Poverty in Israel

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Abstract

The paper deals with poverty within Israel. Against the background of the history of pre-state Israel and the developments after the establishment of the State of Israel in 1948 the historical roots of Israeli poverty are analyzed. Thus the 'socialist'-Zionist project, ethnic exclusion, religious and intra-Jewish ethnic lines of conflict as well as the Bedouins, Druzes and Israeli Arabs as 'specific' Israeli citizen are discussed.

Despite the economic growth in Israel since 2003 'the majority of Israeli wage earners (over 60percent) earned less than $1,450 a month last year' (Goldstein 2007, p. 1). In 2004 1.3 million Israelis lived below the poverty line, a number which in 2005 increased to more than 1.5 million Israelis. In spite of growing economic prosperity the proportion of families belonging to the working-poor, i.e. families with at least one family member in paid employment, increased from 11.4 percent in 2004 to 12.2 percent in 2005. The percentage of poor families in the working population increased from 40.6 percent to 43.1 percent. Nearly 60 percent of the 'working-poor' were working fulltime (Sinai 2006a, Shaoul 2006).

42 percent of Israeli Arab families are living below the poverty line. The average wages are less than half the wages of Ashkenazi Jews. Every second Israeli Arab child lives in poverty. When in 1996 to 2001 the unemployment rate of the Jewish Israelis increased by about 53 percent, the unemployment rate of the Arab Israelis increased by 126 percent (cf. Shaoul 2006).

80 percent of Israelis regard themselves as poor. 23 percent of the pensioners are living below the poverty line. Poverty among children increased in 1988 to 2005 by about 50 percent. Approximately one fifth of all under-age children (714.000) in Israel are suffering from hunger (cf. Shaoul 2006). 75 percent of the poor families cannot afford medicine and 70 percent are dependant on food donations (cf. Sinai 2005b).

Nearly one third of the Holocaust survivors are living in poverty. Some of the Holocaust survivors get $ 600,- per month from the German government, whilst other Holocaust survivors receive only $ 350,- per month from the Israeli Ministry of Finance and the Holocaust survivors that immigrated to Israel after 1953 (who amount to 70 percent of the Holocaust survivors in Israel) only receive the general national pension. Nearly 20 percent of the Holocaust survivors are at the present time 86 years and older, 70 percent are older than 76 years. (cf. Medina 2007, p. 1) They are not entitled to a supplementary payment or to compensation. But the problematic economic situation of the Holocaust survivors is neither new information nor an unknown fact. As a result of the precarious situation several are in need of the help of welfare organizations, because they cannot afford to some degree their necessary medicine.

1 Socialism, ethnic exclusion and economical development

Ernst Bloch ends the rubric 'Freedom and Order' (Altneuland, Program of Zionism) in his famous book 'The Principle of Hope' with the conclusion that: '(…) Zionism results in socialism or it results not at all' (Bloch 1985, p. 713). However, far too often the concept of kibbutzim and socialism are considered to be equivalent. In contrast to this superficial line of argumentation one has to take both criteria into consideration that have been fundamental for the kibbutz movement: the colonization of land, made possible by the Jewish National Fund (JNF) (cf. Shilony 1998) and the precondition for participation in the establishment of Jewish colonies and thus the membership in the managing organization of kibbutzim, the 'Kibbutzdachverband', via ethnic respectively Jewish affiliation. Non-Jews have been excluded by definition. That means that not the affiliation to the capitalistic class but the ethnic affiliation was the reason to exclude Druses, Bedouins and Palestinians from the Jewish concept of a national worker's movement. Or to put it simpler they did not meet the precondition to become a member of the 'socialist' worker movement because they were not Jewish. 'A colonial society is any new society established through the combination, to various degrees, of military control, colonization, and the exploitation of native groups and their territorial dispossession, justified by claims of paramount right or superior culture. (…) But when colonialism also involved colonization, namely territorial dispossession and the settlement of immigrant populations, its impact was much more far reaching and destructive for the natives. (…) As a late colonial project, Zionism, including Labor Zionism, was a national colonial movement. It sought to procure a Jewish majority in Palestine and create the political, economic, and cultural institutions that could serve as the infrastructure of a Jewish nation-state' (Shafir/Peled 2002, pp. 37). They continue: 'The Israeli LSM [Labor Settler Movement] was formed not through class struggle, like most socialist movements, but in the national confrontation between the Zionist settler-immigrants and the Arabs of Palestine.' (ibid.)

Already before the establishment of the State of Israel the criteria to become a member of the worker movement had been defined with regard to national/ethnic affiliation instead of a political-economic contextualization. 'This new LSM economy could employ only Jews, since it was constructed atop two institutional pillars: the Jewish National Fund (JNF), the land-acquisition arm of the WZO established in 1901, and the agricultural workers' Histadrut' (Shafir/Peled 2002, p. 40). Thus possible class-conflicts within the Israeli worker movement have been avoided with the use and integration of the myth of the Jewish pioneers. 'The foundation of the LSM's identification with the national-colonial state-building enterprise was the ethos of 'pioneering' – *chalutziyut* – which allowed the movement to station itself securely as the core of the Zionist project'. (Shafir/Peled 2002, p. 42)

