Labor agencies and the temporality of struggles: A comparative study in the Israeli periphery

Nir Cohen a,*, Meirav Aharon-Gutman b

a Department of Geography & Environment, Bar Ilan University, Israel
b Faculty of Architecture & Town Planning, Technion, Israel

1. Introduction

In November 2011, workers of Peri HaGalil (PG) – a factory in the town of Hatzor – protested outside the Israeli Knesset against the owners’ plan to lay off fifty of them. The demonstration was part of a campaign to pressure Members of Knesset (MKs) to approve the transfer of a 12 million New Israeli Shekels (NIS) grant that would prevent its closure. Inside the hall, the Chairman of the Workers’ Board pleaded with MKs to prove their solidarity with workers by voting in favor. Speaking passionately, Mr. Haziza asked, ‘What did we ask for? Give [us] the right to work’ (Committee on the Economy, 2012: 11). Later that week, having received financial assurances from the government, the owners reversed their plan and workers returned to work. The Minister of Industry, Trade and Labor (MOITAL) explained the decision, ‘It was clear to me that closing the plant would be a death blow to the town’ (Yefet and Avital, 2012).

A year later, workers of Negev Textile (NT) gathered in front of the Minister of the Economy’s residence to protest his refusal to give a grant of 3 million NIS to the owner. Chanting ‘we've nowhere to go’, protesters called on the Minister to salvage the last stronghold of the textile industry in the town of Sderot. Despite sympathetic media coverage of the protest, and their campaign in general, the grant was eventually declined and the factory was shut down in September 2013. Explaining his decision, Minister Bennet declared ‘Had we backed down in this case . . . hundreds of firms with difficulties would have followed with similar demands’ (Seidler, 2013a).

Both struggles, which unfolded within months apart in localities at opposite ends of the country had much in common (see Map 1). Waged against the backdrop of an increasingly deregulated industrial labor market, they were led by minimum-wage workers at traditional industrial factories in peripheral development towns. In both, workers – predominantly minorities1 (either ethnic internal like Mizrahi and ‘Russian’ Jews or ethno-national/homeland like Bedouin Arabs) demanded state support for private enterprises under duress in the name of its commitment to the periphery. In both cases workers deployed a similar strategy based on acts of resistance at various scales (local/national), a multi-sectoral coalition anchored within the respective regional community (Upper Galilee and Western Negev) and mobilization of their marginal socio-spatial identities. Yet, these nearly identical campaigns yielded different outcomes. While state support enabled PG owners to rehabilitate the factory and avoid downsizing, depriving it from NT forced its owner to declare bankruptcy and lay off workers.

In this article we set out to examine the contrasting outcomes of these labor struggles. Building on scholarship in labor geography, which emphasizes the role of the local context and calls attention to the specific formations of labor agency in workforce resistance (Coe, 2013), we argue that their outcomes may be largely explained by their specific temporalities. By temporalities we not only mean the distinct time periods at which they transpired, their position with respect to fluctuations in economic cycles, or their unfolding during the tenure of ministers holding different stances towards public support for private factories. Rather, we refer to ‘the timing of agency’, namely the dynamic political economic context against which struggles took place. Following Coe and Jordhus-Lier (2011), we suggest that accounting for the distinct outcomes of these largely similar campaigns must re-embed the agency of their labor within configurations of state policy, scale and organization of capital (e.g., production networks), communal politics, and labor market intermediaries. While the pivotal roles of key political agent(s) in the process leading up to provision – or denial of – public funds must not be discounted, they ought to be positioned vis-à-vis the historical and contemporary backdrops of these structures.

The article is organized as follows; we first contextualize our study within the literature on agency-based labor geographies. We then attend to the politics of (de-)industrialization in the Israeli periphery, analyzing the shifting trajectories of state support for traditional industries. Later, we analyze the strategy deployed by workers in both factories and contrast struggles in respect to state policy, scale and organization of capital, communal politics and labor market intermediaries. We show how despite a similar strategy to that employed at PG, which consisted of multi-scalar resistance, regional coalition-formation and mobilization of
marginal socio-spatial identities, workers of NT were constrained by their inferior position within these four arenas. We conclude by discussing implications of our research to temporalities of labor struggles in Israel.

The paper draws on several qualitative methods. In addition to ethnographically-oriented participant observations in protests organized by PG workers (2010–2012) and interviews with stakeholders in both struggles, we surveyed a wide range of secondary...
materials, including the Hebrew daily press, state publications and protocols of pertinent parliamentary committees. The data were content analyzed to construct a sufficiently comprehensive picture of the study’s main themes, namely trajectories of crises, strategies enacted by workers, and the socio-political arenas within which their struggles were conducted.

