zionist) colonies are developing, concessions and the citrus groves of the rich Effendis are being expanded – this is the economic [emphasis in the original] cause behind the popular uprising of August 23rd” (176). A clearer rendition of Bolshevik colonial thinking is to be found in a 1929 resolution of the CE. The authors of the text find the fundamental reasons for the “masses’ rebellion in Palestine, and the events in Arabistan as a whole” (196) to be the dismemberment of the Arabs into disparate nations, as well as the “rapid destruction and disintegration of the rural-fellaheen communities” (197). The fragmentation of the old order is accompanied by the rise of agrarian capitalism, as the old autarkic village based on barter is replaced “by a farm where commodity = money” (197).

While the ideological thinking of the Party was somewhat fragmented in the years before 1941, more coherent thinking emerged when the CP was legalized. One of the first analyses of Palestine’s economy in the war years was conducted by Eliahu (Alyosha) Gozansky (1914-1948), a talented workers organizer and a central Party activist. Gozansky took part in the founding of the CP’s Hebrew-language newspaper Kol Ha’am (The People’s Voice), and aided the Israeli war effort in the 1948 War. In a booklet written for the PKP’s 9th Congress in 1945, Gozansky presents a pioneering analysis of the state

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8 The 1929 Riots were extensively debated by historians of the Party. At the start of the weeklong disorder that engulfed Palestine, the Communists defined them as anti-Jewish riots. However, pressured by the Comintern – in the midst of the Third Period that envisioned the coming of a global revolution – the Communist Party changed its take and defined the events as an antiimperialist agrarian revolution (Dothan).

9 In the wake of the June 22nd attack of Nazi Germany on the Soviet Union, the British allowed the CP to operate in the open.

10 Gozansky, who was killed in a plane crash on 21st December 1948, was the subject of a commemoration effort by the CP. It included the publication of his writings and a yearly ritual at the site of his grave (“In the Battles of Class and Nation”; “Arise, ye Workers”; Locker-Biletzki 162-177).
of the working class in Palestine. The text is mainly concerned with the development of an urban working
class in wartime Palestine. In the war years, Gozansky states, “an industrial development took place in
the Jewish and Arab sectors” (Gozansky 161). While the process of industrialization was more advanced
in the Jewish sector of the economy, it nonetheless was unfolding in both communities (161-162). The
new class faced a struggle against both the local bourgeoisie and foreign capital linked to the imperialist
project. Charting the ownership structure of the largest basic industries in the country, Gozansky
demonstrates the way capital controls Palestine’s economy:

The exploitation of the riches of the Dead Sea is done mainly by British Capital; most of the shares of the
cement factory ‘Nesher’ belong to the global trust ‘Portland Company’; the electric company is in fact a branch
of ‘General Electric Corporation.’ At the same time, the large tobacco manufacturers, both Jewish and Arab
(‘Maspero,’ ‘Karaman,’ ‘Dick & Salti’), the match factory ‘Nur’ – all those belong to international corporations. (163)

The foreign capital is linked on the one hand to the imperial overlord and on the other to the local
capitalist class: “the Palestine government... is not interested in the free development of industry and
keeps it in constant dependency on the calculations of monopolistic capitalists” (166). These polices,
which include encouraging the increased exploitation of the toiling classes, make the Jewish bourgeoisie
“one of the props of imperialism” (166).

The linkage between empire and capital became a recurring theme in Communist ideological writing.
A case in point is the writing of Mosh Sneh, in his cumbersomely named On the National Question:
Conclusions in the Light of Marxism-Leninism. The main crux of the book is a disavowal of Zionism in
accordance with the doctrines of Marxism-Leninism.

One of Sneh’s main arguments against the Zionist movement is its continued relations with European
imperialist powers. While the relations with the British Empire had been rooted in the economic interest
of British monopoly capital, after 1948 the Zionist movement – now controlling the State of Israel –
came to lean on the American empire and capital. Sneh traces the origin of U.S.-Zionist relations in the
growing influence of Jewish-American capitalists in the Zionist organizations (Sneh 121). The links
between Zionism and its new imperial masters were intensified “during War World II... reaching a high
point after the establishment of the State of Israel, as its rulers, the heads of the Zionist movement,
enslaved its economy, politics and security to potenates of the United States” (120). Once again the
political linkage is based on economics, as “American monopoly capital took over, in the last five years,
the Israeli economy, its natural resources, and largely pushed out the British capital” (121).