Deborah Bernstein illustrates this with an example of the construction of boundaries between Arab and Jewish workers in Haifa at the time of the British Mandate of Palestine which shows that the exclusion of Arab workers was not motivated by pure economic reasons: 'The essence of the construction of boundaries in the economic sphere was to close the Jewish economy to Arab labor so as to protect Jewish workers from the competition of much cheaper Arab workers.' (Bernstein 2000, p. 207)

Angelika Timm also draws attention to the fact that the settlement movement was connected to the 'colonization' of labor and the market. Following her line of explanation the principle not to employ Arab wage labor in the newly established agricultural settlements was justified by the theory guiding Zionist laborers that the Jewish people only could recuperate by

physical activity and thus it was necessary not to exploit non-Jewish labor. (cf. Timm 1998, p. 20)

However due to the fact that not all (Jewish) entrepreneurs in British Mandate Palestine wanted to give up cheap Arab labor, the General Organization of Jewish Labor in Palestine was established, the Histadrut [union]. Its establishment was a fundamental step to 'ethnisize' the labor market. In 1930 75 percent of the Jewish workers in Palestine were already organized by the Histadrut (cf. Timm 1998, p. 21). To be a member of the Histadrut meant to get help to find employment, receive a fixed minimum wage and, beginning in 1926, benefit from the limitation of the working day to eight hours. 'The union established a well organized medical and social care system, took care of cultural and pedagogical aspects and set up the most comprehensive school system within the Jischuv' (Timm 1998, p. 21). Especially with regard to new immigrants who lacked social networks the Histadrut was a crucial help. All important and big organizations in British Mandate Palestine were connected to the Histadrut, i.e. the construction company Solele Boneh; the consumption-cooperative Hamaschbir; the bank Hapoalim; as well as the Jewish military organization Haganah. Also the kibbutzim and moshavim were 'subordinated' to the Histadrut (cf. Timm 1998, p. 21).

With regard to the Jewish labor movement and the Histadrut the point was not solidarity among the workers but national colonization of land. The kibbutzim themselves were organized according to socialist values. The distribution of labor was organized with respect to the rotation principle, i.e. the workplace rotated and each person had to work in all workplaces. Likewise the distribution of clothing was not regulated by size or property etc. The children were brought to the so called 'Kinderhaus' whilst the parents worked in the field[1]. But the principle of equality stopped at the ethnic boundary. Arab laborers that would have cost the entrepreneur only half of the wage, compared to Jewish labor, were excluded because of their non-Jewishness. That means that the Zionist project was first of all a national project and the socialist value system was subordinated to Zionist nationalism.[2]

The establishment of the State of Israel in 1948 was a huge challenge, not only in matters of security but also concerning the economic situation, because of the enormous waves of immigration between 1948 and 1951. This large number of people immigrating at this time doubled the Jewish population from 650.000 (1948) to 1.400.000 in 1951. The main provision of basic needs could only be assured by enormous state intervention. That meant that the State of Israel became to a great extent the main owner of the means of production via organizations like the Histadrut and other Zionist incorporations. This 'commitment' by the Israeli leadership was a consequence of practical as well as of ideological reasons. In the 1960s gradual and increasing economical liberalization happened as an effect of growing Israeli exports (Zilberfarb 2005, pp. 13).

A break in Israeli economic policy took place with the election of the political party 'Likud', initially an alliance of the Herut party with the Liberal party and later with more right-wing oriented parties. The 'division of labor' within this government was obvious: 'The Herut party

[1] In the beginning the placement of the children in the „Kinderhaus' was due to the fact that the parents working in the fields were subjected to frequent Arab attacks and thus the 'Kinderhaus' was a safe place for the children. Thus the institutionalization of the 'Kinderhaus' was more driven by practical than theoretical reasons. For example, the 'Kinderhaus' in the kibbutz Deganja was one of the only stone houses, i.e. it was one of the most secure places within the kibbutz.

[2] To have a better understanding about the Zionist colonization, see Dan Diner (1980).

was mainly interested in foreign policy and security issues while the Liberal Party focus was on economic issues. Indeed, the economic platform of the Likud Party reflected the views of the Liberal Party, which adhered to liberal economic principles' (Zilberfarb 2005, p. 15). The result was the attempt to change economical policy to a 'free market economy', but this succeeded only moderately. 'During the 1973 – 84 period, growth rates of the Israeli economy came down to about a quarter of their pre-1973 level. At the same time, inflation soared from 12 percent in 1972 to 400percent in 1984. The combination of economic slowdown and inflation is known as stagflation. Indeed, economists refer to the 1973 – 84 period, as "the lost decade"' (Zilberfarb 2005, p. 16).