2. Spatiotemporal contexts in anti-closure struggles: a theoretical prelude

Academic interest in plant closures dates back to the 1980s when substantial restructuring of production in the manufacturing sector was taking place in Western economies (Staudohar, 1987). As deindustrialization accelerated, economic geographers attempted to explain the geographies of plant closures (Erickson, 1980). A large body of research centered on spatial forces and processes, which explain corporate decisions to shut down industrial enterprises (Stafford, 1991; Watts and Stafford, 1986). Considerable attention was paid to closures in the context of particular firms (Tomaney et al., 1999), whole industries (Glasmeier and McCluskey, 1987) and even entire countries (O’Farrell and Crouchley, 1983). Whether focusing on single- or multi-locational firms (Healey, 1982; Stafford, 1991; Watts and Stafford, 1986), explanations were largely framed within the context of economic rationality and corporate interest of maintaining competitiveness under conditions of transforming markets. As Tomaney et al. (1999: 402) observe, ‘This view suggests that industrial closures are a natural feature of the economy and a means by which resources are released for growth in more productive sectors’. Questions pertaining to the economic necessity (motivation) and the process by which specific plants are slated (selection) for closure took center stage, particularly in comparative studies (Watts and Kirkham, 1999). These questions underlined the ubiquitous nature of closure as ‘a ceasing of production at an identifiable manufacturing site and the dismissal or nontransference…of at least fifty percent of the work force employed’ (Stafford, 1991: 51–52) and largely ignored the role of site-specific conditions in explaining the various types of closure.

The political economic approach offered a more nuanced view, situating closures at the intersection of global capitalism and socio-political and economic conditions reigning at specific locales and historical moments. Its advocates held that closure is not necessarily tied to financial loss, but linked to corporate ‘exit’ strategies, which encourage capital mobility in search of more lucrative returns on economic investments (Harvey, 1982). They interpreted closure as a socio-political process, which extends beyond the announcement of the termination of production activities (Fothergill and Guy, 1990), and that is always embedded within specific spatio-temporal contexts (Herod, 2001; Sayer, 1999). Scholarship has also attended to the devastating socio-economic effects of plant closures, and deindustrialization more generally, on local communities (Root, 1984), including the political mobilization to contest and/or mitigate them (Bluestone and Harrison, 1982).

In respect to contestation, Pike (2005) offers an analytical framework, which asserts ‘the diversity and heterogeneity of specific closures’ and interpret them against ‘combinations of generalizable necessary relations (e.g., the dynamics of capital accumulation, competition, cultural ownership, labor-management relations, state regulation) with causal powers only contingently realized at specific times in particular places’ (p. 98). Aptly titled ‘geographical political economy of closure’, his framework transcends ‘a linear description of events over time’ and focuses instead ‘on those “times/spaces” which capture the determining “moments” that explain how things unaveled in the way that they did’ (p. 99). Alongside such moments related to the origins of corporate decline and the impact of closure, the political economy of closure determines the scope and intensity of response by involved social agents, primarily workers.

Subsequent work detailed specific ‘moments’ in which workers’ resistance occur (Herod, 2003). Responding to calls for a ‘discriminating grasp of worker agency that…arises from a variety of empirical studies’ (Castree, 2007: 858), labor geographers began analyzing the role of workers in variegated spatio-temporalities of struggles. Whether attributed to the weakened unions or the still prevalent focus on firms rather than workers (Lier, 2007), attention to labor agency has risen. Key areas of interest were the benefits, which places provide to labor during and after closure (Herod, 1997) as well as the scales of organization as it faces (transnational) capital and (re-)positions itself vis-à-vis global production networks (Coe and Hess, 2013; Rainnie et al., 2013). More nuanced labor geographies emerged, ‘by depicting labor as capable of making its own geographies and by exposing the weaknesses in the various spatial configurations of capital’ (Lier, 2007: 822).

Yet, recent studies have cautioned against what some perceived as a celebratory recasting of labor as ‘courageous men and women engaged in political fights to defend their jobs’ (Coe and Jurdhus-Lier, 2011: 233). Critics suggested that geographers go beyond disentangling the strategic choices it makes in its battles vis-à-vis global capital by exposing the subjectivities workers occupy in their engagements with other symbolic and material structures. Calls to ‘put labor in its place’ (Peck, 1996) and ‘make space for labor’ (Coe, 2013) underlined the need to ‘situate the analysis of workers’ struggles within their structural context’ (p. 273). Coe and Jurdhus-Lier (2011) suggest that analyzing labor agency must account for the constraining effects of four institutional arrangements, namely global production networks, state structures, community politics and labor market intermediaries. Global production networks (GPNs), which reflect the changing nature and organization of capital, are defined as ‘[t]he globally organized nexus of interconnected functions and operations of firms…via which goods and services are produced and distributed’ (p. 221). Their analysis allows a better understanding of the potential of labor agency – and resistance – in various economic contexts, allowing some workers (e.g., those engaged in high-level of value-adding operations) a more privileged position within the labor market. The adoption of a GPN-informed perspective links up labor agency with particular firms, industries, and sectors, thereby opening up the possibility to interpret and evaluate their actions in the wider context of the global economic system. Labor agency is also conditioned by the regulatory framework set up by state structures. From decrees to impose tariffs on particular goods and services to concessionary decisions to permit industrialists larger quotas of labor migrants, the state is the most important institutional apparatus regulating the conditions of workers.

The third arena is that of community politics. Communities are the localized pivots around which the socio-cultural lives of workers center. Hence, it is important to examine their role in constraining or enabling labor agency during struggles. Not only does communal membership shape the social identities of workers in and outside the workplace (e.g., as male breadwinners), but they often serve as their fundamental source of power. Communal structures – from place-based aid organizations to town associations – are often leveraged by workers in their struggles against capital or state institutions. As they rightly point out, ‘workers come to rely on the community when the community of the workplace is put at risk’ (Coe and Jurdhus-Lier, 2011: 225).

