MAPPING THE SHADOW ECONOMY: SPATIAL VARIATIONS IN THE USE OF HIGH DENOMINATION BANK NOTES IN BRUSSELS

Abstract. The aim of this paper is to map the spatial variations in the size of the shadow economy within Brussels. Reporting data provided by the National Bank of Belgium on the deposit of high denomination banknotes across bank branches in the 19 municipalities of the Brussels-Capital Region, the finding is that the shadow economy is concentrated in wealthier populations and not in deprived or immigrant communities. The outcome is a call to transcend the association of the shadow economy with marginalized groups and the wider adoption of this indirect method when measuring spatial variations in the shadow economy.

Key words: informal economy, undeclared work, cash deposits, Brussels.

1. INTRODUCTION

Is the shadow economy concentrated in marginalized areas and populations, such as in immigrant populations, and as a result, reduces the spatial disparities produced by the formal economy? Or is it concentrated in more affluent populations and, as a consequence, reinforces the disparities produced by the formal economy? This paper seeks answers to these questions. For many

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JEWS WORKING IN AGRICULTURE IN POLAND IN THE FIRST YEARS AFTER THE SECOND WORLD WAR

Abstract. The article presents the political and geographical considerations and the development of Jews in agriculture in Poland in the first years after the Second World War. The analysis was made in the context of the implementation of the policy so-called productivisation, which was based on increasing employment among the Jews (and other groups) in the industry, the cooperative sector and the rural economy. The areas of the largest concentration of Jewish farms were Lower Silesia and north-western Poland, especially two counties: Stargard and Choszczno. Despite the financial and material support (among others the Society for the Propagation of Professional Knowledge ORT), many farmers did not succeed at ensuring the profitability of their farms. However, the launch of farms quite quickly improved the dire material situation of Jews. The most resigned, fearful and hurt among them, who saw handing over their fate to appropriate institutions as their only chance for a change in living conditions, found employment in agriculture.

Keywords: Jewish agriculture, productivisation, number and arrangement of Jewish farms, agricultural kibbutzim, Poland, Lower Silesia, Western Pomerania.

1. INTRODUCTION – NUMBER AND DISTRIBUTION OF JEWS IN THE POST-WAR PERIOD

According to different sources, approximately 10 to 13% of the more than 3,3 million Jews living in pre-war Poland survived the Second World War (Adelson, 1993, p. 387; Olejnik, 2003, pp. 344–348; Rykała, 2007, p. 17; 2010, p. 273; Eberhardt, 2010, pp. 93, 107, 110; 2011, pp. 78, 88, 92; Stankowski and Weiser, 2011, pp. 31–34). The coming out of Holocaust survivors, the return of camp prisoners and the influx of repatriates from the Soviet Union was accompanied by the

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emigration of Jewish population from the country that had started before the war formally ended. Many Jews were negative or undecided about staying in Poland. In the case of the Zionists, the need to leave their current homeland stemmed from the perspective of founding a new one in the Middle East. ¹ One of the main reasons for leaving was the inability to rebuild their lives in the cemetery of their own nation, which was what the survivors considered Poland to be (Pisarski, 1997, p. 17; Rykała, 2007, p. 49; Michlic, 2015, p. 265). Emigration also resulted from the efforts of Jews to connect with families staying abroad. Pro-emigration moods were also intensified by strong anti-Semitism, including terror on the part of the anti-communist underground (Żbikowski, 2011, pp. 71–93; Zaremba 2012, pp. 584–585; Cała, 2014, p. 17; Michlic, 2015, pp. 287–289).² Others decided to leave because of the fear – often based on personal experience – of the system being installed in Poland and modelled after the Soviet one.