The election of the Israeli Parliament in 1984 resulted in a coalition between the Likud and the HaAvoda, the workers party. The main challenge of this government coalition was reducing the enormous deficit of the state budget. 'This, in turn, required a reduction in government expenditures and consequently less government involvement in economic activity. Consequently, the task of achieving a lasting growth had to be turned over to the private business sector' (Zilberfarb 2005, p. 17). This change in economic policy lead to privatizations. Also enterprises owned by the Histadrut had been sold because of economic difficulties. On the one hand the financial returns resulting from the (Histadrut) company sell-off were used to reduce the deficit of the state budget. On the other hand the Histadrut was weakened with respect to its socio-political power. In 1985 the Israeli capital market was reformed and crucial structural changes took place. 'Until 1985 pension, provident and study funds invested their funds in special government non-tradable indexed bonds that paid high real rates of interest (far above market interest rates). In 1985, the government stopped issuing these special bonds to provident and study funds and they had to invest their assets in the capital markets' (Zilberfarb 2005, p. 18). This change in economic policy ideologically coincided with the collapse of the former Soviet Union. Zilberfarb shows that the support of the (well) functioning welfare state system was assured by the political-economic processes that took place up to the end of the 1990s (cf. Zilberfarb 2005, p. 19). Especially the crisis of the hi-tech industry as well as the outbreak of the 'Second Indifada' contributed to a downward tendency in economical growth. The consequence was (again) a growing deficit of the state budget. In 2001 the new government, lead by Ariel Sharon, put painful budget cuts into effect concerning the Israeli welfare state. Privatization continued. In June 2003 business parts of the Israeli airline El-Al were sold. At the same time the pension's fund was 'modernized'. 'The government adopted some measures to cope with the actuarial deficit of the old pension funds. The measures, calling for government-appointed directors for the funds as well as cuts in pension benefits, were met with strong opposition from the Histadrut, which owns most of the old pension funds. Nevertheless, the measures were passed, indication the weakening of the economic power of the Histadrut' (Zilberfarb 2005, p. 21). This notwithstanding, in 2003 the Israeli state budget deficit reached 5.6 percent of the Gross National Product, i.e. the highest negative benchmark since 1985. The consequences were new budget cuts (cf. Zilberfarb 2005, p. 19). According to the data of the Israeli Central Bureau of Statistics the unemployment rate in the first quarter of 2003 was 10.8 percent. 'Only 54.6 percent of the working age population was employed, up slightly from 54.2 percent in the previous quarter. The percentage of unemployed among men rose to 10.6 percent, up from 9.9 percent in the previous quarter; while for women the figures were 11.1 percent, up from 10.5 percent' (Cohen 2003).

The economic development that started in the 1980s and that resulted in the socio-economical changes described above from a welfare state up to a capitalistic 'market economy' still characterises the political-economical direction of the Israeli domestic policy today.

2 Social and Health Policies in Israel

In the 1990s the Israeli state budget expenditure increased in a significant way in the field of social services and welfare. This increased expenditure could be balanced via an increase of the economic growth of the Israeli economy; the (economic) aftereffects of the Oslo Accord (1991) as well as a low inflation rate. In 2001 the economic growth ended and a recession started from 2001 to 2002. This bad economic situation was connected primarily to the international crisis of the high-tech industry and the outbreak of the so called Al-Aksa-Intifada (cf. Gozansky 2004). 'The decline in growth led to a decline in government tax revenues and consequently the budget deficit increased to the highest levels since 1996: 4.5 percent and 3.9 percent of GDP in 2001 and 2002, respectively. All three factors that enabled the expansion of social and welfare payments during the 1990s were working in the opposite direction from 2001' (Zilberfarb 2005, p. 20).

The fiscal politics of liberalization and privatization of the market as well as the far reaching budget cuts in the field of social welfare benefits were implemented by Benjamin Netanyahu, the Israeli Minister of Finance at that time. The consequences of Netanjahu's 'austerity policies' lead in addition to the budget cuts of the social welfare benefits to a financial improvement of the few wealthy people and to an ongoing financial worsening of the poor people in Israel. Following research ordered by the 'Business Data Israel Company' the annual income of the 18 wealthiest families was NIS[3] 256 billions, respectively 77 percent of the Israeli state budget (cf. Coren/Weissman 2006). The positive numbers of growing wealth were accompanied by an enormous growth of poverty in Israel. In 2005 the Israeli poverty rate[4] increased by another 47.000 Israeli citizens whereby half of these 'new poor' were children. The number of Israeli families living below the poverty line increases continuously. In 2002 already 21.8 percent of Israeli families lived below the poverty line. The number increased in 2004 to 24.5 percent and in the first half of 2005 to 26.2 percent (cf. Chason 2006). By the end of 2005 1.63 million Israelis – from a total of ca. 7 million Israeli citizens – lived below the poverty line: 410,000 families and 768,000 children (cf. Sinai 2006a). In contrast to the increase in child poverty the poverty rate of the elderly decreased. When in 2004 the poverty rate of the elderly was 25 percent, the number decreased in 2005 to 24,4 percent (cf. Sinai 2006a).

'Since 2000, the number of Israelis whose gross income from work placed them below the poverty line has risen: In 2000 they constituted 30.8 percent of the population, and in 2004, the percentage had risen to 33.6 percent. In 2000, benefits enabled 39 percent of the poor to rise above the poverty line but by 2004 they helped only 30 percent of the poor to do so. (…) Poverty struck families with both unemployed and working heads. It affected more Arabs than Jews, and larger families more than smaller ones. In 2000, 35 percent of families with an unemployed head were poor, while in 2005 the number rose to 39 percent. The percentage of poor families with a working head rose from 38 percent to 41 percent. The number of poor Arabs rose from 28 percent to 31 percent; the number of poor families with four or more children rose from 18 percent to 21 percent.' (Sinai 2006)

[3] NIS = New Israeli Shekel (Israeli Currency), about 47 billion Euro.
[4] The definiton of poverty in Israel is related to the income of NIS 1.866 Shekel (≈ 345,- €) for a single person and NIS 4.778 Shekel (≈ 884,- €) for a family of four. (cf. Sinai 2006)

