
Politics and Administration in the Israeli Port of Ashdod¹

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The Israel Ports Authority and the Port of Ashdod

The port of Ashdod, which is located 25 miles south of Tel Aviv, was opened to commercial traffic in November, 1965, and its opening resulted in the closing of two of the country's small Mediterranean ports, Jaffa, which had been in operation for at least 3,000 years,² and Tel Aviv, which had begun operations in 1936. Haifa, hitherto Israel's only large port, situated in the north of the country also felt, though less drastically, the impact of Ashdod's competition, since it suffered an immediate decline in the volume of cargo that it handled.

The first men to be employed as permanent port workers in Ashdod were recruited from two different backgrounds: from the defunct ports of Tel Aviv and Jaffa, and from the ranks of the labourers who had been employed by the building contractors, *Solel Boneh*³ during the four years that it had taken to construct the port. The original intention of the Israel Ports Authority (IPA) had been to recruit its labour from the ports of Tel Aviv and Jaffa and to augment this force gradually as the port of Ashdod developed. However, the labourers engaged in the construction of the new port, mainly new immigrants, became concerned about their future employment as the port neared completion, and staged a strike in October, 1965. Their chief demand was that they be granted employment as dock workers when the port commenced operation. This strike occurred shortly before the general election of 2nd November, 1965 and during a period of economic recession so that there was considerable pressure on the government not only to act promptly, but also to be seen to act promptly. The government quickly responded to the strike and promised that the workers would be transferred from *Solel Boneh*

to the IPA. This promise threatened the men from Tel Aviv-Jaffa who had already been offered employment in the new port. They were veteran Israelis and experienced port workers who did not see why their livelihood should be jeopardised by new immigrants with no experience of port work. The dilemma facing the IPA, that of commencing operations during a trade recession with an excess of labour, was partly resolved by offering severance pay which exceeded anything hitherto paid to redundant workers. Even so, 319 dockworkers made the move south and 485 *Solel Boneh* labourers joined the IPA.

One consequence of this strike was that port workers realised their power to put pressure on their employer, the IPA, by virtue of their crucial position in the national economy. Government action signified the overruling of port management on what it had regarded hitherto as one of its prerogatives, namely the recruitment of manpower. This submission was reaffirmed in 1967 when workers exerted pressure on the IPA, via the government, to accept yet more port workers.

The IPA, which is a state-owned corporation, was established in 1961 after the Israeli Parliament had passed the Ports Authority Law earlier that year. Although responsible to the Ministry of Transport, the IPA is independent in its finances and operations, and is governed by a 15-member board, eight of whom represent public economic bodies (shipping lines, the Export Institute, the Citrus Marketing Board, the *Histadruth* or General Federation of Labour, the Manufacturers' Association and the Haifa Labour Council) and six of whom represent government ministries, all presided over by an independent chairman.

According to its statute, the IPA must manage the country's three ports (Haifa, Ashdod and Eilat) in general and each one separately as a viable economic unit, by at least balancing revenue and expenditure, the latter including development costs, interest and depreciation. The IPA must therefore be a profit-making concern without recourse to government subsidies and rising costs must be met either by raising tariffs or increased productivity. Higher tariffs are bound to affect the sectional interests of at least some of the members of the board, though ultimate

1 The research was carried out in 1970/71 under the direction of the late Professor Max Gluckman of the University of Manchester on Research Grant 779/1 of the Social Science Research Council of Great Britain. In the summer of 1977 a further grant HR5209 from the SSRC has enabled me to pursue a limited follow-up study.

2 Jaffa ('Joppa in Greek), 2 Chronicles Chap. 2 v16 and Ezra Chap. 3 v7.

3 *Solel Boneh*—the largest construction company in Israel, owned by the *Histadruth* (the General Federation of Labour).

decision on proposals to raise tariffs would have to be ratified by the Government. This is one of the basic issues pertaining to the IPA on which the Government retains the final say (another is the development budget). The Government also appoint members of the IPA's board, the Director of the IPA and the managers of the individual ports.

