



KIBBUTZ, WHAT IS YOUR TRUE NATURE?

"Sustainable economic and business success can't persist without social justice"

The search and research for a solution to the world's most urgent and painful issue, SDG #1—Poverty, led me to the insight that technology is a tool **to improve** one's economic competitiveness, but **it cannot turn poverty into prosperity.**

If technology is not the source of prosperity, then its source must be sought elsewhere.

Where should we look for prosperity or prosperity initiators?

How would we know which path leads to prosperity?

My primary objective of lifting smallholders, individuals, and communities out of poverty led me to investigate different types of societies, organizations, and communities in search of a systematic method of achieving prosperity.

We have failed miserably for decades and desperately need it now.

To achieve that goal, I needed a better theory based on well-established laws (preferably as the universal laws of physics, unaffected by geography, culture, industry, etc.) expressed by easy-to-follow and applied principles.

Since most poor people, about 500 million, are smallholder farmers living in rural communities, I looked for high success rates and trusted ways to transform impoverished rural communities into prosperous ones.

To achieve this, we need the capacity to predict the consequences of our actions accurately and confidently discern the sequence of steps and actions that lead to prosperity.

The Holy Grail of this is a theory with a field-tested model.

So, I searched for such a model and was even ready to develop one myself if needed.

Surprisingly, I found that such a model, which has been "field tested" and proven for a long time, exists in Israel—the *Kibbutz*.

I was even more surprised to learn that it is the model I was born into and raised in.

While I lived on the Kibbutz, I was too blind to see the obvious and never considered it to have any potential global value.

So, I never paid much attention to its history, roots, and reasons for success, which seemed normal to me.

However, once I realized that the Kibbutz model might have what I was looking for and what the world needed, I began a journey of studying it thoroughly to uncover its secret to success. benefited enormously economically

Why do I say "secret to success"?

Where else can we find a developing economy reminiscent of the Promised Land in the late 19th and early 20th centuries, where every rural community lived in poverty, yet seemingly overnight, all new communities burgeoned into prosperity, and existing ones underwent a transformative shift?

Where else the transformation success rate for rural communities shifting from poverty to prosperity is 100%?

How can that be?

What else should we realize to understand the Kibbutz success phenomenon better?

A QUESTION OF CATEGORY

You know those cars that on the outside look like a family car, the kind your old aunt has, but when you lift the hood, see the suspensions, the transmission, and the wheels, you discover that it's a crazy race car?

To which category should we associate this car: a family or a racing car?

If you ask the police and the licensing office, they will say without hesitation - that a racing car is the true nature of this vehicle. Therefore, it is a racing car.

However, a family car on the outside and a racing car on the inside may confuse most people.

Could we face a similar confusion with the Kibbutz? Is the Kibbutz's true nature not what it seems from the outside?

From the outside, the Kibbutz looks like a pastoral rural community that lives in harmony with its environment and within a defined compound. Some see it as an urban (i.e., city) luxury neighborhood in a rural (i.e., village) landscape.

Is that the entire story?

What is the Kibbutz inside true nature?

What will we see when we lift the Kibbutz "hood"?

In [previous columns](#), I discussed similarities between the Kibbutz and industrial models, particularly the assembly-line production model practiced by Henry Ford with the T Model, from October 7, 1913.

Notably, the automobile and every other industry and sector that adopted the assembly-line principles benefited enormously economically.

And what happened to those who didn't incorporate the assembly-line production principles?

Unable to compete, they were left behind, economically failing and falling into the poverty trap from which there is no escape, at least not with existing attitudes.

Unfortunately, smallholders never integrated the assembly-line principles into their professional activities and business models.

Hence, hundreds of millions of smallholders are left behind and have little chance to compete with those who have incorporated those principles into their business activities.

THE KIBBUTZ AND FORD'S BUSINESS ATTITUDE

The first Kibbutz was established in 1910, three years before Ford's assembly line was invented.

However, this didn't prevent the Kibbutz from applying assembly-line principles to agriculture, which it still practices today.

To this day, the Kibbutz's operation system is based on industrial assembly-line principles.

But that was not all. **Hidden from the public eye, the Kibbutz has other layers, including the significant one of universal social values, such as equality and self-management.**

In that sense, without realizing it, the Kibbutz rural community model was ahead of its time.