The 'growth rate' of the poor in Israel can be attributed to the fiscal policies of the (at that time) Israeli Minister of Finance Benjamin Netanyahu of the Likud party. 'When Benjamin Netanyahu served as finance minister, there was a particularly impressive growth in the poverty industry, and the Festival of Poverty became especially important. Thus the day also turned into one on which we identify with the Netanyahu legacy. There is no question that the publication of the report comes at an inconvenient time for Netanyahu, just when his popularity is skyrocketing' (Ilan 2006). Just one day before the Israeli poverty report (NII) 2005 was made public – the 7th of August 2005 – Netanjahu resigned as Minister of Finance because of 'political disagreements' with Sharon with respect to the disengagement plan, the withdraw of settlements from the Gaza strip.

In the beginning of January 2006 the 'Foundation for the Benefit of Holocaust Victims in Israel' made official that due to the financial curtailments of the Ministry of Finance the social welfare benefits of the Holocaust survivors were reduced dramatically. 'The Foundation for the Benefit of Holocaust Victims in Israel said it made the decision following the Finance Ministry's move to leave its funding at only NIS 7 million, the same amount it received in 2005, and half the amount it had been allocated under the former finance minister Benjamin Netanyahu' (Barkat 2006). 20.000 Holocaust survivors were affected by budget curtailments. Mobile nursing as well as financial aid concerning hearing and visual aid were reduced. In 2005 16.000 once-off payments, concerning hearing and denture aid, were stopped. According to the data of the above mentioned foundation the curtailed budget will only suffice for basic welfare services, i.e. the long term care of about 10.000 Holocaust-survivors. 'We all understand that this is not an economic problem to support Holocaust survivors, but a moral problem, a problem of immoral priorities,' said Ze'ev Factor, the foundation's chairman. Yonah Laks, chairwoman of the Organization of Mengele Twins, said Israel is shirking the responsibility it accepted to care for Holocaust survivors. 'In the `50s, the state received money from Germany to care for the survivors but did not give it to them because there were more urgent needs,' she said. 'Today the state does not lack money, but Holocaust survivors are not even allowed to die in dignity'' (cf. Barkat 2006). According to Barkat the Israeli government does not care about the health of the Holocaust survivors in Israel and thus pushes these tasks towards the charitable organizations for Holocaust survivors (Barkat 2006a). 'It is an image that resists any attempt to throw it into the denial pile: the specter of Jews surviving the Holocaust only to go hungry in Israel. Every day, it seems, the human needs of unheralded Israelis come to light in a shocking new way. The case in point Thursday was the finding that some 40 percent of Holocaust survivors in Israel are living below the poverty line. There are nearly 400.000 Holocaust survivors in Israel, the nation with the largest population of survivors anywhere. Moreover, the medical and thus the financial needs of the population are growing, as even the youngest of the survivors are now well over 60' (Burston 2005). According to statistics of April 2006, nearly half of all Holocaust survivors in Israel – i.e. with very few exceptions survivors of the German concentration camps – are going to die in the coming nine years. The vast majority of the Holocaust survivors that will survive the next years have been younger than five during the Holocaust (cf. Barkat 2006a).

The crisis of the Israeli social security system manifests itself especially in the field of health policies. 'Fourteen percent of Israelis aged 20 and over - an estimated 550.000 people - have forsaken food purchases in the past year due to financial difficulties, while half a million passed up on buying needed medications in 2003, according to a study commissioned by the Central Bureau of Statistics' (Bassok/Ben-Yehuda 2004). According to research by the Israeli

Central Bureau of Statistics (CBS) 35 percent of Israelis stated that their financial situation has worsened within the last five years. The financial situation is so bad that a lot of Israelis have to decide whether to buy food or necessary medicine. With respect to the data of this research 29 percent of the unemployed, 20 percent of the Arab Israelis and 13 percent of the Jewish Israelis are lacking money for food. 'Seventy percent of the adult population, about 3 million people, needed prescription medication during the past year. Half a million of these people, 16 percent, refrained from buying the drugs due to financial considerations. Those giving up medication were three times higher among the Arab population at 39 percent, than the 13 percent reported by the Jewish population' (Bassok/Ben-Yehuda 2004a).

From 1928 the Israeli health system was dominated by the general health insurance agency 'Clalit'. Clalit, established by the Histadrut, guaranteed all union members extensive medical and health care. Although two-thirds of the Israeli population have been insured with Clalit, by the end of the 1980s Clalit had substantial financial problems. In 1994 Clalit was separated from the Histadrut by decree of the National Health Insurance. Up to this time the Histadrut was the owner of Clalit. In the 1980s the Israeli health system suffered from 'professional strikes and long waiting lists for care in public hospitals, while market opportunities resulted in a trend towards private medicine with the establishment of private hospitals, clinics and diagnostic institutes' (Shalev 2005, p. 66). In the 1990s the attainments of the Israeli health funds have been regulated by law and organized in a 'health care basket', i.e. 'the duty of the health funds to provide a comprehensive basket of specified health services, and the correlative right of the individual to receive care on the basis of medical need' (Shalev 2005, p. 67).