Hence the same statute that grants the IPA independence also restricts that autonomy by reserving certain basic issues for the Government. Apart from these statutory limitations on its independence the Authority is also susceptible to the influence and policies of the Government and to pressures that groups and organisations can exert on the Government so that in fact the IPA is a government agency. Thus the wider national interests that the Government has to take into consideration may further infringe what senior officials of the Authority regard as their prerogatives. Labour leaders in the ports as well as management are aware of the real *locus* of decision-making in disputes between them. From experience labour leaders know that pressure can be exerted on the IPA by the *Histadruth* and by government ministries, particularly those of Labour and Transport. The IPA and its employees also recognise the power of the *Histadruth* and each has sought its aid in settling disputes in the port of Ashdod and in other ports.

Prior to general elections the power of workers in relation to that of management is enhanced, as was revealed by the strike of the construction workers who built the port. Party politics also affect the relations between management and labour in Israel where government ministries are divided among the political parties that form the ruling coalition. Thus change in the composition of the cabinet can result in a shuffling of ministerial posts among the parties. For example, after the 1969 elections the Ministry of Transport, which since 1948 had been a preserve of *Achdut Avodah*⁴, was allocated to *Gahal*, a right-wing political party that had first entered the government shortly before the Six Days War in June, 1967. The new minister received leading port workers from Ashdod in the home of the mayor of Ashdod, who was also a member of *Gahal*, and subsequently agreed to set up an inquiry into labour relations in the port of Ashdod. However, by the time the report was

published in September, 1970, *Gahal* had already withdrawn from the coalition government and the Ministry of Transport was once again in the hands of the *Achdut Avodah* faction, now a member of the Labour party.

The IPA, its employees and the Government are all sensitive to public opinion, which each of them attempts to inform and to mobilise in support of its case in dockland disputes. Hence in 1970 the largest Works Committee in the port of Ashdod appointed a local newspaper owner as its public relations adviser in view of the unfavourable publicity that it had incurred as a result of a series of strikes in the port; the Works Committee made this appointment because of what it considered to be the biased statements of the public relations officers employed by the Authority at Head Office and at each of the three ports.

Because of the need for regular consultations between the IPA on the one hand and government ministries, banks, the *Histadruth*, and clients on the other, IPA headquarters were located in Tel Aviv. Proximity to these bodies is indicative of the role of headquarters in relation to its constituents, the three ports. Although each port is independent in its operations and free to compete with the other ports in attracting clients, headquarters determines development projects, manpower policy, wage policy, and budgets, and therefore requires close and immediate contact with the institutions that deal with these matters. Port workers interpret this location as indicative of the remoteness of the IPA from the daily life of the ports, and regard the officials in Tel Aviv as bureaucrats who know little, if anything, about the waterfront. They consider that Head Office should have been situated in either Ashdod or Haifa though this would have inevitably aroused the indignation of one of the two ports.

The town of Ashdod

The town of Ashdod has experienced rapid growth since its creation in 1956, especially after the subsequent decision to construct a deep-water port there. From 4,600 in 1961 the population rose to 23,300 in 1965 and to approximately 38,000 in 1971. Most of this increase was due to immigration, particularly of new immigrants to Israel. Thus in 1965 over half of the population (12,000) had come to Israel since 1961. Not only were the town's inhabitants new immigrants but they were young: one half below the age of 19 and two-thirds below the age of 30. Thus Ashdod

4 *Achdut Avodah*—a left-wing party which in 1965 was a member of the Alignment with *Mapai* which in 1969 was a constituent founder of the Israel Labour Party with *Rafi* and *Mapai*.

is a rapidly growing new town, populated mainly by young immigrants and their numerous children.