It is worth remembering that Henry Ford, a successful industrialist, introduced the world with innovative work-employment principles: (1) the five-day working week (instead of the six-day standard at that time), (2) the 8 hours working day, and (3) the minimum wage.

Hence, to understand Kibbutz's ongoing economic success, you may find it easier to understand its concept if you think of it as a big factory with many production lines.

This "Kibbutz factory" goes well beyond Ford's social work principles. The Kibbutz employees are its owners and are considered its most valued asset.

As such, the "Kibbutz factory" takes care of them and their family members, meeting all their needs with complete equality from birth to death.

Today, leading commercial companies are known for taking care of their employees beyond the basic payment the law requires, e.g., providing help with housing, food (during/after work time), healthcare, education (including for the employees' children), vacations, legal protection, transportation, etc.

The Kibbutz is like these commercial companies, taking it to the extreme, on steroids, with unparalleled success for over a century!

INQUIRING SIMILARITIES

We know that the Kibbutz is a successful type of organization, but we still need clarification about what this organization is and how to define it.

Is the Kibbutz a rural community with production means, or is it a business operation that takes good care of its owners/employees?

How should we categorize the Kibbutz?

Based on what you learned so far about the Kibbutz, how would you categorize it?

If you are still trying to figure out how to categorize the Kibbutz, you are in good company; many can't answer that question today, even not in Israel.

However, everybody needs to pay taxes, and due to this and other governmental issues, the state of Israel defined the Kibbutz as an *Agricultural Cooperative Society*, viewing it as a big business (conglomerate-like organization) with numerous employees and sub-business activities.

However, I am not a taxman and am looking for a deeper understanding of the Kibbutz nature and a broader view of its economic and social issues.

I sought a way to inquire about this issue with as few biases as possible.

So, I gave ChatGPT (an AI tool) various business and non-business features and aspects.

I settled on presenting 14 aspects to avoid information overload while conveying the trends and underlying message.

Then, I asked ChatGPT to compare each of the 14 aspects and rate their alignment with each organization and community type, which differ in the social-business level and interactions among community members—a Village (in a developed economy), a City, a Commercial Company, and a Kibbutz.

ChatGPT rated the alignment of features per organization on a scale from 1 to 5, with higher scores indicating stronger alignment with the respective feature (i.e., 1 - Low or no presence of the feature, 5 -High presence or substantial impact of the feature).

The features and aspects that were compared and rated per organization, followed by a table that presents the rating:

1. **Barriers to Entry:** The extent to which entry into the community or organization is restricted or requires a lengthy process.
2. **Shared Resources:** The degree to which members collectively own and utilize resources such as land, equipment, and facilities.
3. **Economic Resilience:** The community's ability (and its members' ability) to withstand economic challenges and adapt to changing conditions.
4. **Equality:** The level of equality in terms of opportunities, access to resources, and distribution of wealth among members.
5. **Gini Coefficient:** A measure of income or wealth distribution within a community.
6. **Dependency Within Community:** The reliance of community members on each other for various aspects of life, including work, social activities, and support.
7. **Leisure Partners Relationship:** The extent to which members engage in leisure activities and form social bonds outside work.
8. **Co-worker Relationship:** The quality of relationships among members while working together, including cooperation, collaboration, and mutual support.
9. **Community Cohesion:** The strength of social bonds and unity among community members.
10. **Environmental Sustainability:** The community's commitment to the environment and natural resources.
11. **Work-Life Balance:** The ability of community members to maintain a healthy balance between work responsibilities and personal life.
12. **Educational Opportunities:** The availability and accessibility of educational programs and resources for members and their families.
13. **Healthcare Access:** The ease of access to healthcare services and facilities within the community.
14. **Cultural Diversity:** The presence of diverse cultural backgrounds and perspectives among community members.