For the benefit of the patients in 1966 the 'Patients' Right Law' was passed. Approximately 30 years later the ongoing privatization in the field of public health and the aim of the involved entrepreneurs to maximize their profit changed the situation of the public health sector for the worse, because of the lack of financial support. Shalev shows additional societal problems related to similar reasons that lead to exclusion from the (public) health system. 'Persons with disabilities may experience physical barriers in accessing health services and facilities. Members of the Ethiopian minority encounter language and cultural barriers to access appropriate health care. The Bedouin minority suffers from cultural, political and geographical barriers. Israel also has a sizeable population of migrant workers who are not covered by national health insurance. And from a human rights perspective it is also necessary to mention the enormous gap between Israel and the Palestinian Authority in terms of health infrastructure and the health status of the population, exacerbated by political barriers of closures and other restrictions on freedom of movement' (Shalev 2005, p. 75). Compared to the public health systems in the USA and Europe at the present time the quality of the Israeli public health system is good, especially because of the qualified and well trained professionals. But the Israeli public health system changes into a 'two-class system'. Following this line of thought Gershon Shafir and Yoav Peled are supposing that the ongoing privatization in the public health system and thus the expansion of 'extra payments' by the patients are signalizing that the health system follows the kind of privatization that already took place in the Israeli education system (cf. Shafir/Peled 2002, p. 301).

3 Religion and poverty

In addition to the above described social dividing lines there is another crucial social cleavage within the Israeli society: The division of secular and orthodox Jews. According to the results of a survey conducted by the Israeli Central Bureau of Statistics in 2002 to 2004, 44 percent of Israeli citizens claimed to be secular, 27 percent defined themselves as traditional religious.

12 percent of the persons questioned stated that they are traditional religious and that they live according to religious laws, 9 percent saw themselves as orthodox-Jewish and 8 percent defined themselves as ultra-orthodox (cf. Bassok 2006). The figures showed that 63 percent of the secular Israelis are Jews that came originally from Europe or North America, 33 percent are of Asiatic and 25 percent are of African origin. 32 percent of the secular Jews had high educational attainment. The survey found that with growing age secular and ultra-orthodox attitudes are decreasing and increasing income is related to a decrease in religiosity (cf. Bassok 2006).

Already before the establishment of the State of Israel the Jewish community in Palestine had to struggle with the conflict about the way of living and the formation of a (Jewish) nation state. 58 years after the establishment of the State of Israel the Jewish-religious cleavages are continuing. 'Just the opposite: the Status Quo has played a lamentable role in fanning controversy between religious and secular Jews. It is literally like a citadel of the religious parties' battalions, who become more and more powerful and entrenched, growing and flourishing from year to year, from coalition to coalition. Today the Status Quo encompasses the kashrut of imported meat; exemptions for yeshivah students and religiously observant girls from military service; a prohibition against raising pigs; the prohibition of work on the Sabbath; the war against proselytization by Christian missions, post-mortems, abortions, archaeology and a host of other things. The attempt (particularly by the Shas party) to perpetuate and sanctify the Status Quo is no more that another milestone on the road to religious coercion and the exacerbation of controversy within the nation. Rather than nurturing unity, the Status Quo undermines social cohesion' (Cohn 2003, p. 189).

Starting in the 1980s there is a growing concern with the Jewish ultra-Orthodox with regard to public life. On one side the ultra-Orthodox men – according to their interpretation of Jewish faith – are restricted to study religious scriptures; the consequence is that approximately 70 percent of ultra-Orthodox men are not working for a living. On the other side the traditional fields of work where the ultra-Orthodox women used to be employed, i.e. schools, child supervision/care as well as administrative labor, are rare and low paid. With respect to this development the ultra-Orthodox are aware that girls and women have to achieve higher occupational and educational qualifications, if they are to earn a livelihood in the future (cf. Timm 2003, Rosenthal 2007).

Because of high male unemployment the Haredim (ultra-Orthodox Jews) are mainly counted to the lower social class. 'The percentage of children from the ultra-Orthodox milieu that are defined in the statistics as poor increased from 14 percent in 1981 to 56 percent in 1995' (Timm 2003, p. 91). These families depend on state funds, child benefits, medical care services free of charge and the release from the obligation of paying (specific) taxes. Soup kitchens are not rare anymore in Jerusalem as well as in the rest of Israel. For example, in one soup kitchen alone that is located in Jerusalem (Hazon Yeshaya) the 'demand for meals has increased from 60.000 to 100.000 a month' (Berman 2003, p. 2). A great number of children from ultra-Orthodox families have to take the help offered by the soup kitchens. 'The most conspicuously absent element of a new soup kitchen for children in an ultra-orthodox neighbourhood of Jerusalem is the parents. (…) The parents don't want to be exposed to this embarrassment' (Ettinger 2006, p. 1).

In addition to the lack of a regular supply of food, diseases of the teeth are a big problem. Several children (3 – 10 years old) show a lack of calcium with the consequences that their teeth are breaking too easily and that the children have to eat under pain and are in need of

dental emergency treatment. Sharing the same life situation with a number of other Israelis that live below the minimum living wage the ultra-Orthodox Jews have to decide whether to relinquish required medicine or food. Besides the Israeli Arabs the Haredim are the biggest portion of the Israeli population that live in poverty. 'Poverty was highest in Jerusalem, with nearly 42 percent of all residents and 56 percent of children were poor' (Sinai 2006a, p. 1).