As the largest single employer in the town, the port with its workers is of great concern to local politicians, who see it as a strong base for their parties, who show considerable interest in its affairs. In the national and local elections held simultaneously in 1969, Ashdod was one of several local authorities which voted for one party at national level and for another at local level (Arian 1972: 103). Nationally the town voted for the left-wing Alignment, a coalition based on the Labour parties of *Mapai*, *Achdut Avodah*, *Rafi* and *Mapam*, but locally it elected *Gahal*, a right-wing alliance between *Herut* and the General Zionists (later Liberal) Party. This was the first time in Ashdod's short history that the Labour parties had not controlled the town and this rejection expressed dissatisfaction with the Alignment on local issues including a dispute between the *Histadruth*, which is controlled by the Alignment, and the Works Committee of the dockers of the Port of Ashdod. The Alignment's candidate for mayor was also the Head of the Administrative Department of the Port, which supported the *Histadruth* in the dispute, and the Labour coalition lost votes as a result of this.

Although the right wing *Gahal* gained control of the town council, nevertheless the Labour parties, through their domination of the Ashdod Labour Council (the local branch of the *Histadruth*) have effective political and economic control over many local enterprises, including those owned or administered by the *Histadruth*. Examples are *Kupat Holim*, the *Histadruth* Sick Fund which provides medical care to most of the town's residents, and the sports and youth clubs which attract many of Ashdod's youth. Ashdod port workers sit on the Labour Council as the representatives of political parties. The Labour Council has a department concerned with trade union affairs which has the authority to declare a strike legal, thereby granting official *Histadruth* support to the striking workers. Consequently their roles as port workers and Council members may come into conflict.

The manpower resources of the local branch of the *Histadruth* are limited and so one official deals full-time with all the works committees in all the enterprises in Ashdod, including the six committees in the port. Because of the local and national importance of the port, its manager and even his superior, the secretary of the local Labour Council, are often bypassed when disputes occur, since local workers may appeal directly to

officials at *Histadruth* HQ in Tel Aviv, and to government ministries in Jerusalem.

In short, because of the divided allegiance of its members, its inadequate manpower resources, and the strategic national importance of the port leading to the direct involvement of national bodies, the local Labour Council is weaker than its nominal inferior, the local committee of dock workers.

The growth of the port

Ashdod port expanded rapidly during the first years of its operation and this expansion was significant not only for its own workers but also for employees in Israel's other Mediterranean port, Haifa, which competes for cargoes with Ashdod. The initial effect of Ashdod's opening in Haifa was that the latter suffered a decline in the handling of both exports and imports as some of these moved to its young rival. Thus it was not until 1969/70 that Haifa exceeded the amount of cargo that it handled in 1965/66.

The opening of Ashdod port reduced not only the volume of trade passing through Haifa port but also the political power of Haifa port workers. When the ports of Tel Aviv and Jaffa were Haifa's only rivals the latter's workers did not need to seek an alliance with the men from the southern ports since they were not competing for cargoes because Tel Aviv and Jaffa were lighterage ports and handled only a few ships per month. However, when the Haifa men went on strike, they appealed to the Ashdod workers not to accept diverted ships.

One outcome of rapid expansion and subsequent opportunities for promotion in the early stages was that expectations of advancement came to be considered the norm, and this led to disappointment by 1971 when workers who had been employed perhaps six months or a year less than their workmates felt their promotion prospects blocked. In addition men who had gained promotion from stevedore to fork-lift truck driver found themselves earning less than before since there was no work for them in their new occupation and they had to remain on stand-by with no chance of earning bonuses.

Promotion was not confined to rank and file workers, since their elected leaders, members of the Workers' Committee of the Operations Department also benefited and became foremen. Thus three predecessors of the current Secretary of the Workers' Committee of the Operations

Department gained promotion between 1965 and 1967, as did other members of that Committee. Changes in the membership of the Operations Workers' Committee affected relationships between the Committee and port management, especially when one committee refused to acknowledge agreements reached by its predecessor.

Thus rapid expansion created a situation of fluidity both within the ranks of the workers and in their relationships with management. As far as management was concerned, the turnover in leadership among port workers created problems about continuity and predictability in relationships so that management itself became interested in the establishment and maintenance of a stable leadership for port workers.