Despite the exile, the number of Jews in Poland was growing steadily, culminating at the beginning of July 1946. Almost 244 thousand people identifying as Jews were registered at that point (figure 1).³ However, in the second half of 1946, Jewish population declined quite significantly (Olejnik, 2003, pp. 344–348). The decrease was due to a wave of emigration, caused largely by the Kielce pogrom on July 4, 1946 – the largest single act of anti-Semitic crime – in which (in the house at Planty street 7, where the local Jewish community had its basic accommodation) 37 Jews and three Poles were killed. In December 1947, when the living conditions of Polish Jews normalised – due to the fading echoes of the Kielce pogrom, the development of multithreaded group activities, the aversion towards further displacement and the decrease in ethnically motivated crimes, there were 95,496 Jews in Poland.⁴ In 1949, at the verge of free emigration to Israel,⁵ the number fell to 85,234.⁶

¹ The Proclamation of Independence of Israel, which was the culmination of the political aspirations of many Jews, not only Zionists, took place in May 1948).
² In the years 1944–1947 at least 800, maybe even a thousand Jews, including women and children, were murdered, often as a result of activities of the anti-communist underground. In many cases, these were mass killings. The total number of cases of anti-Jewish violence involving murder, oscillated between 200 and 300 (Żbikowski, 2011, pp. 71–93; Cała, 2014, p. 17). The vast majority of anti-Jewish actions happened in the eastern, south-eastern and central Poland. Jews were murdered for being Jewish, and the background varied: religious prejudices (mostly associated with the legend of ritual murder), serving in the new authorities, plunder of Jewish property and preventing survivors from regaining their property. More on anti-Semitism in Poland after the war in: Gross (2008).
³ Archive of the Jewish Historical Institute (AZIH), the Central Committee of Polish Jews (CKŻP), Department of Registration and Statistics (WEiS), ref. 569; Archive of New Records (AAN), the Ministry of Public Administration (MAP), Political Department (DP), Department of Nationalities (WN) 786.
⁴ AZIH, CKŻP, WEiS, ref. 502, 533, 562.
⁵ AAN, ref. 237/XXVI/34. Free and legal emigration to Israel, published under Government Regulation Polish People’s Government on September 1, 1949, lasted until the beginning of 1951.
A significant decrease in the number of Jews since the mid-1946 did not significantly impact their largest centres of concentration. In addition to cities such as Łódź, Warsaw or Cracow, where the Jewish community before the war was a large proportion of inhabitants, Jews concentrated mainly in Lower Silesia and Szczecin. Both Jewish repatriates from the Soviet Union and emigrants from other parts of Poland came to the areas abandoned by Germans. Besides the improvement of the material conditions, settlement in the so-called Regained Territories was mainly determined by safety (weakness of the organisations that used antisemitic policies in their underground struggle and the lack of anti-Jewish actions caused largely by the decomposition of social bonds), psychological considerations (the need to live in larger Jewish centres), ideology (the acceptance of systemic changes in the country that allowed them to serve in local administration), and even tactical considerations (settling near the border fostered illegal emigration from Poland and “kibbutz” activities that adapted Zionists to their pioneering work in Palestine) (Adelson, 1993, p. 391; Rykała, 2007, p. 30).
2. PLURALISM AND AUTONOMY IN THE COLLECTIVE LIFE OF POLISH JEWS

In this period of struggling to achieve normalisation and stabilisation, Polish Jews started a very active community life. They established a form of institutional autonomy, under which they rebuilt the foundations of their material existence, developed their national culture and created an ideologically diverse political scene, which was somewhat of a rarity in the contemporary political reality. The reasons for state authorities agreeing to this relative independence and multi-threaded nature of organisation of Polish Jews stemmed from the dynamic political transformations happening both in Poland and elsewhere.

The Holocaust forced the international community to take a firm stand on the topic of plans to create a Jewish homeland in the Middle East. Palestine, where it was to be created, was an unformed and politically important area. Soviet Union, which had a huge influence on Poland’s internal policies, was struggling to subdue it as another outpost following the Central and Eastern Europe. The intersection of the goals of Soviet foreign policy and the aspirations of Jews to establish their own state was the deciding factor in Polish government’s acquiescence to the relatively autonomous and multi-faceted activities of the Jewish community. The authorities also acted out of their own self-interest. They used the importance of the Jewish statehood in international community in seeking international recognition and legitimisation of their power. The authorisation of pluralistic activity of the Jews was also to be a proof for the international community that the people ruling Poland are also the only political force interested in combating anti-Semitism.