'Among the Jewish population the number of malnourished children was 13.5 percent. Among the Arab population one in three children are poverty stricken to the point of malnutrition. The survey showed that in addition to those families unable to guarantee a reasonable food supply to their children, many more are forced to give their children unbalanced diets, based almost entirely on carbohydrates and starches, with insufficient protein and vitamins. "The long term ramifications of this kind of under-nutrition are significant", said Dr. Nitzan Kllosky, who was in charge of the project for the ministry' (Horev 2004, p. 5).

4 Intra-Jewish-ethnic lines of conflict and poverty

Besides the socio-political and religious-secular problem related contexts it is crucial to draw attention to the intra-Jewish-ethnic line of division within the Israeli society. Israel is a nation of immigration, the (Jewish) society consists of a population with its origin in over 100 countries in the world.

Between 1882 and 2004 there have been huge waves of immigration. Before 1880 less than 25.000 Jews lived in 'Eretz Israel'/Palestine. They were supported by foreign Jewish communities and organizations and lived mainly in Jerusalem, Hebron, Tiberias and Safed. They spent most of their time in praying and lived according to the religious laws whilst waiting for redemption of the land of Israel via the arrival of the messiah (cf. Arian 2005, p. 23).

The first Alijah (Jewish wave of immigration) took place between 1882 and 1903. Approximately 20.000 to 30.000 Jews settled to Palestine/Israel as a consequence of anti-Semitic pogroms in Russia.

The second Alijah (1904 – 1914) was a reaction to the Russian revolution of 1905. With this wave of immigration 35.000 Jews from Russia, some thousand from Rumania and ca. 2.000 Yemenite Jews came to Palestine/Israel. 'This was the most important of the original *aliyot* both because three top leaders of the formative period in Israel's history – David Ben-Gurion, Yitzhak Ben-Zvi, and Yosef Shprinzak, Israel's first prime minister, second president, and first chairman of the Knesset, respectively – arrived then and because the political organizations they founded would have the greatest impact on the future of the country. Largely young, single, dedicated socialists, the members of the second *aliya* proved more innovative than their counterparts in the first' (Arian 2005, p. 24).

The third Alijah started at the end of WW I (1919 – 1923). Most of the 35.000 immigrants came from Russia. In 1922 the Jewish population increased to 85.000. 'The third *aliya* consisted mostly of young, single males from Poland and Russia who had been prepared for their immigration by participation in agricultural training programs organized by Zionist organizations in Europe. They entered a more structured environment than had the members of the first and second *aliyot*, and strong ideological motivation was prevalent among them. (…) They and their predecessors of the second *aliya* formed the generation of Israel's founding fathers' (Arian 2005, p. 25).

Even against the will of the Turks at the time of the Ottoman Empire (1880 – 1914) approximately 80.000 Jews immigrated to 'Eretz Israel'. After the occupation of this part of the Ottoman Empire by the British, the British Mandate passed immigration restrictions referring to Jews to maintain the good relationship to the Arab population. Permitted were only Jews 'of independent means, those with religious occupations, and dependents of residents. Beyond that, only subsidized immigrants' (those whose maintenance was guaranteed by the World Zionist Organization for one year, later to be redefined as those who had a definite prospect of employment) were admitted, and then only up to the quota set by the authorities' (Arian 2005, p. 26).

Between 1924 and 1930 the fourth immigration wave of 82.000 Jews took place. In contrast to the third Alijah that consisted of Russians that settled to 'Eretz Israel' due to ideological reasons the fourth Alijah consisted mainly of middle-class Polish Jews. But with respect to the bad economic situation in British Mandate Palestine 23.000 immigrants of the fourth Alijah left Palestine/Israel.

The fifth Alijah (1932 – 1938) was the consequence of anti-Semitic policies in central and east Europe. Main cause was the election of Hitler as chancellor of the German Reich 1933: 'This was a huge immigration by local standards, numbering some 200.000; in 1935 alone a record 66.000 Jews arrived. The Jewish population of the country more than doubled in five years. Although the fifth *aliya* is often called the 'German *aliya*,' in fact only a quarter of its members were German and Austrian Jews. The largest group numerically was from Poland, which did, after all, have the largest concentration of Jews in the world at that time (…) These Central European Jews brought with them capital for investment and, along with their middle-class backgrounds, urban lifestyles and organizational skills' (Arian 2005, p. 27).

The members of the immigration wave from 1925 to 1948, that had escape the Nazi persecution in Europe and found a safe place in British Mandate Palestine, had to fight the immigration politics of the British Mandate.

The Jewish population increased from 4 percent (1882) of the total population to 30 percent in 1939. The economic problems that came with the rapid growth of the Jewish population lead to a rejection of Jewish immigration by the Arab population. The result was the restriction of Jewish immigration by the British Mandate. Thus the immigration policies of the British Mandate and the growing anti-Semitism and the persecution of Jews in Germany and other European countries resulted in the Alija Bet, the illegal immigration (1933 – 1948). This illegal immigration has been conducted by Zionist organizations and took place via the seaway. 'Illegal' Jews that have been caught by the British authorities were imprisoned in British Mandate Palestine and later on the island of Cyprus. The prisoners were released little by little by the British and after their release they got permission to immigrate to Israel (cf. Arian 2005, p. 30).