Finally, labor market intermediaries are instrumental for labor when seeking to avert plant closures or otherwise improve their material conditions at the workplace. While the role of labor unions has been the most richly documented in the literature,
other key intermediaries include professional associations, headhunters and recruiters, as well as manpower agencies. These individuals and groups could play a wide range of roles, some clearly facilitative as in the case of labor union support for striking workers, while others are far more restraining (e.g., manpower agencies pushing for increased quotas of foreign workers in the name of suppressing local workers’ wages). Regardless of their specific agenda, the existence of intermediaries and their level of involvement in labor markets must be deciphered.

Research on labor contestation of plant closures has primarily centered on Anglo-American cases. Some notable exceptions include Lee’s (2007) research on Chinese factories in which regional patterns of protest were attributed to citizenship status of struggling workers and their perceived legitimacy to enact specific actions (e.g., legal). In the Spanish context, too, variations in strategies of industrial labor protest were ascribed to changes in levels of sectoral cohesion, including solid organizational structure, firm leadership and internal solidarity (Wozniak, 1991). Analysis of an unsuccessful campaign in Germany similarly found that trade unions’ fear of losing control over radicalizing struggles and the wise usage of the outsourcing argument by the corporation’s headquarters has led to the factory’s ‘honorable death’ (Artus, 2006).

Finally, an emerging scholarship has documented cases of closing plants’ takeovers by labor in multiple national settings. From Canada (Shantz, 2010) to Argentina (Dinerstein, 2008), these alternative rank-and-file organizing strategies challenge the neoliberal economic order and, simultaneously, sideline traditional union structures. However, their success – of lack thereof – is tied to specific socio-temporal and legal-geographical conditions, including ownership regime, resilience of capital and the nature of labor relations.

3. From dispersion to suppression: Israeli state policy towards peripheral industries

Studies of the Israeli periphery have long focused on its poorer socio-economic performance in comparison with the national core (Gradus, 1983). The disadvantageous position was often attributed to two state policies, dating back to the 1950s (Yacobi and Tzfadia, 2011). The first, population dispersion, sought to revise the biased structure of settlement in the new state by introducing a layer of mid-size towns throughout its frontiers. It was meant to fortify the young nation’s porous borders, de-concentrate its Jewish population and ensure an abundant supply of relatively cheap urban labor to nearby agricultural Jewish settlements. Between 1948 and 1964, twenty development towns were established in the geographical periphery and populated primarily by Mizrahi (Jewish immigrants from Muslim countries) of low socio-economic status.2 Through such programs like Ship to Village (Picard, 2013), their channeling to isolated settlements in remote areas with limited socio-economic opportunities further impoverished new residents, exacerbating the gaps between them and populations in Israel’s geographic core (Lipschitz, 1991).

To mitigate peripheral economic deficiencies a second policy of industrial dispersion was implemented. It aimed at de-concentrating manufacturing activities by encouraging the establishment of industrial factories in and around development towns. The state provided financial incentives to (mostly) private investors who agreed to set up factories in those national priority areas (Gradus et al., 2006). The Law for the Encouragement of Capital Investments (1959), notably its spatial component, was pivotal in the mobilization and allocation of funds for peripheral industries (Schwartz, 1989). Consequently, between 1955 and 1965 the number of industrial workers in development areas increased tenfold (from 5000 to 47,000) with substantial growth taking place in the peripheral northern and southern districts (Greenberg, 2009).

Despite its success, the state’s expansionist policy was criticized for being economically inefficient (Razin and Schwartz, 1992). Critics argued that the generous public support provided was detrimental to the success of some factories whose owners ‘ignored business considerations in decision making processes and got used to turning to governmental aid when they faced difficulties’ (Greenberg, 2009: 143). Notwithstanding official vows to promote financial self-sufficiency, relationships of mutual dependency developed between the state and industrialists by which the former kept resuscitating ailing plants in exchange for their owners’ commitment to refrain from downsizing. The negative impact on peripheral economies was twofold; first, it incentivized mediocre business management practices in many factories, which damaged their profitability. Secondly by artificially maintaining full employment, it indirectly deterred more advanced factories, who were concerned about their chances of recruiting adequate workers, from moving in Schwartz et al. (2008). Thus, the policy has inadvertently turned many development towns into low-class and ethnically exclusive (e.g., Mizrahi) communities, where shaky industrial factories are often the only viable employment opportunity.

The onset of neoliberal economic policies in the 1980s brought some industrial sectors to the brink of collapse. The preferential treatment given to export-oriented high-technology industries diverted state support away from peripheral industries and signaled a new phase in Israel’s industrial geography (Gradus et al., 2006). The shift exacerbated unemployment in development towns and deepened social and economic gaps (e.g., average household income) between core and periphery (Razin and Schwartz, 1992). Throughout the 1980s it became clear that Israel’s peripheral industrialization policy was at an impasse, ‘unable to adjust to the new realities that have demanded the revision of the map of government assistance’ (Gradus et al., 2006: 79–80).