This acceptance for Jewish autonomy was only possible due to the rise to power of the pre-war opposition that considered breaking with the nationalist and clerical tradition of some former ruling circles of Poland as one of their priorities. The implementation of liberal policies towards the Jewish minority was also meant to prove the failure of the Nazi ideology, as well as speed up foreign aid to the survivors and make amends – as far as was possible – for the losses suffered by them during the war (Adelson, 1993, pp. 472–474; Aleksiuń, 2002, pp. 49–57; Olejnik, 2003, pp. 361–380; Rykała, 2007, pp. 160–161).

The declared official position of the government towards Polish Jews was, however, often at odds with their actual actions, e.g. on emigration. The government, while manifesting support only for its legal form, was very much interested in the disappearance of the Jewish population from Poland. They assumed that the reduction of its concentration will help to overcome the stereotypes, still pervasive in a large part of the society, “organically” connecting Jews to the authorities, while combating the acts of anti-Semitic violence undermining the international credibility of the new government.
3. THE THEORY AND PRACTICE “PRODUCTIVISATION” AND THE ECONOMIC LIFE OF POLISH JEWS

In order to improve the dire state of the Jewish population, the government and the representative bodies of the Jewish side not only took immediate action to provide survivors with basic means of subsistence, but included this group in their long-term economic policy. The new programme involved nationalising the economy and the introduction – since 1947 – of the command system based on the assumptions of long-term plans specifying the most important objectives for the country.

The so-called productivisation became one of the basic elements of the new economic policy of the state. It was based on increasing employment among the Jews (and other groups) in the industry, the cooperative sector and the rural economy. The sides interested in implementing this idea (namely the government and the Jews) believed in its success. Firstly, “productivisation” was meant to include a small Jewish community (the group of over a million potential Jewish workers in the interwar period was given as a reference for any hardships during the implementation of similar plans). Secondly, the theory of “productivisation” gained the support of a large part of the Jewish community, which – referring to the views promulgated as early as the end of the nineteenth century – sought to change the existing socio-professional structure of Polish Jews (Adelson, 1993, p. 454; Rykała, 2005, p. 52).

The main initiator and coordinator of the “productivisation” was the Central Committee of Polish Jews (CKŻP), created in November 1944. The activities of this largest and most important organisation of Polish Jews – which aimed to represent them as a monopolist in relations with the Polish government and the so-called abroad – included taking care of children and repatriates, as well as social services, healthcare, assistance to emigrants, satisfaction of religious needs and the promotion of Jewish culture. One of the most important tasks faced by CKŻP was the reconstruction of the economic life of the Jewish community, which was directly headed by the Department of Productivisation. In line with its name, it concentrated on the implementation of the main guidelines of the new programme, especially on running a network of courses and vocational schools, the establishment and support for cooperatives and directing Jews into industry and agriculture. The main aim of this paper is therefore an analysis of the activity of Jews in agriculture in the context of the “productivisation” policy.

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7 The nationalisation of the economy, resulting from the seizure of power by the communists in Poland, began with the adoption on January 3, 1946 r. by the National Council (KRN) – the foundation of a parliament – of the law on nationalisation of industry. The implementation of this Act eliminated private industrial capital.

8 AAN, ref. 237/XXVI/34; AZIH, CKŻP, Department of Organisation (WO), ref. 34.
In mid-1945, when CKŻP started implementing the concept of long-term economic policy, over 96.5% of the 78,5 thousand Jews in the country had no material basis for existence and no employment. Only 2639 people found employment, 57.9% of which had the qualifications necessary to perform it. On July 1, 1946, after the completion of the repatriation action and on the “eve” of the first mass emigration of Jews from Poland, 26 thousand people started working, accounting for 10.7% of all Jews residing in the country at that time.

At the beginning of 1947, after a period of general chaos that prevailed among Jews in connection with the Kielce pogrom, signs of relative stabilisation of economic situation appeared. The number of people taking up employment grew to 33,442. The largest group, 6165 (18.4% of all working people) of mostly young people with no relation to the pre-war professional traditions, found employment in state-owned industry (except for mines).

Relatively many Jews took up employment in various kinds of social institutions: institutions serving the Jewish community – 5512 people (16.5%), and government offices – 3307 (9.9%). Employment in those places largely depended on proper vocational training and the affirmative attitude towards the political transformations in the country. Field offices of CKŻP (Jewish committees) made repeated attempts at making their own administration less bureaucratic, as by mid-1947 it was employing as much as 15% of all working Jews in the country.