Besides the 'remaining immigration' from Europe shortly after the establishment of the State of Israel (1948 – 1954) a huge wave of immigration from Asia and Africa took place. This new immigration increased the number of Jews in Israel form 650.000 to 1.350.000. To this group belonged – beside the 'Jews from Cyprus' – Jews form Bulgaria, Yugoslavia, Algeria, Aden and the whole Jewish community from Yemen (35.000 people).

In the middle of the 1950s immigration to Israel came mainly from Turkey and Iran (130.000) as well as from North Africa (500.000). 'It is not clear whether the restrictions prevented

larger immigration; what is clear is that after the Israeli economy started to pick up again, after the German reparations began, and especially after the victory of the Sinai campaign of 1956, immigration form North Africa, especially Morocco, began to increase. After reaching a low annual figure of 18.000 immigrants between 1952 and 1954, the figure rose to 70.000 in 1957, with Jews arriving mostly form Morocco, Poland, and Egypt' (Arian 2005, p. 30). In the 1960s 230.000 new immigrants from Morocco, Rumania and Argentina came to Israel.

After the collapse of the Soviet Union (1989 – 2004) another huge wave of immigration reached the boarders of Israel. 'It is not clear whether the restrictions prevented larger immigration; what is clear is that after the Israeli economy started to pick up again, after the German reparations began, and especially after the victory of the Sinai campaign of 1956, immigration form North Africa, especially Morocco, began to increase. After reaching a low annual figure of 18.000 immigrants between 1952 and 1954, the figure rose to 70.000 in 1957, with Jews arriving mostly form Morocco, Poland, and Egypt' (Arian 2005, p. 30).

With the realization of the operation 'Solomon' in 1991 14.200 Ethiopians were brought to Israel by the Israeli government (cf. Arian 2005, p. 32). The Ethiopian Jews[5] account for less than 1 percent of the Jewish population in Israel. In contrast to Russian immigrants the Ethiopian Jews experienced integration disadvantages with respect to their culturally different way of living and education. The result of this ethnic and cultural diversity is the so called Ashkenazy-Sephardic conflict.[6]. The root of this conflict is to a large extent that the first immigration waves to Israel established the foundation of the Jewish community and thus later the state. Especially the members of the second and the third Alijah, who were intensively involved in the nation building, are privileged within the Israeli society.

The massive immigration from Arabic and African countries took place only after the fifth Alijah and the Alijah Bet in the 1950s. The discrimination of the 'Arabic Jews' occurred mainly via hindrance and limitation of access to social institutions of the new established state. That means that it was quite impossible to get into high ranking public offices or government positions with 'Arab' or African origin. This 'ethnic gap' is reflected in the distribution of occupations and the reduced chances in social mobility within the Sephardic and the Mizrachi population as well as the 'housing policy' of the Ashkenazy leadership that placed the 'others' to the periphery, i.e. for example in the Negev desert. 'Mizrachi immigrants were granted all civil and individual political citizenship rights. At the same time, since their inclusion was based *only* on their ethno-national qualities, they were economically and socially marginalized from the core republican institutions and discouraged from expressing their collective voice in the formulation of the common good of society' (Shafir/Peled 2002, p. 78). Also within the group of the Mizrachi Jews social differentiation took place. 'Mizrachim have originated in two distinct geographical and cultural areas: the Middle East, primarily Iraq and Yemen, and North Africa, primarily Morocco. Middle Eastern Jews arrived in Israel mostly in the early 1950s and were settled primarily in central areas of the country, in many cases in towns, villages, or neighbourhoods deserted by

[5] The Ethiopian Judaism refers only to the Torah and not to the Halacha as reference of their faith and their religious practice. That is the reason why the Israeli rabbinate does not accept Ethiopian Jews automatically as Jews. But because the family law is in the jurisdiction of the rabbinate Ethiopian Jews are not allowed to marry and to get divorced, the children are considered as 'illegitimate children'. Only after a conversion to Judaism by the authority of the rabbinate these problems are solved. (cf. Shafir/Peled 2002, p. 322)

[6] Ashkenazim are Jews with origin in Europe, Russia and North America and Sepharadim are Jews that are originally from Hispanic countries and Mizrachim are Jews with origin in Arabic countries.

Palestinians. North African Jews arrived mostly in the late 1950s and early 1960s and many of them were settled in ‚development towns' located in outlying areas. (…) These differences can partially account for the emerging class differentiation within the Mizrachi group itself. About one-third of Mizrachim can now be classified as belonging to the middle class, and they have been more or less integrated into the Ashkenazi mainstream of society. Middle Eastern immigrants and their descendants are overrepresented in this group, as compared to North African ones' (Shafir/Peled 2002, pp. 78). In Israel the Mizrachi population was with respect to 'political mobilization on the basis of shared cultural markers' (Shafi/Peled 2002, p. 88) concerning the Ashkenazi Jews and the Palestinians and 'they have sought to ally themselves with the Jewish state rather than with the subordinate Palestinians, with whom they share many socio-economic and cultural attributes' (Shafir/Peled 2002, p. 88). 'Accordingly, the average salary of an Ashkenazi Jew is 39 percent above the market average while that of a Mizrahi Jew is only 3 percent above average.' (Goldstein 2007)

