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for the previous year because they recognized that the business was not profitable. The circulars weave up the whole bobbin, and so on through all the branches, [so that] a great saving can be made, which will wonderfully affect the amount of earnings."

To speak of the causes for the bad business of the past would be futile, even if we could definitely point to them...in these times of universal trade depression, it is only by the minutest care, and attention to every detail, that we can expect to successfully compete with others who are straining every nerve to out-strip us...we are told that the English mills are today running at no profit, and only kept running by their desire to feed starving workmen.

A theme throughout these circulars was shared responsibility evidenced by their system of cooperation. Management warned that inefficiency and wastefulness will "fritter away and destroy this fund." In the 1883 circular, management noted that the economic outlook was not good, and that employees should increase their effort and "attend to the little savings, the wool-washers save every scrap of wool, the spinners make

CONCLUSION

The publication of this profit-sharing plan obligated the management to some extent to pay these "dividends." The disclosure is refreshing and rare. Obviously, management had a close relationship to its employees at Peace Dale, as illustrated in its 1886 circular: "It is with satisfaction...that we look upon our undisturbed condition of mutual confidence and esteem...we are truly thankful that this element exists, and we trust that it will exist as long as a mill stands in Peace Dale..."

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EARLY FINANCIAL RECORDS OF DEGANIA: THE FIRST KIBBUTZ

by
Garry Favel

Those familiar with modern Zionist history are aware of the role that Degania Aleph, the first kibbutz, played in the development of contemporary Zionism. Degania Aleph, established in 1910, did not originate as a utopian socialist entity, but rather as a workers collective. It later evolved into a kibbutz, organized as seen today.

This short note illustrates the value of bookkeeping archives, as an auxiliary tool in understanding and assessing organizational or distributive techniques within a subculture. The well kept archives at Kibbutz Degania Aleph, dating from 1910, include minutes of general meetings, bookkeeping records and copies of original contracts. These records make it possible to study how its affairs were recorded.

The records that were available include the financial records of the kvutza (group), which were audited to facilitate the profit-loss sharing agreement with Hachsharot HaYishuv (a part of the original Zionist infrastructure to ensure land management and usage). The profit loss

sharing agreement required the settlement to pay half of the profits earned to Hacharot HaYishuv. Additionally, extensive and meticulous recordings of the work days per member by branch of work are available. The original relationship between the settlers and the kvutza as a separate legal entity, can be examined through these records.

The relationship between the settlers and the kvutza, provides a basis in which to study the extent to which the original settlement followed socialist principles. The relationship required the recording of the work days per individual and the amount each was credited per day. In 1910 the individual work records represented a ledger with the month, day, individual's name and place of work. Exactness in the recording of work days was needed to make sure that each settler received proper credit to his personal account. Each settler received the same amount regardless of the type of work performed. The 1910-11 individual ledgers show

that individuals such as Yosse, Bussell and Beretz received 20 Lirot per work day. Financial records from 1910 to 1920 report "wages" as an expense to the settlement. Another example of separation of the settlers from the entity appears in the 1917 division of profit schedule. This schedule provides a list of all of the members of the settlement, the number of months each was present during that year and each person's share of the settlement's profits. The profits were divided equally among the settlers. In 1917, each member (who was present for the whole year) received 66.25 Lirot. Personal ledgers (accounts) included credits for the work provided and debits (charges) for purchases of food and other items. Although the ledgers provide proof that there were no differential wages, the personal ledgers indicate some lack of commonality within the original kvutza.

Personal ledgers were similar to those used in modern day kibbutzim, where the allowances are equitably distributed rather than according to need. Although an equitable distribution occurs in most kibbutzim today, this represents a change that has evolved over the past thirty years from the generally accepted distribution of funds according to the need of each individual. The main difference between the consumption modes of Degania Aleph of 1910 and modern day kibbutzim is that presently there are less publicly provided services and a larger percentage of total consumption recorded directly into personal ledgers on an equitable basis.

Separation of individuals from the Kvutza, as an entity, is indicated by their inclusion on the Balance Sheet as debtors or creditors. Each settler is listed by name. The 1917 financial statements reported that the kvutza owed the settlers 1306.81 Lirot. Apart from receiving an allowance according to work provided, records show that some elements of the slogan "to each according to his needs," were implemented. Clothes were purchased collectively and distributed according to need. The direct costs of educating and caring for the children were also divided equally among the settlers. Examples of such activities may be found in the settlement's expense records. In 1917, for example, 17.24 Lirot was paid to a dentist for Itzik, and in 1921 Hava repaired her shoes for 100 Lirot.

Through these records, it is also possible to ascertain that within the original kvutza there was a small group known as the communa (commune), which operated on a communal

basis. Though they did not number at most times more than six or seven members, a surviving member, during a recent interview spoke of their symbolic role as "the pure socialist implant" within the kvutza. The individuals who formed the communa did not have individual entity in the kvutza's records. Similar to the preceding description of the individual ledgers, the communa ledgers show credit imputed for the work of their members and debits for various expenses. The 1917 division of profit schedule shows that the communa was credited with 398.45 Lirot with no reference to the individual members. The 1917 Balance Sheet reported that the kvutza owed the communa 581.6 Lirot. These records help to understand the interrelation of the settlers to the entity. Additionally, one can gain insight about their way of life through consumption modes and techniques for distribution of wealth. These materials generally suggest some lack of commonality while revealing evidence of some communally afforded services. Only the communa closely adhered to the principle "from each according to ability to each according to needs."

The minutes of meetings show that after an unsuccessful attempt the previous year, the kvutza decided in 1923 to operate on the basis of income pooling. "Basically, what shaped its character was the necessity for the adaption to the unusual conditions... Hence, the peculiar social structure was necessary to ensure survival." [Infield, 1946, p.9] The surviving member interviewed attributed this decision to economic rationalization and the influence of the communa members over the kvutza as a whole. Their perseverance as a pure socialist implant over the previous thirteen years eventually bore fruit. The records show that as a result of this decision, individual accounts no longer were used, and did not begin to reappear on Degania Aleph until the late 1950's. The accounts of the members in the Balance Sheet of Degania Aleph, as debtors and creditors also vanished.

The Degania Aleph archives and the records of Degania Aleph that continue to the present day provide a wealth of materials available to potential researchers or novices.

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