ECONOMIC & BUSINESS ASPECTS	Kibbutz	Commercial Organization	Village (Smallholders)	City
1. Barriers to Entry	5	4	3	2
2. Shared Resources	5	4	2	1
3. Economic Resilience	5	4	3	4
4. Equality	5	2	2	3
5. Gini Coefficient	5	3	3	3
Total (Economic)	25	17	13	13
SOCIAL & OTHER ASPECTS				
6. Dependency Within Community	5	2	3	1
7. Leisure Partners Relationship	5	3	3	1
8. Co-workers Relationship	5	3	3	1
9. Community Cohesion	4	2	3	2
10. Environmental Sustainability	4	2	2	3
11. Work-Life Balance	4	3	3	3
12. Educational Opportunities	4	3	3	4
13. Healthcare Access	4	3	2	4
14. Cultural Diversity	4	3	3	4
Total (Social & Other)	40	24	25	24
Grand Total	65	41	38	37

Evaluating Socio-Economic Aspects: Kibbutz vs. Commercial Company, Village, and City.

A SUPER SOCIO-BUSINES

If the Kibbutz were a living organism, then, based on the above table, we might call it a *super socio-business organism*.

Note that, as a business, the Kibbutz model gets a **significantly higher** ranking than Commercial Organizations on all five topics!

Isn't it crazy!?

Could it be a hint that values, social rights, and business go better together than when separated?

Is leisure separated from work, unaffected, or affecting each other?

Not according to the Kibbutz model or Henry Ford, who famously said

"It is high time to rid ourselves of the notion that leisure for workmen is either 'lost time' or a class privilege."

Ford later explained, *"We know from our experience in changing from six to five days and back again that we can get at least as great production in five days as we can in six."*

From a comprehensive view of work-leisure as a whole, Henry Ford introduced to the world a five-day workweek instead of six days (without reduction in wages), a workweek of 40 hours, a minimum wage per day of 5 \$ for 8 hours instead of 2 \$ for 10 hours, and the production line.

Put aside ideology, a comprehensive view of a worker and caring for its shortcomings is correct morally, managerially, and very profitable from a business point of view.

By caring for his workers' social-leisure conditions, Ford improved his business and became the world's number-one car manufacturer and one of the wealthiest people ever.

The table above reflects the Kibbutz's deep care for its members (i.e., workers).

This care is so comprehensive and total that the Kibbutz has become the ultimate organization that combines work and leisure, thus increasing productivity, income, and quality of life.

THE ORIGIN

The table above helps to trace back through reflection on current activities on the Kibbutz's true nature and, hence, how we should characterize it.

Due to the lack of recorded history, we can only speculate why, how, and where the first villages and cities communities began.

However, we have many recorded first-hand testimonies from multiple sources in the Kibbutz case.

We know that the first Kibbutz was established after decades of repeated efforts to empower farmers and help them achieve prosperity through improved access to technologies, knowledge, infrastructure, finance, and professional training.

We know that during all those years, farmers' number one problems and sources of frustration were poverty and hunger.

We know persistent poverty pushed eight farmers (the group of eight) to suggest a novel business approach to farming.

We know the sponsor of those eight farmers thought it was a crazy idea with little chance of success, but he agreed for two main reasons: he (and others) had already failed with all other ideas, and it was an excellent way to calm down those angry farmers.

Finally, we know the farmers and the sponsor declared the test "successful" **only** because of the positive financial results.

This means that it was not the social, organizational, management, values, etc., aspects that convinced the farmers, their sponsor, and others that this unique concept was worth more attention and scaling up efforts.

Instead, it was the proven ability to shift from decades of losses to instant profit in a way that seemed to be non-accidental.

A city and a village are non-profit organizational shells made to enable communities of people to practice their professions (e.g., agriculture in the village and trade, industry, etc. in the city).

In contrast, the Kibbutz is a for-profit business organization that began by making a living in agriculture and later in other industries and occupations.

Since the pioneers and leaders in the Promised Land during the early 20th century aimed for profitable agriculture and prosperous farmers, all rural communities established from 1910 onward were business-oriented **collectives**, such as Kibbutzim and Moshavim (versus the prior business-oriented **individual** approach), and they all thrived.

In conclusion, in a village, the family is the primary business unit, the "factory", while in a Kibbutz, the community is the "factory" and the primary business unit.

Do you see the equivalent of this change of the basic agro-business unit to the changes craftsmen endured during the Industrial Revolution?

Which business attitude do you think will benefit the developing economies more?

ALL WILL EMBRACE IT

From its early days, the Kibbutz viewed agriculture in a romantic manner, where working the land symbolizes the return of the Jewish people to their land.