5 The „other Israelis': Bedouins, Druzes, Israeli Arabs and poverty

The Bedouins, Druzes and the Israeli Arabs are the three biggest groups within the Israeli population not belonging to the Jewish people. The Druzes originated in Egypt in the course of an Islamic reform movement in the 11th century. The religion of the Druzes belongs to the monotheistic religions and they believe in reincarnation and in the movement of a soul from one body to another. They live in the mountains of Lebanon, Syria, Jordanian and Israel. 'Taking all available figures into consideration, the Druze population is nearly one million with 40 – 50 percent living in Syria, 30 – 40 percent in Lebanon, 6 – 7 percent in Israel and 1 – 2 percent in Jordan. In the U.S. there are approximately 20.000 Druzes' (Swayd 1998, p. 1). Officially the Druzes are regarded politically connected to the Arab Moslem population in Israel, but they consider themselves not as Moslems. 48 percent of the Druzes regard themselves as secular (cf. Bassok 2006). 'Because the Druzes have long enjoyed a reputation for military prowess and good soldiery, they have often not suffered discrimination or persecutions lightly or without responding in kind. (…) Druzes have been remarkable in being a non-Jewish, Arabic-speaking group that has supported the Jewish state, both in the late Mandate period and since Israel's independence through service of Druze young men in the IDF and the paramilitary Border Police. About 175 Druzes have been killed in action, including a large proportion of that number in the 1982 invasion of Lebanon' (U.S. Library of Congress 2006). The Druzes belong to the poorest part of the Israeli population. Their educational level is low and only a few Druzes are employed in highly qualified and notable positions. In recent times the younger generation of the Druzes has been politically radicalized and they show publicly their disapproval and annoyance concerning the Israeli state policies.

The second non-Jewish part of the Israeli population are the approximately 100.000 Bedouins. They live in the Negev desert, in the southern part of Israel and their way of life is mainly bucolic and nomadic. 'Before 1948, Bedouin-settled land was not registered in the official lands registry. After the State was founded, the State carried out a series of land confiscations of lands settled and cultivated by the Bedouin. (…) As a result of the confiscations and the denial of legal recognition of Bedouin rights to the land under cultivation, the Bedouin were dispossessed from nearly all their land. The land was then registered as State land, or transferred to an agency of the State. The land formerly used by the Bedouin to survive, was allocated to Jewish settlement activities in order to promote the policy then in place of spreading the Jewish population' (Yashuvi 2002). The Bedouins are subjected to unjust treatment and discrimination by the several Israeli governments. In the 1960s it was planned

to settle the Bedouins in Israel in 'townships' against their will. Even though the plan has not been executed yet, it is still on the political agenda. The Bedouins have a disproportionately bad standard of living, i.e. especially the hardly existing infrastructure and thus the lack of permanent access to water, electricity and streets. Based on the Bedouin way of living, they show hardly any social mobility (cf. Yashuvi 2002).

'One out of every six Bedouin first-grade pupils – and one out of every eight Jewish first-graders – in the Negev suffers from malnutrition according to a new study conducted by the faculty of health sciences at Ben-Gurion University an the Health Ministry. (…) According to the Negev study the proportion of Israeli children suffering from malnutrition is currently 16 percent' (Sinai 2005, p. 1). According to an international study only 1.6 percent of children in the developed world suffer from malnutrition, in developing countries 30.2 percent of the children suffer from malnutrition. Another study revealed 'that 17 percent of Jewish parents and 48 percent of parents of Bedouin schoolchildren said they often send their children to school with no lunch due to financial problems' (Sinai 2005, p. 1).

The Israeli Arabs are citizen of the State of Israel, they have the right to participate in elections, they are allowed to get elected and they are represented in the Israeli parliament, the Knesset, by some few members of parliament. Despite the fact that they are 'officially fully accepted' citizens of Israel the symbols of the State of Israel are exclusively Jewish-Zionist, like, for example, the insignia of the state (menorah and olive limbs) as well as the national anthem and the national banner. The Israeli Arabs make up approximately 20 percent of the Israeli population. The vast majority of them are Moslems, 10 percent are Christians. In contrast to the Druzes and the Bedouins they are not serving in the Israeli army, because they are regarded as 'security risks' by the Jewish establishment. The Israeli Arabs 'comprise some 20 percent of the population but account for half of those below the poverty line. Their towns and communities receive different and unequal treatment by the authorities than that given to comparable Jewish municipalities. Their schools are even more crowded than the Jewish ones. But it is important to realize that Israeli Arabs have been on the whole, law-abiding citizens. They are conflicted; they are cross-pressured. Most identify with their Arab background, with their Palestinian roots and their refugee cousins, but many also identify themselves as Israelis' (Arian 2005, pp. 41-42).

The salary of an Israeli Arab was 30 percent below the national average in 2006. Unemployment reaches 20 percent in some Arab communities. One in three Arab children is poverty stricken to the point of malnutrition (cf. Goldstein 2007, Sinai 2006a, Horev 2004).

Summary

In addition to the Palestinian-Israeli conflict Israel has to face another important problem that is to overcome the growing poverty within its borders. As an historical development as a immigration state that has to deal with variations of ethnic, religious and cultural diversity that goes along with hegemonic power and a growing neo-liberalism the biggest challenge for the Israeli government is to overcome the rapidly growing gap between the rich and the poor.

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