By the 1990s, dozens of peripheral factories in traditional industries had either closed down or relocated overseas (Razin, 1988; Razin and Sharach, 1987). The textile industry, for example, was severely damaged by economic restructuring, seeing flagship firms (e.g., Delta, Kitan, Atta) shutting down, privatizing, or outsourcing to countries with low labor costs. Consequently, between 1995 and 2008 the number of textile industry workers in Israel declined by sixty percent (Knesset Center for Research and Information, 2009). The lion’s share of this immense employment loss took place in peripheral regions, pushing its socio-economic disparities with the national core to new heights. Gutvein (2014) argues that Israel’s industrial spatial unevenness reflects a dominant neoliberal ideology, which advocates a systematic diversion of funds from peripheral industries to centrally-located economic sectors. Stated ‘Depletion of the Periphery’, he argues, perpetuates its inherent inferiority while reinforcing political, economic and cultural strongholds in the national core.

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2 In contrast to mainstream Israeli historiography, which perceives population/industrial dispersal as one of the greatest Zionist achievements, more critical accounts see both processes as integral to the Israeli ethnicocratic state project of ‘The Judaization of Space’, which marginalized Palestinian Arabs in post-1948 Israel (Yiftachel, 2006). The project, which entailed inter alia the nationalization of formerly Arab-owned lands, the establishment of Jewish development towns near or on the site of evacuated Arab villages, and the imposition of spatial restrictions on the economic development of Arab towns (Wesley, 2006) sought to dispossess the Palestinian Arabs in Israel and solidify Jewish territorial control in the newly-established state (see Yiftachel, 2006).

3 A key tool in Israel’s industrialization policy, the law includes growth and location incentives. While the former spurs industrial investment in general, the latter seeks to influence industrial dispersion towards peripheral areas and enhance the share of advanced sectors in them.
4. Peri HaGalil and Negev Textile compared: trajectories of crisis, strategies of resistance, and socio-political structures

4.1. Trajectories of crisis

Israel’s largest vegetable processing factory, PG was established in 1962 by Kur Industries, the Histadrut- owned conglomerate. It soon turned into Hatzor’s largest employer and a main source of indirect employment in the Upper Galilee. As Kur Industries was privatized in the early 1990s, PG was sold to a British holding company specializing in ‘purchasing and rehabilitating failing peripheral factories’ (Golan, 2009). Under the new management, the factory underwent several mergers with unstable businesses in the food industry. Subsequently, as debts incurred by the new partners were imposed upon it, PG’s financial viability was gradually undermined. One economic consultant likened the factory to ‘an infant forced to carry on his back several sick old men’ (Golan, 2009).

Subsequent changes in senior management and several state loans did little to save the troubled factory and in December 2008, with overdue loans totaling 260 million NIS ($65 million), its debtors petitioned for the appointment of a receiver. Following intense legal negotiations, the factory was sold to a major food wholesaler who undertook to retain all workers and uphold past agreements concerning their rights. In exchange, the state vowed to give grants totaling 18 million NIS to the new owners. Administrative changes in MOfTAL, including the appointment of new senior management, bequeathed periodic crises in later years. Ministerial administrators argued that the factory was not eligible for state grants because it did not meet the required exporting threshold. The owners accused them of reneging on verbal agreements, announcing major staff reductions and relocations of production lines to other sites. Consequently, on several occasions between 2011 and 2014 workers have taken to the streets to protest against the state’s perceived hostile policy. In early 2015, the transfer of state funding was re-assured and the saga seemed to have ended.

A textile dyeing and finishing factory, NT was established in 1987 by a Jewish immigrant from Turkey. Despite its small workforce of fifty, it soon became a major player in the local textile industry, serving a long list of global clients (e.g., Victoria’s Secret, Abercrombie & Fitch). In addition to its own workers, NT was a source of indirect employment for 500 additional households in the Western Negev and a payer of municipal tax estimated at 1 million NIS annually. From the mid-2000s, increasing global competition caused a steady decline in revenues. However, an aggressive marketing strategy and penetration of specialized market niches allowed it to remain profitable until 2009 (Interview, Uri Hadar, November 18, 2015). Small financial losses, first recorded in 2010, prompted the owner to announce a pay freeze and eliminate several high-paying positions. A deepening crisis in the global economy, which drove some clients out of business and sent others to search for supplies in sites of lower production costs, saw the company’s debt growing quickly. In 2012, two consecutive reductions of tariffs on imported textile products, rising in-house energy costs, and yet another round of violence between Israel and Gaza-based Hamas, which forced it to slow down production, have pushed the factory’s debt to new heights. In early 2013, public financial reports showed the factory was losing over 200,000 NIS monthly.

In a desperate attempt to avert closure, a major re-organization plan was implemented that reduced the number of shifts, cut salaries by thirty percent and reduced total energy costs by 15% (Erez, 2013). The plan, which was expected to stabilize the factory, was submitted to the Ministry of the Economy along with 3 million NIS grant application. The grant was to offset costs of phasing out the current fuel oil-based production system and connect to the cleaner and more cost effective natural gas system. An independent assessment corroborated management assertions, predicting that the factory would take three months to repay debts and an additional year to return to profitability of up to 15% of total revenues (Erez, 2013). Despite this encouraging forecast, the request was declined by the Minister who declared, ‘we shall no longer be the babysitter of factories and firms lacking [financial] justifications’ (Kadosh and Klian, 2013). A state-subsidized loan was offered instead, which the owner declined, quoting the heavy burden caused by an existing loan repayment schedule. The factory was closed shortly thereafter.

While these contrasting outcomes were often attributed to differences in incumbent ministers’ ideology towards peripheral industries, determinants are undoubtedly more complex. In what follows we examine the political economic contexts within which determinative struggles were embedded, analyzing the extent to which labor agencies were constrained (or enabled) by engaging with pertinent state policies, capital, communal politics and labor market intermediaries. Before that, we briefly discuss similarities in the strategies of resistance employed at both factories.

