

pressure on the government to restrict immigration and land transfer to the European Jewish community had a great impact on the settler movement. The uprising gave a strong message not only to the Zionist authorities in Palestine but also to potential investors. Jewish capitalists, as a result, preferred to privately and directly invest their money rather than putting it in an unpredictable 'public' enterprise. This is illustrated by the failure of the urgent appeal for funding made by the Keren Kayemet to the World Zionist Organization in its 16th Zionist Congress. (34)

The situation after the second half of the 1930s was radically different. Partly due to the influx of capital and settlers prompted by the Nazi atrocities, and partly due to the strengthening of the political position of the Zionist movement world-wide, the Kibbutz movement experienced a real upsurge. Between 1932 and 1936, 18 Kibbutzim were established, i.e., an average of 3.6 Kibbutz per year. An even sharper rise occurred between 1937 and 1939, when 28 Kibbutzim were established, raising the average to 9.3 Kibbutz per year. (35)

The sharp rise between 1937 and 1939 was in fact a direct reaction to the serious threat posed by the Palestinian revolution of 1936-39. The pressure placed on the government, by the revolution, forced it to issue a "White Paper", changing its immigration and land transfer policies. (36)

For the Zionist authorities, the change in the government policy together with the rebellion which was in its second year meant that they were under tremendous pressure. What was at stake was not only the preservation of the existing settlements but the realization of their dreams for a Jewish state. This meant that they had to create