Similar links between the British Empire, class, capital and the Zionist colonial enterprise are posited
by Meir Vilner (1918-2003), the longtime General Secretary of the Party and a Member of the Knesset.
Vilner was identified with the hardline radical faction of the CP. In the main lecture for the 50th
anniversary of the Communist Party, he presented the history of Communism in Palestine/Israel. The
lecture is built around a theme that can be summarized as the progressive development of the Party
from its Zionist origins toward a full and correct ideological appreciation of the country’s conditions:
“After many developments, advances and setbacks, a Marxist-Leninist, Communist and Arab-Jewish
party was formed in the country” (Vilner 19). Vilner characterizes Palestine after War World I as “an
agrarian country with an Arab population of 600,000, most of them fellahin, and about 55,000 Jewish
inhabitants” (19). Zionism, he argues, was a colonizing and disinheritng movement that “with the help
of the British ruler – which kept the old Ottoman land laws – made expensive land purchases from large
Arab landowners and dispossessed the tenant-fellahin from their lands” (18). The Zionist colonial
project, Vilner further states, was not confined to the acquisition of land taken away from its Palestinian
cultivators, but also included their removal from the labor market. “The Zionist parties worked for the
exclusion of the Arab workers from their workplaces in order to place Jewish workers in their place”
(19). The campaign for Jewish-only work was designed to “help the employers to lower wages and aid
the foreign rule in setting the two nations against each other” (18). Vilner is insistent, though, that the
Zionist colonial project was eminently linked to the British imperial project: “The British mandatory rule
in Palestine was a regular colonial rule, different only by name... British imperialism exploited all aspects,
the political, agricultural and military, of the Zionist movement to implement its policies in the Middle
East, in order to keep its economic positions (oil, markets) and strategic (the road to India) positions,

11 Moshe Sneh (1909-1972) was an Israeli politician and thinker. He started his political career as a liberal Zionist in
Poland. After arriving in Palestine in 1940, he was one of the key figures in the leadership of the Yishuv, mainly in
the Hagana (The Yishuv’s main military organization). During this period he started to lean to the left and led the
left wing of MAPAM (United Workers’ Party). He broke away from it in 1952, joining MAKI in 1954. In 1965 he played
a key role in the split-up of the MAKI and led the Jewish MAKI until his death in 1972.
and acted against the Arab antiimperialist movement” (17). Zionism, for its part, “stood alongside the Mandatory rule against the Arab national liberation movement” (18). The combination of imperial rule, colonial pressure and class exploitation “brought on differentiation among the Jewish masses and class struggle” (19).

The most coherent expression of Bolshevik colonial thinking among Israeli ideologues can be found in the body of works by Tamar Gozansky (1940–), activist, politician, journalist and a Communist. Her writings remain largely obscure – no doubt because of the politics of the author. Nonetheless, since the late 1960s Gozansky has analyzed Palestine/Israel using many of the elements described up until now.

In her 1969 book *Economic Independence How?* Gozansky endeavored to write a critical analysis of Israel’s political economy from 1948 to 1969. She views Israel’s economy – in the wake of the 1967 War – as driven by “a policy of the use of force and the arms race” (*Atsmα’ut* 5). These aggressive polices, with the economic burden they entail, are intertwined with dependency on outside capital. “The arms race cannot be separated from the dependency on foreign capital, mainly from the United States” (7). Israel’s reliance on American arms and the encouragement that gives to a policy of military expansion is intimately linked with U.S imperial interests in “the oil-rich Middle East” (165). As an example of the penetration of outside finance, Gozansky used the soon to be opened (1969) Trans-Israel pipeline. It was meant to transport Iranian oil from Eilat to Ashkelon. The pipeline was built at first with government money, but as it was about to be opened the franchise was to be handed “to a foreign firm I.P.C. Holdings, that will raise American and West European capital” (9). If Israel wants to achieve economic independence – she concludes – it needs to take “steps to limit and curb the control of foreign capital on the economy” (165).