With the same passion and conviction, the Kibbutz related to agriculture as a business that **must be profitable**, regardless of what you grow.

And if agriculture is not profitable?

You may need to change the crop, the methods, or yourself, but it must be profitable to support a thriving community.

As the table reflects, business and social-leisure conditions are interconnected in the Kibbutz, as inhaling and exhaling interact as parts of breathing.

Some may say that the Kibbutz model sounds great, but it is not for us and is too costly to apply when the return on investment (ROI) is unknown.

When Ford introduced the five-day workweek, he said, "*It is bound to come through all industries,*" and it did.

The same happened with 8-hour day work, the minimum wage, and the assembly line; all industries embraced them in all countries and continents.

Nobody said, "*The assembly line is coming from the USA, so we can't embrace it in LATAM, Africa, or Asia.*"

Without PR as good as Ford's, the Kibbutz had a holistic attitude of work-leisure responsibility to its members and their families from its start.

In the Kibbutz, ALL the elements listed in the above table are tightly coupled, as witnessed by the high ranking in both parts, i.e., economic and social parts.

This is reflected in the Kibbutz's model of extraordinary success, which has nothing to do with the fact that those pioneers were Jewish and lived in the Promised Land.

This is how a small fraction of Israeli society, about 2%, produces 40% of Israel's agro production and 10% of its industrial exports, excluding high-tech and diamonds, in addition to many other profitable business activities.

PROFIT IS MANDATORY

It is agreed that we can't eradicate poverty through charity, periodic funds, loans, philanthropic acts, etc.

This goal must be achieved based on a socio-business-oriented attitude, one that is thoughtful, compassionate, and considerate.

The current path, which puts its hopes and trust in reaching a better future by increasing farmers' access to and use of technologies, will, unfortunately, never lead us there.

In contrast, tailored per community, the Kibbutz basic model proved its ability to shift impoverished smallholders from poverty to prosperity for over a century.

Will you let this opportunity slip away, postponing the inevitable?

Sign up to be part of [the Nova Kibbutz Stewardship Community](#).

If you enjoyed this column, please share it with a friend who will enjoy it too.

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Here are four ways you can work with me to help your rural communities step forward to shift from poverty into ongoing prosperity:

* **Consultancy** on rural communities' models: Why, What, and How, e.g., **based on** the Kibbutz and Moshav lifestyle models.

* **Local & National programs related to agro-produce export models - [Dream Valley](#)** global vertical value and supply chain business model and concept connects (a) input suppliers with farmers in developing economies and (b) those farmers with consumers in premium markets.

* **Crop protection: [Biofeed](#)**, an eco-friendly **zero-spray control technology and protocol** solution, is most suitable for developing countries.

* **IBMA Conference - To learn, share, and practice novel business models: the IBMA 2025 conference** theme is "*Reshaping Agribusiness Models for Building Prosperous Rural Communities.*" Register now or contact me.

TAKEAWAY MESSAGES

- **The Kibbutz's primary** business unit, i.e., the entire community, proved more resilient and successful than the village family's primary business unit.
- **The Kibbutz model** blends social values and advanced business principles for sustained prosperity.
- **Community-focused business models** like the Kibbutz can transform impoverished communities and regions into thriving ones.

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More on the October 7th genocide in South Israel:

[Humanity is one organism](#)

[Videos - The October 7 genocide](#)

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If you got to here, read this column, and enjoyed it, please be nice to your friends, share it with them, or help them [Subscribe](#).

"Mental and Economic Freedom Are Interconnected."

See you soon,

Nimrod



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P.S.

If you missed it, here is a link to last week's blog, "[Can Uneducated Poor Youth Change The Trajectory of Rural Communities?](#)"

P.P.S.

OPEN BUSINESS OPPORTUNITIES:

- 1) Exporting fresh fruits from Africa to the EU under the Dream Valley regenerative protocol brand for the 2024 season.
- 2) Joining the Nova-Kibbutz concept project or establishing a similar initiative in your region.

Kindly provide your background and credentials to receive tailored next-step instructions.

P.P.P.S.

[Dream Valley](#) is a field-proven disruptive business model based on the successful Israeli Model.

You can follow me on [LinkedIn](#), [YouTube](#), and [Facebook](#).

*This article addresses general phenomena. The mention of a country/continent is used for illustration purposes only.