The port of Ashdod had 1,501 permanent employees on 31st March, 1970 distributed among five departments:

Admin.	Engin.	Finance	Marine	Operations	Total
52	97	74	111	1,167	1,501

By far the largest is the Operations Department whose main task is the loading, unloading and storage of cargo. Space precludes a long description of the occupational complexities of this department (but see Mars, forthcoming), suffice it to say that the basic work unit is the gang of stevedores, assisted by winchmen or coastal crane operators and by fork-lift truck operators whose work is co-ordinated by the gang leader, known as the signaller, all of whom are supervised by a foreman. The gang is not a stable unit since its composition may be modified by technological factors such as the type of crane employed, the nature of the cargo (which may require more or less workers), and workers' norms. For example, the principle of seniority is critically relevant when work is scarce so that junior signallers may have to stand down and their gangs be dispersed. The basic cause of fluctuation in the composition of the work gang is the seasonal flow of work. The permanent work force is sufficient to man 45 work gangs per day and at the height of the citrus season between 65 and 67 gangs are required. This is achieved by the recruitment of temporary labourers from the labour exchanges in and around Ashdod. At this time winchmen become signallers and stevedores with winchmen's certificates move up on deck and are replaced in turn in the hold by temporary, unskilled workers.

The Operations Department is characterised by its dominance within the port, by the transience of its basic unit, and by the high degree of segmentation among the department's workers which derives from the diversity of occupations. Thus the department contains three separate works committees, one for foremen, one for warehousemen, and one for the men who work in gangs assisted by the crane and fork-lift operators. This last committee, which is styled the Operations Committee, itself represents a wide range of occupations.

Against this background of transient working relationships we have one stable fixture, the Operations Committee, to which the dockers can turn when they have problems, whether about pay, conditions of employment, promotion, and, in some cases, domestic problems. The position and strength of the Operations Committee in the port which arises out of the segmentation of its workers, is enhanced by the status which management accords it in dealing with those workers and their problems.

Management has acquiesced to the incorporation of the Operations Committee into the administrative organisation of the port. This incorporation, however, was not granted to the Committee as an automatic right but was achieved as a result of a series of confrontations between management and workers, when management lost complete control over the recruitment of labour, over the promotion of workers and managerial officials and over the timing and holding of occupational courses. Outwardly and officially, management claims that it still has the decisive say in these matters, and the Operations Committee is content to help maintain this front since it enables it to hold power without being publicly responsible for the administration of the department or of the port.

The first major confrontation between management and the workers in the Operations Department took place in December, 1966 and early 1967, a period of economic recession in Israel when there was little work in the port. This confrontation was known as the Strike of the Forty, and its origins are to be found in the agreement to transfer labourers engaged in construction of the port from *Solel Boneh* to the employment of the Authority which was signed by the latter and the *Histadruth*. This agreement stipulated that those who had been in employment with the constructor on and prior to 31st December, 1963 would have the right of transfer. There were labourers who had commenced work after that

date but before the port was officially opened in November, 1965. Among them were the forty labourers who staged a hunger strike in the offices of the Ashdod Labour Council and outside the gates of the port.

The forty had been employed as temporary port workers since the opening of the port and had been given the impression by the Works Committee that they too would be granted permanent status, despite the fact that they were clearly excluded by the terms of the agreement. The local Labour Council, after initially opposing the forty, decided to give them backing. The permanent workers were divided on the issue: those who subscribed to the view that the legal agreement should be honoured were overruled by more militant men, some of whom came from the rank and file, among them the current Secretary of the Works Committee, who decided to back the demands of the forty.

After progressing through the various stages for settling disputes, management, workers and their representatives in the Labour Council and in the Trade Union Department of the *Histadruth*, agreed to submit the question to the arbitration of the Minister of Labour. Management based their case on two points:

1. that the forty were not covered by the transfer department;
2. that the Minister of Labour himself had stated in the *Knesset* (the Israeli Parliament) that an enterprise would not be obliged to accept more workers than were economically required for its operation.

