A DIFFERENT PLACE

by Don Peretz

When Palestine's Jewish community, the Yishuv, was suddenly transformed into a Jewish state in 1948, most of its 650,000 people resembled those of the old eastern European *shtetls* in language and physical appearance, in tastes and outlook on life. But Palestine did not *look* like Poland or Romania or western Russia.

In place of wooded mountains, fertile plains, and broad rivers the first Jewish settlers had found bare, rugged hills, a few valleys, a swamp-infested coastal plain, and a vascular system of dry wadis, which ran with water only during the winter months; coaxing the desert into life took decades. Tel Aviv (which the Yishuv boasted was the largest all-Jewish city in the world) was a suburb perched on sand dunes north of Yafo. With its stucco-and-tile architecture, the town in 1948 felt less like Wilno or Pinsk than like Malaga or Beirut. Dress was informal, as it still is. The Prime Minister, David Ben-Gurion, a native of Plonsk (then in Russia), wore a necktie when he proclaimed Israel's independence but almost never thereafter. A tie is referred to even today as a dag ma'luach, a herring.

As in the *shtetls*, everyone seemed to know everyone else. To call a fellow Jew *adon* ("Mr.") was almost insulting. Much preferred was *haver* ("comrade, friend"). Rather than a mere nation, the Yishuv seemed to be a large, self-centered Jewish town where doors were left unlocked and children played in the

streets under every adult's protective gaze.

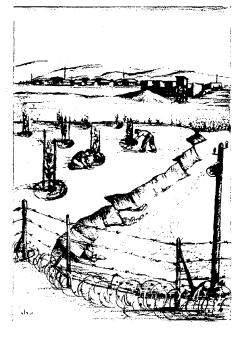
Most Jews belonged to the Histadrut, the labor federation that Ben-Gurion had helped to found in 1920. The Histadrut was much more than just a trade union, though it would come to embrace more than 40 labor organizations representing, among other groups, actors, lifeguards, psychologists, and the craftsmen in Israel's diamond-finishing industry. The Histadrut also provided cradle-to-grave social security and medical care. It sponsored clubs for young people and old. It staged political rallies for voters, a plurality of whom would cast their ballots for Mapai, anchor party of the Labor Alignment and ruled, like the Histadrut, by an elite of labor-Zionist "founding fathers." The start-up capital for some of the Yishuv's most important agricultural and commercial ventures came from Histadrut-run enterprises—Bank ha-Po'alim, the Workers' Bank; the agricultural cooperative Nir; and Solel Boneh, a mammoth engineering

and construction combine.

The activities of the labor federation, in sum, cut across the entire social and economic structure of the Yishuv, serving in a way as a catalyst for transformation of the Jewish community into the Jewish state.

Every Jew in Palestine had a sense of mission, a feeling of destiny, in 1948. Israel was not just "another country" but a gallant experiment in democracy, socialism, nationalism. The mood was embodied in the person of Prime Minister Ben-Gurion, the "Old Man," whose identity card listed his occupation simply as "agricultural worker." Ben-Gurion, his balding head fringed with a halo of wild white hair, assigned a messianic role to his people and laid down a creed for his country. It would not, he proclaimed, "recognize idols of gold and silver; it does not accept the robbery of the poor, the oppression of peoples, the lifting up of swords by nation against nation or the study of war. . . . It looks forward to the day when nations will cease to do evil."

This vision appealed to Jews everywhere. Of course, then as now, Israel confronted the implacable hostility of Arab neighbors. But domestically there was much to admire in the confusing, seemingly ill fitting, yet somehow workable amalgam of



Life on a kibbutz, by Israeli artist Joel Rohr. Much of the early 20th-century Yishuv inhabited scores of struggling farming settlements, reflecting the desire of Zionist pioneers to "return to the land." Today, agriculture accounts for only 11 percent of Israel's GNP.

From Village Paintings of Israel by Joel Rohr

public and private institutions, of urban and rural lifestyles, of socialistic and capitalistic values.

The central government ran the railroads, the communications industry, and the major development projects, as it does now, but there was room for individual initiative, and family businesses account even today for a majority of Israeli companies, including such established firms as the Moshevitz family's Elite candy empire. The Histadrut, functioning as both management and labor union, helped put to work thousands of new arrivals from eastern Europe—many of them skilled workers—in its own factories, banks, and hotels. After government, the Histadrut remains the nation's single largest employer, with some 250,000 people on its payroll.