If in her early work Gozansky constructed a more Leninist view linking Israel, capital transfer and empire, her later work is markedly influenced by Marx’s AMP. In her sweeping history *The Formation of Capitalism in Palestine* and in its revised unpublished version *Workers, Peasants and Capital*, her theoretical debt to Marx is clear. Palestine in the late Ottoman era is described as “a typical agrarian country” (*Hitpathut* 13). The initial socioeconomic order that characterized Palestine is described by Gozansky as an “Asian (or oriental) mode of production,” (37) under which – in contrast to European feudalism where individual ownership of the land was exercised – all of the land was owned by the Ottoman state and leased to the peasants. At the basis of rural society stood the *Mushā* (the rural community). This was not a form of collective ownership of land, but the result of each individual peasant’s duty – as part of the rural community – to pay his taxes to the state and support himself and his family. As in India – in accordance with Marx’s analysis – the penetration of foreign capital came in the form of Zionist colonialism. The development of free markets in land prompted by the 1858 Ottoman land reform – which enabled the urban commercial upper classes to seize ownership of the land – destroyed the *Mushā* and the traditional mode of production of which it was a part.

The entry of capital into Palestine is described by Gozansky in Leninist terms: “In the second half of the 19th century, with the escalation of competition between the imperialist powers over the control of colonies and the partition and re-division of the world, the Ottoman Empire became an important area of rivalry between England, France, Germany, Italy, Austro-Hungary and Czarist Russia” (*Po’alim* 49). In order to further their infiltration of Palestine, the Western powers used European – mainly Jewish – emigrants and Jewish capitalists. They and the capital they imported to Palestine – taking advantage of the free markets in land – allowed the disintegration of Palestine peasant society and its version of the AMP. This process heralded the formation of capitalist development in Palestine, including a class society.

Gozansky’s understanding of the history of Palestine/Israel is ontologically linked with the concept of class and with the Zionist colonial project. In her book *Between Expropriation and Exploitation (Bein nishul lenitsul)* – detailing the history of the Palestinian working class in Israel – this linkage becomes clear. In an earlier book *The Israeli Working Class (Lehem avoda)*, she charts the way Israel’s political economy developed after 1948 from state capitalism to its present neoliberal form.

According to Gozansky, “the class formation of the Arab workers in Palestine in Mandatory Palestine was done under conditions of an agrarian country under colonial rule” (*Bein* 17). Palestine was in the midst of a socioeconomic change that recast it as a capitalist class society, disintegrating the traditional rural way of life: “Palestine was in the inter-war era at a stage of formation of capitalist relations of production. These developed against the background of a rural farm economy, still holding out mainly in the countryside, of Jewish-Zionist colonization; and collaboration (and limited rivalry) between local and British colonial capital” (*Bein* 17).

The gradual disappearance of AMP – under the hammer blows of colonialism and capital – created Palestine’s class society, which was characterized in the 1920s and 1930s by “classes typical of a rural farm economy and ones that are the product of capitalist development” (17). In the post-1948 era until
the 1970s, Israel’s economy matured into state capitalism. This regime was characterized by “governmental funding for running and building of enterprises and infrastructure, as well as a counter-cyclical policy, and constant growth of military expenditures, taxes and government bonds in order to finance arms purchases and wars” (Lehem 28). The Israeli capitalist system of the 1950s continued the process of class formation undergone before 1948. The continued colonization project – fueled by emigrants from the Arab states sent to plug the demographic and spatial holes left after the ethnic cleansing of the Palestinians – and the disinheritance of the remaining “Arab-Israelis” formed the Israeli working class.

Therefore, the Israeli job market of the 1950s was filled with workers, … from among the new Olim (emigrants) and from among the Arabs excluded from their lands – that were used as a labor reserve for thousands of handicrafts and industrial, small, firms founded, at the time, for construction contractors…, and also for the corporative and private (Kibbutzim, Moshavim) farms (28).