4.2. Strategies of resistance

Workers at both factories were strongly supported by local authorities, including the mayors who became their close allies. The Mayor of Hatzor explained his involvement in the PC campaign as follows, ‘I immediately joined their battle. I pressured [the state] politically and the Chairman [of the Workers’ Board] concentrated on the public front, and that’s how we succeeded’ (Interview, Shimon Souissa, July 17, 2013). Workers simultaneously regionalized their battle by encouraging mayors of adjacent cities to exert pressure on government officials. Appearing before members of the Finance Committee, Mayor of nearby Safed, warned of the destructive effect PC’s closure would have on regional viability (Committee on Finance, January 1, 2011: 3). Calling the struggle ‘the first chapter in the book of peripheral survival’, the mayor of the neighboring Bedouin town of Tuba-Zangaria similarly warned that closure ‘would bring about the collapse of municipal systems [in the Upper Galilee]’ (Fogel, 2009). Nearby cooperative communities (Kibbutzim) were also supportive of struggling workers and, though subdued, their representatives often expressed their desire to see the peaceful resolution of the crisis. Thus, the Secretary of the Organization of Israeli Falha Workers claimed, ‘we have an unequivocal interest that the factory survives’ (Committee on Finance, January 21, 2009: 14), and the CEO of a major agricultural cooperative in the Upper Galilee admitted, ‘we share the same piece of earth, [so] it’s a partnership of interests’ (Interview, Rami Levron, August 7, 2013). Workers at NT similarly drew upon multi-scalar, regional coalitions. The Mayor of Sderot was particularly instrumental, helping workers mobilize a supportive network of MKs and agreeing to waive half the municipal tax owed by the factory (Interview, Rudina Muslah, January 24, 2014). The mayor further took their cause to the streets (literally), setting up a protest tent in front of the Prime Minister’s House and warning, ‘if NT closes . . . hundreds will be fired . . . especially in the periphery’ (Azoulay, 2013a).
Workers have additionally secured ties with representatives of nearby Kibbutzim (e.g. Erez, Yad Mordechay). Through small acts of solidarity, such as speaking on their behalf in parliamentary discussions, a cohesive regional front was solidified in the Western Negev. As Secretary of the National Kibbutz Movement declared, “we will stand by the factory until the end of the battle” (Seidler, 2013a, 2013b). The Union of Industrialists in Israel and staff at different textile firms were also mobilized, submitting letters of support to key politicians (Interview, Rudina Muslah, January 24, 2014).

Finally, the mobilization of marginal socio-spatial identities was instrumental for workers in both factories. In PG, workers frequently highlighted their peripheral location. Chairman of the Workers’ Board admitted that using peripheral identity was critical for ensuring that “the media in Tel Aviv and politicians in Jerusalem hear us out” (Quoted in Cohen and Aharon-Gutman, 2014: 397). Spatial marginality was supplemented by references to the workers’ disenfranchised class identities. In media appearances, workers often appeared against the background of noisy peeling machines or giant cooking pots, waving their skimpy paystubs and declaring, ‘We just want our minimum wage jobs’ (Cohen and Aharon-Gutman, 2014). Finally, Jewish internal and ethno-national ethnicity was strategically mobilized. The linguistic ‘otherness’ of Russians and Bedouin Arab workers, for example, was used during media appearances where their distinct accents marked their subjugated ethnicity. Referring to recognizable stereotypes, one Histadrut official proclaimed: “[I]n PG, a Moroccan [Jew], a Russian [Jew] and a [Bedouin] Arab meet” (Committee on Finance, February 27, 2012: 25).

Whether marginality played a role in the decision to provide PG with the grant is uncertain. We found no explicit evidence that state officials considered it in their decision-making process. It is clear, though, that marginality could not have been a salient determining factor, since NT workers made a nearly identical use of it. Accordingly, Sderot’s peripherality was often accentuated as workers and allies flagged the challenge of finding employment at the job-scarce Western Negev (Seidler, 2013b). Such challenges were exacerbated by the advanced age and low educational attainment of the majority of workers. A key reason for intervention, argued one MK, is related to ‘the people over 50 . . . [T]hat is an age of clinical death in the job market’ (Committee on Labor, Health and Welfare, 2013: 12). Peripherality was also linked to the town’s geopolitical precariously, caused by years of shelling by Gaza-based Hamas. The state’s abandonment of workers was contrasted with their acts of loyalty, reflected in their steadfastness during the recurring rounds of military conflict between Israel and Hamas. One MK explained the dual rationale, claiming: “[These are] people who live under the threat of Kassam [rockets] and it is a periphery” (Committee on Labor, Health and Welfare, 2013). Yet, since these nearly identical strategies generated rather different outcomes, the explanation of labor agency success and failure lies in the more complex socio-political structures against which they were enacted. It is to the comparative analysis of these structures that we now turn.