Strangers to Zionism

Although Israeli agriculture was and continues to be predominantly a matter of small family farms (average size: seven acres), the collective *kibbutzim* prospered, as did the hundreds of less spartan *moshavim*—both institutions striking an emotional chord abroad. It was above all the *kibbutzim*, with their regimentation and communal ethic, that had made possible the reintroduction of efficient agriculture in Palestine. Israel's farms today produce many of the citrus fruits now found in supermarkets throughout Western Europe, the avocados, the fresh flowers that have ended Holland's horticultural hegemony.

From the outset, Diaspora Jews lent a helping hand. Even during the Mandate, Jews outside of Palestine, mostly Americans, had contributed large sums to sustain the Yishuv, to found and fund charitable organizations such as Boys Town Jerusalem or *Magen David Adom* (Israel's Red Cross—though symbolized by a red Star of David). The effort launched in 1938 by the United Palestine (later Israel) Appeal was augmented in 1951 by the Israel bond drives, and by the mid-1950s Israeli bonds were providing almost one-half of the country's development budget.

It has been said that a nation's vices are the excess of its virtues. Israel's virtues—its optimism and determination, its concern for its own—were fully unleashed only after independence. In 1950, in one of its first acts, the Knesset or Parliament

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passed the famous Law of Return, stating that "every Jew has the right to come to this country." There followed the "ingathering of the exiles." The exiles now were not the familiar eastern Europeans, who had been repopulating Palestine since the 1880s, but the "forgotten" Jews of North Africa and the Middle East. These Jews had not tasted Emancipation or heard of Zionism, and they were uneasy with even the moderate socialism of Israel's establishment. They arrived from the ghettos of the Arab states—650,000 of them by 1964—importing along with their curious clothes and mementos a conservative, pre-Zionist notion of what a Jewish state should be.

Initially, the new immigrants were housed in supposedly temporary sites—first in tents, later in crowded, barrack-like encampments known as ma'abarot ("transition camps"). But all too often the transition took years instead of months. Many of the ma'abarot evolved into "development towns," where the non-European Jews were effectively isolated from the mainstream of Israeli life. Other immigrants were moved into the abandoned Arab quarters—soon to be slums if not slums already—inside or adjoining the three big urban centers of Tel Aviv, Jerusalem, and Haifa.

A Rift of Tongues

Rather abruptly, the compact physical and cultural homogeneity of the prestate Yishuv, its demographic cohesion, its virtually one-class (and hence classless) social structure began to disappear. The "Orientals," as the North African and Middle Eastern Jews were commonly called (they are also known as Sephardim, and more properly as Afro-Asians) became Israel's *lumpenproletariat*. In looks, dress, diet, speech, and education they differed from their European (or Ashkenazic) countrymen. Their arrival made Israel the only nation in the Middle East during the 1950s whose literacy rate declined. They disdained the gefilte fish, the borscht, and the kreplach of the immigrants from the old Pale of Settlement, preferring the kebab and couscous of Baghdad, Damascus, and Casablanca. Among the Ashkenazim, Yiddish was the mother tongue used at home, but the first language of the Orientals was usually Arabic. (Ironically, Arabic but not Yiddish was recognized by law as one of Israel's two official languages, the other being Hebrew—the language of public life and "more equal" by far.) By 1970, the Orientals, with a high birthrate, constituted the majority of Israel's Jewish population.

The challenge represented by the influx of immigrants dur-

A PEOPLE'S ARMY

The Israel Defense Force (IDF) was created in 1948, and it has served ever since as the guarantor of Israel's security. Unlike other Mideastern armies, it was not built around a core of former colonial regiments; instead, it drew from (and superseded) existing underground units, primarily the Haganah. Unlike other regional armed forces, the IDF imported no doctrine and



few foreign advisers, preferring to adapt the art of war to Israel's unique circumstances. After many false starts, considerable confusion, and endless disagreements, the Israelis taught themselves everything from the techniques of aerial dogfighting to strategy and tactics. As former Defense Minister Ezer Weizman once wrote, "We mustn't ape others.... What counts is your originality, your improvisation, and your inventiveness."

The IDF has been tested now in five major conflicts: the War of Independence (1948–49), Suez (1956), the Six Day War (1967), the Yom Kippur War (1973), and the Lebanese "operation" (1982). Even when intelligence evaluation or strategy has failed, as in 1973, the IDF has shown itself to be quick to recoup, flexible and daring. Today, the Israeli Air Force, chief claimant on the defense budget, dominates area skies; the ground troops are unsurpassed in the Mideast.