Management argued that the recruitment of manpower was its prerogative and that management alone would determine, along rational, economic lines, the labour force it required; moreover, during the current recession there was not enough work for the permanent workers, let alone for another forty, the equivalent of more than two work gangs.

The Works Committee and the *Histadruth* conceded that management was legally right to exclude the forty from permanent employment, but they stressed the role of the port in the economy of the new town of Ashdod and argued that management should absorb the men in order to establish good will with the town during the recession. They also argued that the port would eventually require additional manpower.

The Minister of Labour in his arbitration found that the Authority was right to deny the forty permanent employment, but argued that the port of Ashdod was an expanding concern and therefore it should grant the forty the status of 'minimum workers', i.e., a transitional status between temporary and permanent workers which guaranteed the worker a minimum number of days' work per month gradually increasing over a period of years until he became a full-time employee. (This status was abolished in 1969.)

As a result of this verdict, the port manager of Ashdod resigned on the grounds that his position had become untenable. Port management considered that the verdict had given the workers the green light to repudiate signed agreements and to use naked force to back up their demands in the knowledge that the Government and the *Histadruth* would give them support. The Government, however, took into consideration factors that were outside the scope of port management such as the social, economic and political problems of development towns populated by new immigrants during a period of recession. The strike leaders, who regarded the verdict as the triumph of natural justice over the narrow, legalistic attitude of the management, appreciated that they had to rely on their own efforts rather than those of the *Histadruth* which had signed the original agreement. The dispute heralded the arrival of leaders whose strength derived not from links with the *Histadruth*, nor with political parties, but from within the port itself. However, the emergence of such leaders meant that they were courted by political parties and by the *Histadruth*.

The strike was successful because the Committee was able to mobilise forces, particularly governmental, that lay outside the port, but which could be invoked legitimately as part of the accepted procedure for dispute settlement. Another confrontation a few months later, which concerned the recruitment of foremen from outside the port did not have as successful a conclusion as the Committee had wished, but paved the way for the Committee to insist that it would, in the future, never accept candidates for the post of foreman from outside the Operations Department and *a fortiori* from outside the port, even though the Labour Agreement stipulates that posts within the Authority are open to all of its employees.

The IPA is thus caught between the demands of government ministries and the pressures exerted by its employees. Thus, after pressure from

workers, it relinquished control over areas that could be defined as non-work e.g., the allocation of the canteen licence and the management of a minor insurance fund, since these concessions could be considered not to be challenges to its managerial position. On the recruitment of labour, the IPA was legally bound to accept the arbitration of the Minister of Labour, who saw the issue as one that reached beyond the confines of the port to embrace the social and economic welfare of new towns inhabited by new immigrants. In this instance the pressure on the IPA, which had originally come from below, from its workers, was strengthened from above by the government. However, the IPA under its first Director, a tough, capable, and independent-minded person, so frequently came into conflict with the government, the *Histadruth* and with the dockers, that in 1970 he was ousted from his post after an inter-ministerial Committee of Inquiry on Labour Relations in the port of Ashdod (which seemed to have been established expressly to remove him from office), and was replaced by a man from the Foreign Office whom the government hoped would be more flexible and susceptible to its influence.

The dockers are able to exert pressure on the government because of the vital economic and political role of the port in the national economy. Unlike some other workers in the port, the administrative, engineering, and warehouse employees,

for example, the dockers can bring the port to an immediate standstill by their refusal to work. A stoppage in the port is not simply a local event but a national concern in a small country with two main ports which constitute its lifelines. Because of the port's national significance, government ministers and senior officials of the *Histadruth* quickly became involved in labour disputes. The leaders of the dockers, who have direct contact with such notables, themselves become national figures who owe their position to the local power-base that they have built up in the port quite independently of political parties or of the local Labour Council. This power, moreover, was derived from a series of industrial conflicts which challenged the claims of the IPA to jurisdiction in matters of recruitment, promotion and technological change.

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