4.3. Socio-political arenas

4.3.1. State policies and structures

The distinction in state policies towards industries of which factories were a part explains the diverging outcomes. Owing to historical trajectories, the fragmentation of Israel’s textile industry long undermined the formation of a cohesive sectoral front (Levi-Faur, 2001). Fragmentation allowed the state to steer industrial policy with little intervention of sectoral interest groups. During the 1950s and 1960, the state maintained a sectoral development policy, ‘which centered on the private entrepreneur as an owner and the mechanism of loss and gain as expressing personal responsibility’ (Levi-Faur, 2001, p. 185; italics added). It was the same disaggregation that, from the 1980s, hampered textile manufacturers’ attempts to restrain governments from reversing the formerly protectionist policy towards their industry. With few links to loci of political power, resistance to the removal of textile import barriers was feeble (Knesset Center for Research and Information, 2009). Thus, the 2012 lowering of custom tax on imported textile products – from 12% to 0%, which devastated NT’s market competitiveness, was met with little industrial resistance.

While state policy changes were partly in response to global economic restructuring (see Section 4.3.2), particularly the emergence of low labor cost hubs in East Asia, others were linked to national geopolitical interests. For example, a series of bilateral free trade agreements (FTAs) with Jordan and Egypt signed in the 1990s, which led to the establishment of Qualifying Industrial Zones (QIZs)11 with the latter two, adversely impacted the local textile industry. Intended to secure stronger relations with moderate Arab countries, FTAs incentivized large Israeli manufacturers to outsource production to QIZs and simultaneously facilitated the penetration of firms from these countries into the US textile market, further debilitating the dwindling sector in Israel. Consequently, between 1995 and 2008 the number of Israeli businesses in the textile/apparel industry plunged from 2000 to roughly 800 and that of textile finishing from twelve to one (Knesset Research and Information Center, 2013a, 2013b). Simultaneously, the share of textile imports has climbed steeply and it currently accounts for 95% of the total market share (Union of Industrialists in Israel, 2015). Against this backdrop, textiles was discursively constructed as ‘an extinct industry’ (Koren and Heruti, 2014) whose poorly managed factories – NT included – are beyond repair and should, therefore, not be artificially resuscitated by the state.

In contrast, PG – and the food sector more generally – have long enjoyed a special status in Israel, partly as a result of their strong links to agriculture, which was considered pivotal to Jewish nation-building (Almog, 2000). Agriculture was emblematic of Jewish re-territorialization of Eretz Yisrael (The Land of Israel), namely their re-assertion of their ancestral territory, and symbolized the process of ‘productivization’, which was to transform the ‘wandering’, urban dweller diasporic Jew to a place-anchored, rural laborer. As Cohen (1970) notes, agriculture and rural life more generally was instrumental in order ‘to turn the Jewish national pyramid upside-down’, by ‘broadening the “basis” of laborers and especially peasants, [and]narrowing the “top” of business, professional and other tertiary occupations’ (p. 3–6). In the pre-state years, agriculture and, consequently, the food processing sector, had evolved primarily in Kibbutzim and Moshavim whose cooperative structure helped their members attain economics of scale in various stages of production – from purchase of raw materials to product marketing (Elmaliach, 2009). It further helped them establish a range of nation-wide, specialized interest groups (e.g., Organization of Vegetable and Fruit Growers), which over time congealed into a cohesive and powerful sectoral front (aka The

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9 Fragmentation, namely the large number of small and unorganized textile businesses, was explained against the dynamics of Jewish migration to Palestine whereby ‘Migrants have established small . . . factories whose only objective was to ensure the meager livelihood of their owners’ (Levi-Faur, 2001: 69).

10 Though large manufactures like Delta and Kiton did enjoy considerable political clout, they seldom used it to advance broad sectoral interests.

11 QIZ’s are designated industrial areas in Egypt and Jordan that enjoy a duty free status with the US. Goods manufactured by companies located in these zones, many of which are in the labor intensive textile/apparel industry, are granted duty free access to the US markets, provided that they contain a portion (11.7% and 8%, respectively) of Israeli inputs.
Agricultural Lobby). While the lobby has lost some of its political leverage in recent decades, it remains a major force in industrial matters and a highly influential political actor. For example, from the 1990s, it successfully lobbied governments to increase permits for labor migrants in order to alleviate agricultural labor shortages and keep wages down.\(^{12}\) A vocal opponent to the importation of food products, the lobby is often perceived as being partially responsible for the high prices in country's food production sector (Zerahia, 2011). Alluding to its influential role and summarizing differences between the two sectors, a recent parliamentary report concluded, ‘the textile and apparel sector is exposed to imported products, resulting in continuous reduction of consumer prices . . . [This is] in contrast to the food sector, in which the level of competitiveness is relatively low, [and] the sector is protected by high rates of tariffs resulting in continuous rise in consumer prices’ (Knesset Center for Research and Information, 2013a: 9).

While efforts were conducted primarily behind the scenes, the lobby was actively involved in efforts to resolve the PG crisis. MKs and representatives of organizations associated with the lobby urged the state to transfer the funds to the indebted factory, mentioning its critical importance to the agricultural sector. One representative declared openly, ‘We understand that our future and the future of Moti Haziza is shared and integrated’ (Committee on Finance, January 21, 2009: 14) and another admitted that workers and representatives of the lobby, ‘centered on legal synchronization, [so that] if some lifeline presents itself, not to let it go’ (Interview, Yossi Arazii, March 3, 2011). Its support was instrumental for the agency of workers, because it allowed them to take a more active stance in demanding state support. As Chairman of the Workers’ Board summed it up, ‘we succeeded because we [workers and the agricultural sector] each pushed [the government] from a different direction’ (Interview, Moti Haziza, August 21, 2011).