For Israel, military pre-eminence has been a necessity, not a luxury, and it exacts a high price. The Israelis must always overcome three basic liabilities:

Manpower With a Jewish population of only 3.3 million, Israel is enveloped by hostile states with a combined population of 60 million. The Israelis "equalized" this disparity in two ways: by emphasizing qualitative superiority in training and weaponry; and, in effect, by conscripting the entire country, creating a "people's army." All males from age 18 to 29 must serve in the armed forces for three years, all unmarried women for two (though they are barred from combat zones). Men remain in the reserves until age 55 (women until 39, unless married) and are called up each year for intensive training—always with the same unit. Thus, while the IDF in peacetime comprises some 120,000 conscripts and 52,000 "regular army" personnel, mostly career officers and technicians, it can mobilize a fighting force of 400,000 within 48 hours. (Israel's nearly 600,000 Arab citizens, with the exception of the Druze community,

ing the 1950s was not only cultural but also economic. The strong emphasis of labor-Zionism on farming—*Kivush avoda, kivush adama* ("conquest of labor, conquest of land"), to quote an early slogan—was a driving force during the British Mandate, but it lost much of its relevance after 1948, as Israel's lead-

are not eligible for service.) Former Chief of Staff Yigael Yadin described every Israeli civilian as "a soldier on 11 months' leave."

Money In solving its manpower problem, Israel escalated the cost of any extended military campaign: Full mobilization drains the civilian economy of its work force-not to mention its trucks, tractors, and bulldozers. In terms of actual outlays, the price of "preparedness" is sobering. Most of its arsenal Israel must buy abroad-the F-15 and F-16 fighters, the HAWK missiles, the armored personnel carriers. As a percentage of GNP, Israel quintuples U.S. defense spending. The government has been able to cut some corners, however. Thus, the Israelis are adept at reconditioning obsolete weaponry-turning old Sherman tanks into mobile artillery platforms, for example. And like the Japanese, they have demonstrated a knack for copying the technology of others (e.g., the Kfir jet fighter, adapted from the French Mirage, and the Shafrir air-to-air missile, adapted from the American Sidewinder). The governmentcontrolled Israel Aircraft Industry has also produced sophisticated missile boats and transport planes, and deployment of the innovative Merkava tank has begun. Until recently, Israel was barred by the United States from selling Kfir jets abroad (they are powered by General Electric engines), but the country does a brisk trade of as much as \$1 billion a year in small arms and military hardware. As an export item, weapons are surpassed only by diamonds.

Geography Israel's size, shape, and location do not forgive generals' mistakes. The country has a 115-mile Mediterranean coastline but in places is no wider than 15 miles. Most of Israel's industrial plant is clustered in the crowded, vulnerable, Tel Aviv-Haifa strip, within three minutes by jet fighter of the Jordanian border. Israel must therefore rely on its well-developed intelligence network for at least 48 hours' warning of impending attack in order to mobilize and deploy. It must also count on the air force to keep Israeli skies clear. And it must carry the war to the enemy. Densely settled and lacking "strategic depth," Israel cannot afford to trade space for time. These requirements have prompted a continual and intense debate over tactics-with sometimes mixed results. General Israel Tal's "alltank" theory of armored warfare (using fast tank "wedges" without accompanying infantry) proved brilliantly successful in the open desert against Egypt in 1967. But the "static" defense of the Sinai had disastrous results in 1973. The Egyptians quickly breached the fortified "Bar-Lev line," isolating and ultimately overrunning all but one of the 20 Israeli strong points along the Suez Canal.

ers faced the task of creating jobs for the newcomers.

Palestine boasted a respectable industrial base even during the 1930s, concentrated mostly in metal-working, textiles, chemicals. But after independence, the industrial sector, engorged with money from government and the Histadrut, expanded quickly. Between 1952 and 1972, Israel experienced a 350 percent increase in industrial investment, an increase of 1,100 percent in industrial exports, and a rise of nearly 500 percent in the value of industrial output. GNP leapt upwards by an average of 10 percent annually during the 1950s, a rate of

growth exceeded only in Japan and Taiwan.