Despite the ongoing process of nationalisation of the economy, 5058 Jews (15.1%) were still running private companies, while 4607 (13.8%) were operating their own workshops. Concerned about the development of individual crafts, people specialising in it organised several Jewish crafts unions that not only supported them in organising their workshops and creating proper working conditions, but also represented them before appropriate economic institutions.

In the same period, 3077 Jews (9.2%) found employment in the separate (Jewish) cooperative sector, while 1546 (4.6%) made their living working in free professions. Others worked in trade – 1047 people (3.1%), local businesses – 916 (2.7%), local government offices – 662 (2.0%), mines – 868 (2.6%) and agriculture – 599 (1.8%).

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9 AZIH, CKŻP, WEiS, ref. 569; WO, ref. 34.
10 AZIH, CKŻP, Department of Productivisation (WP), ref. 155; WEiS, ref. 569.
11 AZIH, CKŻP, WP, ref. 101.
12 AZIH, CKŻP, WP, ref. 101.
13 AAN, ref. 295/VII/149.
14 AZIH, CKŻP, WP, ref. 101.
15 AZIH, CKŻP, WP, ref. 101, 155; State Archive in Łódź (APŁ), the Presidium of the National Council (PRN), the Office of Internal Affairs (USW), ref. 2355.
16 AZIH, CKŻP, WP, ref. 101.
4. THE ORIGINS, DEVELOPMENT AND DECLINE OF JEWISH AGRICULTURE

The employment of the greatest possible number of Jews in agriculture was the main goal of the “productivisation” policy. One of the largest concentrations of Jewish farms could be found in Lower Silesia (figure 1). Those interested in agricultural work organised the 1st Congress of Jewish Farmers in Lower Silesia on September 30, 1945 in Dzierżoniów. Attempts were made at developing a common strategy that would allow farmers to acquire financial and material aid from state and Jewish institutions. During this period, 127 Jews in Lower Silesia started working in agriculture in the following towns: Bielawa, Rychbach (currently Dzierżoniów), Gierzcze Puste (currently Głuszyca), Ludwikowo, Niemcza, Peterswaldau (currently Pieszyce) and Wałbrzych.

![Fig. 1. Jewish farmers in the so-called Regained Territories](image)

Source: Department of Monument Documentation and Photography Archive, Jewish Historical Institute, Warsaw

A total of 34 farms with an area of 900 ha were created. The livestock of these farms consisted of 342 heads of cattle, 95 horses, 30 pigs and 400 poultry. The dairy production of the farms covered almost 40% of demand for milk of the Jewish population in Lower Silesia.\textsuperscript{17}

\textsuperscript{17} AŻIH, CKŻP, WP, ref. 157.
In March of 1946, Jews were operating 63 farms with a total area of 1470 ha.\textsuperscript{18}

The vast majority of them previously belonged to German farmers, who usually left the areas reclaimed by Poland when the war ended. However, a large part of the area was not used for sowing, due to the very tough financial and material situation of Jewish farmers. They mostly requested additional cattle (150), horses (200) and piglets (350). In August of that year, in the initial phase of the emigration panic caused by the Kielce pogrom, the number of farms increased 100, with a total area of approx. 2 thousand ha. 396 were employed at them, and in September, when emigration did not stop, this number increased by 100 (figure 2).\textsuperscript{19}

![Fig. 2. Jews working in agriculture in Poland (including the Lower Silesia) in selected years (1945–1949)](image)

Source: own elaboration

The second area of increased concentration of Jewish farms was located in north-western Poland, especially two counties: Stargard and Choszczno (figure 3). In August of 1946, 107 Jews found employment in 9 state farms, with 93 families (227 people) settled down in agricultural areas.\textsuperscript{20} They were largely repatriates from the USSR, who took up agriculture mainly because of limited opportunities to quickly find jobs and housing in Szczecin and surrounding towns. The choice of this activity was also influenced by increased agitation, led by Polish and Jewish activists. The basic obstacle in the initial phase of organising agricultural establishments was the lack of adequate professional training of their future owners. Psychological resistance stemming from fear of the non-Jewish surrounding’s re-

\textsuperscript{18} AZIH, CKŻP, WP, ref. 43.