4.3.2. Global production networks

Differences in outcomes were also tied to the distinct structure and scale of capital organization in factories and industries of which they were part. PG operates within the fruit and vegetable processing (FVP) industry, which processes fresh produce into canned, bottled, preserved, frozen, or dried food products (IBIS World Industry Report, 2015). Globally, this industry has witnessed a steady growth in recent years as a result of rising per capita incomes and expanding middle classes in developing countries.\(^{13}\) In Israel, too, increased consumer spending has pushed industrial revenues to new heights.\(^{14}\) Expansion has not been met by equal diversification, though, and the food processing industry remains highly concentrated in the hands of a few large players.\(^{15}\) With annual revenues of NIS 5.4 billion, of which three quarters (4 NIS billion) are generated locally, and a workforce of nearly 5000 workers in more than 200 factories, FVP is a key player within the food production industry (Central Bureau of Statistics, 2011).

PG is the largest FVP factory in Israel and therefore enjoys a special status in the food industry. Their position as a key player operating in a centralized, locally-oriented industry, which is largely insulated from global competition, was instrumental for workers in two ways. First, it enabled them to frame their battle within a Zionist discourse, evoking the imperative to retain national self-sufficiency in food production. Secondly, it facilitated collaboration with stakeholders enjoying monopolistic power at critical nodes of the production network. Chief among these were the Organization of Fruit and Vegetable Growers, many of whose members are dependent upon PG for their economic prosperity (Interview, Yossi Arazii, March 3, 2011), and the Organization of Falha Workers whose Secretary once argued, ‘They [PG] are a very big and strategically important client. If, God Forbid, anything happens to PG, we will get hurt. We have an unequivocal interest that this factory survives’ (Committee of Finance, January 21, 2009: 14). One example of protecting such interest was growers’ refusal to sow seeds for crops needed by the factory, until their debts are fully paid. Such acts exerted pressure on the state to transfer the necessary funds to the factory.

Contrastingly, NT workers were disadvantageously positioned vis-à-vis the competitive production networks of the global textile and garment (or apparel) industry. The $1.7 trillion industry is a major economic engine, accounting for 1.8% of global GDP and one of the fastest growing, having tripled its workforce from twenty to over sixty millions between 2000 and 2014 (Van Tot, 2014). Furthermore, its value chain has recently become increasingly global as primary functions (e.g., yard production) have shifted south/eastwards to countries with low-labor costs and less stringent environmental laws. Advanced functions (e.g., brand design and retailing) and consumption remains concentrated in ‘the global north’.\(^{16}\) In Israel, rising labor costs and adoption of advanced manufacturing technologies in tandem with the abolition of the formerly protective regime accelerated the demise of the industry, which in its heydays employed over 60,000 workers in hundreds of mostly peripherally-located factories. From the mid-1990s, as a growing number of Israeli manufacturers reorganized, outsourced, or shut down their local operations,\(^{17}\) textile exporting was cut by a quarter (from $1144 to $865 million in 2011) and importing of raw materials rose by more than 17% (from 3085 to 2540 NIS in 2011). Consequently, the textile industrial production index has lost nearly a third of its value, and the total workforce shrank by 40%, from 19,500 to 11,500 (Knesset Center for Information and Research, 2013a).

Against this background, NT workers faced an uphill battle. Situated in the last stronghold of the old economic order, their unsuccessful adaptation to the terms set by the globally-organized economy fixed their image as an industrial relic. Notwithstanding a long list of international clients and considerable investment in R&D, this image, which was maintained by politicians and civil servants,\(^{18}\) was detrimental to the struggle of NT. As General Manager of the Ministry of the Economy declared ‘we’ll no longer fund extinct industries . . . we have to go towards innovation. That’s where we should go, not Negev Textile’ (Koren and Heruti, 2014).

4.3.3. Labor market intermediaries

Another key distinction was the involvement of labor market intermediaries. In contrast to NT’s non-unionized labor, PG workers received considerable support from the Histadrut. Though a long way from its pivotal position in the nation’s powerful corporatist

\(^{12}\) Kemp and Reijman (2008: 86) argue that the battle over labor migrants proved that the lobby is possibly the strongest loci of political economic power in the country. ‘Despite their moderate size . . . agriculturalists had at their disposal many supporters in key positions as well as a vocal representation of MKs of the entire political rainbow’.

\(^{13}\) Between 2010 and 2015 industrial revenues grew at an annual rate of 1.3% and they expect to expand at a rate of 3% over the next five years (2016–2020) to more than $300 billion (IBIS World, 2015).

\(^{14}\) In 2011, it encompassed over 1700 factories who generated a revenue of NIS 55.7 billion (17% of total industrial production) and employed more than 60,000 people, which constitute 15% of the national industrial workforce (Knesset Center for Information and Research, 2013b).

\(^{15}\) In 2011, the five largest corporations generated 44% of the total revenues in the industry (Knesset Center for Information and Research, 2013b).

\(^{16}\) In 2015, the top garment producing countries were China, Bangladesh and India and the largest importers – EU-28, US and Japan.

\(^{17}\) A partial list includes Bagir, Delta, Tefron, Polgat, Standard Textile, Kitan Dimona, and Arad Towels.