Inevitably, "the land" lost much of its glamor. While agricultural productivity has increased tenfold since 1948, thanks to a "green revolution" spearheaded by such entities as the Volcani Institute, less than seven percent of Israel's labor force —75,000 people all told, one-fifth of them Arabs—is now employed in agriculture. Less than three percent of the population today lives on a *kibbutz*, long perceived by Diaspora Jews as the symbol of Zionist life in Israel. Many of the collectives have switched from farming to manufacturing. For lack of other recruits, some *kibbutzim* have had to hire Arab laborers.

The sudden transformation of Israel's economy is evident in the upward thrust of skyscrapers in Tel Aviv, which remains the nation's financial and publishing center and the heart of "cosmopolitan" Israel—though the seat of government is actually Jerusalem. It is evident in the Ruhr-like sprawl of workshops, industrial dumps, and factories around Haifa, the once-leisurely port city built on the slopes of Mount Carmel, bearded with smog. And it is evident, too, in Israeli lifestyles.

American Dollars

The simple life is no longer virtuous, or at least not fashionable. There now exists not only an "underclass" and an apartment-dwelling middle class but a suburban upper class and not a few millionaires (many of whom made fortunes after the 1967 war in construction of the ill-fated, \$500 million Bar-Lev defense line along the Suez Canal's eastern bank). Israel's well-to-do frequent cabarets, tee-up at country clubs, and take yearly jaunts abroad. The old-timers in their wrinkled khaki would shudder to learn that Israeli haute couture is big business; sales of leather-wear, bathing suits, and other apparel bring more than \$170 million a year into the country.

Israel did not deliberately set out to become what it has become. Indeed, for a variety of obvious reasons, the nation has seldom been free to chart its own course. Smaller than Massachusetts, it is constrained physically. It is endowed with little naturally fertile land and few mineral resources. Its trading partners are far away, its enemies are not. Time and again, its leaders have had to choose between the bad and the less bad. In

some respects, the Yishuv as a community enjoyed more independence under Britain's military rule than it has any time since—freedom, at any rate, from war, from trade deficits, from inflation; freedom to define itself; freedom, too, from the sometimes irritating concern and unwelcome influence of the United States, the source since 1948 of some \$23 billion in official military and economic aid (mostly low-interest loans) and of perhaps \$600 million a year in contributions by individuals.

In 1948, the Israelis accepted the partition of Palestine because the alternative was worse. To protect themselves they accepted creation of a large Israel Defense Force—the current ratio of soldiers to civilians in this country of fewer than four million, one to 22, is by far the highest in the world. Again, the alternative was worse. Because the costs of defense were so high, the Israelis resigned themselves to a state of perpetual debt—and to an inflation rate that eventually crept into triple digits.

'I'm All Right, Jack'

Israel's inflation, of course, has many causes—lucrative wage contracts won by the Histadrut being one of them. British-style "I'm all right, Jack" attitudes among labor unions have resulted in a comfortable standard of living for most workers, but the high rates of productivity that might have offset high living have not been forthcoming. (The average American worker, no Stakhanovite, has an annual output of some \$24,200 compared to the Israeli's \$14,300.) With expansion of the service sector—transportation, communications, education, and so on—only 33 percent of the Israeli labor force is engaged in goods-producing work of any kind. Also fueling inflation are Israel's generous social programs—maternity grants, allowances for large families, health insurance—and the government's Keynesian attempts to ensure "full" employment.

But the prime cause of rising prices, most economists agree, has been the defense burden. Military spending increased 1,600 percent between 1952 and 1966. By 1962, the inflation rate was 18 percent, prompting Prime Minister Levi Eshkol's government to decree "austerity" and ease the country into a recession. Yet in 1971, inflation was back to 12 percent as massive transfers of Soviet weaponry to Israel's Arab foes, in the wake of the Six Day War, spurred the Knesset to boost annual defense outlays to \$1.5 billion. Then came the Yom Kippur War in 1973. By 1980, inflation was running well above 100 percent.