\textsuperscript{19} AZIH, CKŻP, WP, ref. 155; Presidium, ref. 34.

\textsuperscript{20} AZIH, CKŻP, WP, ref. 18, 155.
action was also significant. In this part of Poland, as opposed to Lower Silesia, it usually was favourable and without incidents that would require the involvement of Jewish self-defense units.

In 1947, the number of farmers did not change much. Those who left Poland (on a wave caused by the Kielce pogrom, among others) or resigned from the difficult work in agriculture, were being replaced by successive pioneers of this

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AŻIH, CKŻP, WP, ref. 18, 155.
profession. In July of that year, 702 Jews (268 families) settled in agricultural areas, including 512 (193 families) in Lower Silesia and 190 (75 families) near Szczecin.  

By the end of 1947, the total number of 181 Jewish farms employing 563 in Lower Silesia and 240 near Szczecin included 173 individual farms, 5 parcel and settlement cooperatives: in Kania (Stargard county), Kidlin and Pieszyce (Lower Silesia). In addition, there were 3 so-called auxiliary farms. The status of a model Jewish farm – obtained thanks to their quality and productivity – was awarded to the “Common Effort” Farming Cooperative in Kania, whose assets included an area of 592 ha of arable land.

The Jews were also engaged in farming outside Lower Silesia and Western Pomerania (figure 4). At the end of 1946, they only accounted for 2% of Jewish farmers and farm workers in Poland. These disparities were largely the result of a planned action of economic activation of Jews in Western Territories. Major involvement of Jewish and state organisations in the process of creating farms in those territories made the needs of other farmers be regarded as less important. They received less financial and material support, with the value of the aid dependent on the quality of reports concerning Jews in agriculture in other regions of Poland, that were imprecise. This faint Jewish involvement in agricultural work outside the so-called Regained Territories was the fear for their own safety, strong especially at the end of the war, and in the first months after its end. The Office for Support of Jewish Population, an institution that, true to its name, supported the mentally wrecked and paupered Jews since August 1944, said in their April 1945 report that “even the surviving members of Jewish farmer families, quite numerous in Rzeszów province and operating their farms there for generations, living in good relations with the Polish and Ukrainian farmers surrounding them, had to leave their farms, having already plowed and sowed, and move to the cities under the threat of terror.”

The disproportion between the number of Jewish farmers on lands acquired from Germany and the rest of Polish territory changed in 1948 and 1949, when many Jews in Lower Silesia and near Szczecin abandoned their jobs. The most common reasons for resignation included: difficulties in the adaptation to the working conditions on a farm, the inability to ensure the profitability of their farms, and the desire to emigrate, which was allowed by the government’s decision of 1 September 1949.

The crisis of this scale did not affect farms in other parts of Poland at that time, that were operated in many cases by people that were directly or indirectly

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22 AZIH, CKŻP, WP, ref. 160.
23 AZIH, CKŻP, WP, ref. 11, 157; WEiS, ref. 281.
24 AZIH, CKŻP, WP, ref. 101.
25 AAN, Cabinet Office (URM), Presidium Office 5/17.
involved in agriculture before the war. It should be emphasized that few of the Jewish farmers had any experience in this profession, gained before the war on small farms, trading agricultural goods or farm animals. At the beginning of 1949, 62.9% of Jewish farmers and farm workers were operating in Lower Silesia, with 2.6% in and near Szczecin and 34.5% elsewhere in Poland.  

Fig. 4. Jews employed in agriculture at the beginning of 1949
Source: own elaboration

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26 AŻIH, CKŻP, WP, ref. 148.
A huge role in the organisation of Jewish individual farms (especially in Lower Silesia, near Szczecin and in central Poland) was played by the Society for the Propagation of Professional Knowledge ORT, known before the war as the Organisation for the Development of Industrial, Craft and Agricultural Production. Its special support covered, among others, the farms in Kania Góra and Wstawa (near Szczecin), as well as Farmers Associations, organised by ORT near Dzierżoniów.