\(^{18}\) This explains why some Israeli firms refuse to be identified with textiles; Rather than ‘producers of raw materials who use traditional techniques’, they wish to be considered as ‘innovation-oriented firms that are based on high technology and compete in global markets’ (Azran, 2013).
of survival coverage in media outlets in order to portray their struggle as ‘one of struggling workers to gain access and a sympathetic

were instrumental in garnering the support of MOITAL who eventually approved public grants. It was also useful in aiding representatives of struggling workers to gain access and a sympathetic coverage in media outlets in order to portray their struggle as ‘one of survival ... not greed’ (Interview, Moti Haziza, August 21, 2011).

In contrast, NT workers received little assistance from the Histadrut. Although its representatives were involved in the initial discussions over the fate of the factory their role was not nearly as significant. Thus, despite frequent media appearances and broad communal support, non-unionization rendered the struggle at NT organizationally incoherent and prevented workers from gaining access to key politicians. As noted retrospectively by its manager, ‘We did not have a lobbyist who would lead us to the places where the right decisions were made’ (Azoulay, 2013b).

4.3.4. Communal politics

Similarities in the enactment of labor agency were also found in respect to communal politics. In both, high levels of support by the community were directly linked to its significant economic dependence upon factories. Their major share in municipal tax bases and standing as emblems of place-based strength catalyzed a broad array of communal support acts. In PG, such acts ranged from mass residential demonstrations to town-wide ‘solidarity strikes’, which were explained by the Mayor as follows, ‘the whole town is shut down ... because [it is a matter of] the future of a whole town’ (Madrisovich and Talmor, 2009). Other reported acts included those of local school children writing letters of support on behalf of struggling workers to incumbent politicians, expressing fears of ‘a death blow to the entire town’ (Madrisovich and Talmor, 2009).

Communal politics often transcended Hatzor’s jurisdictional boundaries. One demonstration, in which participants blocked the region’s main highway (#90), was attended by Galilee-based NGOs, regional college students, and social activists. These acts of (local) citizenship expanded workers’ base of communal support and politicized their struggle while embroiling a range of actors in it. As Cohen and Aharon-Gutman argue, ‘[In PG] the battle over one’s place of work became an entire region’s battle to be legitimized and empowered as claim-making subjects’ (2014: 599).

In addition to the support bestowed upon them by municipal actors, workers at NT were aided by a group of Negev-based activists who popularized their struggle. Accompanying them to meetings with MKs and using social media networks to solidify their place-based links, activists became a major vehicle of support for struggling workers. Facebook groups named ‘Give a hand to workers of Negev Textile’ were set up to disseminate information on upcoming events and transmit letters of support on their behalf to national decision makers. Social networks were used by activists to stir an intense public debate on the state’s commitment towards peripheral regions. But their efforts were not limited to virtual spaces, and in several occasions they joined workers in street protests, including blocking of major intersections in the Western Negev (Seidler, 2013b). Yet, despite such proactive communal assistance, the level of public support garnered by NT workers was discernably lower than PG. Some workers attributed it to their small number or the timing of struggle (e.g., in summertime), while others suggested that Israelis may be simply experiencing ‘a crisis fatigue’ (Dabush, 2013). Whatever the reason may be, it is clear that communal politics was another important determinant in the different outcomes of both cases.

5. Conclusions

Drawing on a comparative, agency-centered approach, this article set out to examine temporalities of labor struggles in Israel by analyzing analogous anti-closure campaigns in two peripheral factories. We showed that despite similar strategies, consisting of multi-scalar resistance, a supporting regional coalition, and mobilization of marginalized identities, campaigns yielded opposing outcomes. In explaining them, public discourse in Israel often highlighted the role of the officiating Minister of the Economy in the (dis)approval of state support. While we recognize that ascribing eventual responsibility to incumbent officials is of merit, we sought to transcend ad hominem analyses. We therefore attributed outcomes to the temporalities of labor agency, namely the political economic contexts within which struggles were set. Specifically, we argued that although they were waged only months apart and within the context of an increasingly deregulated labor market, it was labor positioning vis-à-vis state, capital, community, and labor market intermediaries that ultimately determined their outcomes. Whereas one was waged by unionized labor and unfolded against a largely protectionist state policy towards a highly centralized and lobbied for a sector whose products are largely orientated towards the local market, the other was carried out by non-unionized labor in a historically fragmented sector whose contemporary adverse position derives in part from intentional deregulatory state policies. Consequently, and despite similarly effective drawing on local communities, the former succeeded in securing state grants while the latter did not.

Our research illuminates the importance of temporalities in anti-closure campaigns, which (labor) geographers have often analyzed spatially. Rather than ascribing inconsistency in state policy to officiating individuals, we underscored the varying political economic structures, which enable or constrain labor agency. Although our methodology prevents us from hypothesizing on outcomes of prospective struggles, we believe that labor’s position within said arenas will continue to fashion state policy towards precarious factories. Incumbent ministers’ ideological stance will simultaneously remain a key determinant in the arduous political process. A recent case in point is the plan announced by the Minister of the Economy to increase the benefits provided for factories in remote towns, primarily in the northern periphery (Koren and Heruti, 2015). The plan, which coincides with declarations by other ministers saying, ‘It is better to help factories survive ... than invest money in unemployment benefits and social security (Koren et al., 2015), may raise hopes among workers in failing factories’. However, no matter how sustainable such commitments prove to be, they are bound to intersect with specific temporalities of labor agencies.

References