Both the pre- and post-1948 class societies in Palestine/Israel had – according to Gozansky – antagonistic class relations to some degree. The Jewish working class – much like the Indian working class in M.N. Roy’s schema, at odds with its own national bourgeoisie as well as the alien rule – was “objectively in fundamental contradiction with the private and public-governmental employers” (Bein 49). However, having been given a role to play in Zionist colonization with its logic of separation between Arabs and Jews, their “class consciousness was incomplete, ridden with contradictions and influenced by systematic nationalist propaganda” (49). At the same time, even under these circumstances “Jewish workers took an active part in strikes (in Jewish-only as well as joint plants), or in demonstrations of the unemployed, and came out against both public and private employers” (49). The Palestinian worker coming from the disintegrating rural economy suffered – Gozansky claims – from social and national discrimination. Barred from many Jewish-owned workplaces, without the minimal protection of the better organized Jewish worker, and still connected to the land – to which he returned at the end of seasonal work in the city – his “class consciousness developed with internal inconsistencies” (23).

Concluding Remarks

Bolshevik colonial thinking was reflected in the works of Israeli Communist writers. They used it to create a socioeconomic narrative of Palestine/Israel featuring a combination of Zionist colonialism and Jewish and British capital that created Israeli capitalism. Their understanding of the realities of Palestine and Israel was highly conscious of the presence of the economic interests of the European powers in Palestine/Israel. In that respect, the theories promoted by such ideologues as Moshe Sneh, Meir Vilner, Alyosha and Tamar Gozansky stand in contrast to the settler-colonial discourse developed by academics since the late 1980s. Most notably, Gershon Shafir disregarded this dimension of the Zionist settler project and preferred explanations based on ideological motivations. However, notwithstanding the stress placed by Communist thinkers on the preeminence of the economic motivations (i.e., class and capital) behind the Zionist project, that claim is not entirely substantiated. The Israeli bourgeoisie, which developed out of the first Aliyah peasantry, was for many years politically subordinate to the political domination of the Socialist-Zionist labor movement.12 This movement's members – and the working class it created in the split labor market in pre-1948 Palestine – were not forced to become Zionists by a manipulative Zionist establishment, but rather used the latter as a way to further their class interest.13 At the same time, much like the depictions of Israeli Communists, Jewish and Arab workers at times together – even within the settler-colonial reality of Palestine/Israel – displayed class militancy in their

12 Amir Ben-Porat’s history of the Israeli bourgeoisie affirms the essence of Communist analysis – the rise of middle class out of Ottoman feudalism. In his more structural analysis of the development of capitalism in Palestine/Israel, Ben-Porat describes a transition from dominance of the political sphere to dominance of the economic sphere. The first period was characterized by the political supremacy of the Labor-Zionist movement over the free market of the middle class that held less political power. Subsequently, as the Labor movement shed its Socialist markers, it lost its political power by the 1970s and its economic power since the 1980s as the neoliberal markets asserted their control over the political sphere (Heihan; Keytsad).

13 This is evident from the detailed reconstruction of the history of the Jewish and Palestinian working classes in Haifa by Deborah Bernstein. She shows that both the workers’ bureaucracy (the Haifa Workers Council) and the workers themselves were wary of an inter-class Arab-Jewish struggle due to their own class interests, like maintaining a higher wage in the Jewish sector of the economy, mainly in times of economic crisis. At the same time, mainly at the grassroots level, Jewish workers in joint enterprises waged an inter-class struggle that took place mainly in the sectors of the economy that were outside Zionist control, i.e., the Mandatory government sector (Bernstein).
fight against their employers, a militancy that was curbed and repressed by their own unions and parties.  

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\[14\] David De Vries shows how class militancy was apparent as Jewish and Arab workers clashed with patriarchal authoritarian employers that sought to lower wages and control labor relations. He also shows how to a growing degree the Histadrut (Hebrew for “organization”: the all-inclusive Jewish union) attempted to regulate class struggle outside its control (Diamonds; Strike).

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