However, the Society was mainly occupied with vocational training for Jews aged 14 to 55. Over three years, nearly 3.5 thousand people graduated schools and courses operated by ORT. The Society, along with the aid organisation American Jewish Joint Distribution Committee and the CKŻP also provided financial and material support for many Jewish farms. At the beginning of 1948, in order to harmonise and coordinate aid activities, ORT established a Coordinating Commission. The Society, along with CKŻP organised trainings for farmers, and provided individual farms with livestock, seeds, fertilisers and farm equipment. Thanks to the Society and the Committee, a complex of farming infrastructure was created, mainly in Lower Silesia, that included blacksmith workshops, saddlers, cartwrights and vets.

Jewish political parties and youth organisations were also involved in organising their own agricultural farms (figure 5). Supervision over these institutions was exercised by Hechalutz Pionier organisation that united youth organisations from the majority of Zionist parties existing in Poland. The main objective of Hechalutz Pionier, and the agricultural kibbutzim, was to raise Jewish youth in the Zionist-socialist spirit and their education in “productive” work in the country and pioneer work in Palestine (Israel) (Rykała, 2007, p. 120). In 1946, the organisation founded four agricultural institutions in Piława, Mieroszów, Bielawa and Lubawka, employing a total of 100 people. In 1947, only the first three were still in operation, employing 120 people each in 1947 and 1948 (Rykała, 2007, p. 121). It is worth noting that the Zionists-led agricultural centers were the source of funds for other kibbutzim operating in Poland.

27 APL, PRN, USW, Ref. 2357; AAN, Department of Education (WO), ref. 237/XVII/81.
28 In the early postwar years, until 1947, there were as many as 11 political parties in Poland (8 of them legally), that were largely the successors of pre-war organisations (Adelson, 1993, p. 434; Berendt, 2000, p. 9; Aleksiuń, 2002, pp. 49–57; Grabski, 2003, pp. 9–16; 2015, pp. 24–25; Olejnik, 2003, pp. 361–380; Rykała, 2007, pp. 89–90; Rykała, 2010, pp. 295–297). Due to the tragic wartime experience, Zionist parties and organisations, both secular and religious, gained much support from Jewish population for their propagation of Jewish emigration from Poland and the need to build a new state in the Middle East. As a result of the departure of many of the Polish party activists (especially the Zionists) and the progressing policies of Stalinism (which manifested themselves, among others, in centralism and ubiquitous terror), all political parties were dissolved by 1950.
29 More on the activities, size and distribution of kibbutzim in Poland and the parties and their youth organisations operating them see Aleksiuń (2002); Rykała (2007).
5. SUMMARY AND CONCLUSIONS

Despite the financial and material support, many farmers did not succeed at ensuring the profitability of their farms. A common reaction to the economic results was the abandonment of farming and a change of type of work performed. Those emigrating to Israel also resigned, planning to use the experience gained in Poland in their new homeland. However, the condition of Jewish farms took its hardest hit with the closing of ORT in 1950. The lack of its support was for many farmers the impulse to make a decision to abandon their profession. Only the most prosperous ones and members of cooperatives were left (Rykała, 2007, p. 88).

In the late forties, due to the departure of the vast majority of Jewish farmers for Israel, their farms and agricultural kibbutzim were transformed into agricultural cooperatives employing the Jews that stayed along with Poles.

It is worth noting, however, that the “productivisation” policy signed by CKŻP with support from central authorities, one element of which was the development of Jewish agriculture, had some achievements. The launch of farms quite quickly improved the dire material situation of Jews. The most resigned, fearful and hurt among them, who saw handing over their fate to appropriate institutions as their only chance for a change in living conditions, found employment in agriculture.
The process of “productivisation”, despite indisputable achievements in terms of satisfying the basic economic needs of the survivors, did not significantly impact the professional stratification of Jews. The number of agricultural workers slightly exceeded half a thousand.

Transformations in Polish politics and the economy, started by Stalinism progressing since 1948 (including strict control of all aspects of life through the single party system), coupled with changes in the international arena (such as setting the geopolitical vectors of the young Jewish state towards the West) led to the liquidation of CKŻP in 1950, and thus the end of its policy of “productivisation” of Jewish population. The end was sealed by the consent from state authorities to legal emigration of Jews to Israel in the late forties and early fifties.

Although most Jewish farmers left their farms, and even their previous homeland, the experience they gained was used by many of them in their new homeland of their dreams.

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