A unique feature of inflation in Israel is that so many Israelis are protected against it; despite the erosion of the economy,

ASHKENAZIM VS. SEPHARDIM: A CLASH OF CULTURES

	Israeli-born Jews	Asian/African- born Jews	European/American- born Jews
FAMILY SIZE			
Percent of parents who have:			
4 or more children	17.4%	46.2%	17.9%
2–3	67.9	46.4	64.8
1 only	14.7	7.3	17.4
EDUCATIONAL ATTAINMENT			
Percent who have attended:			
graduate school	13.1	3.9	17.9
university	8.8	3.7	6.7
high school	27.7	15.4	25.9
grade school	11.8	37.8	30.6
no school	0.5	19.3	2.4
PUBLIC ASSISTANCE			
Percent of welfare recipients who are:	10.37	61.74	27.89

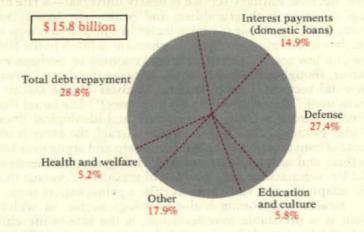
Source: Central Bureau of Statistics, Statistical Abstract of Israel, 1981 and 1979.

The political, economic, and cultural differences separating Sephardic Israelis born in Asia or Africa and Ashkenazic Israelis born in Europe and America (above) are so large that some commentators speak of the "two Israels." Not all of the Sephardic immigrants have done poorly, however. The Yemeni Jews along with the Iragis and Iranians have generally fared well; the Moroccans, concentrated in urban slums, have done poorly and account for much of the surge in street crime (which between 1960 and 1970 alone rose by 800 percent). Intermarriage between Ashkenazim and Sephardim is common, however, and some Israelis believe the problem of social cleavage will ultimately be solved "in bed." Israel's economic woes (right) include high inflation, sluggish industrial growth, and a worsening trade balance. High levels of defense spending are a prime culprit. The 1973 Yom Kippur War, for example, cost \$7 billion—equivalent then to one full year's GNP. Israel's arms purchases and civilian imports are financed largely by loans (debt service consumes more than one-third of the national budget) and aid from the United States.

THE ISRAELI ECONOMY: SELECTED INDICES



ISRAEL'S 1982 BUDGET



Source; Central Bureau of Statistics, Statistical Abstract of Israel, 1981; International Monetary Fund, International Financial Statistics Yearbook, 1981; Economic Department, Embassy of Israel, Washington, D.C.

they can continue to pay exorbitant prices for TV sets, (owned by 90 percent of all Israelis), washing machines (70 percent), and refrigerators (97 percent). One reason is widespread tax evasion and a flourishing "underground" cash economy. Another is the Histadrut, to which 90 percent of all Israeli wage-earners belong. As a result of its collective bargaining over the years, the Histadrut has managed to introduce widespread "indexation"—linking wages to jumps in the Consumer Price Index. Personal savings, meanwhile, are protected through a variety of ingenious schemes guaranteed to outpace rising prices. All of this, needless to say, amounts to treating the symptoms while feeding the underlying disease. But the origins of the disease lie in Israel's concern over physical survival.

Comparing Notes

It is difficult for outsiders to appreciate how much of Israeli life has been shaped by the fact that the country cannot take its future existence for granted. Builders, deliverymen, and farmers know that their vehicles and heavy equipment may be requisitioned at any time. Reserve duty takes a month every year out of the life of almost all able-bodied Israeli males (*see box*). Censorship of press reports on military matters is routine, and it does not always stop there. A "total news blackout" was imposed by Defense Minister Ariel Sharon when Israeli settlers in the Sinai were forcibly evicted in April 1982.

Some aspects of the defense burden are undoubtedly positive. Because military service is nearly universal—a rite of passage eliciting both grumbling and pride—the Israel Defense Force (IDF) is a strong cohesive factor in a nation that now badly needs one. For many indigent Sephardim, a hitch in the IDF can mean a few more years of technical training or perhaps even a career, though prejudice remains. (Noting the sharp increase in Oriental recruits, former Defense Minister Moshe Dayan once exclaimed: "But who will fly the airplanes?") The Israel Defense Force transcends class, generational, and ideological lines. On Friday evenings, the "social" night in Israel, the army is often a topic of conversation. People trade gossip and argue over tactics. Fathers and sons compare notes, debating, say, the merits of the old Uzi submachine gun, now out of production, versus those of the adaptable new Galil assault rifle, a prime export item.

Israel's burgeoning high-technology sector, of which the Galil is a profitable manifestation, is the late-in-life child of industrialization. It barely existed during the late 1950s, and it was nurtured in its infancy by those in the Labor Party who

realized that Israel's mounting arms outlays left the nation with a simple choice: to go bankrupt buying tanks, aircraft, missiles, and small arms from abroad, or to recoup part of the loss by manufacturing some of those items itself.

Ben-Gurion rationalized this further step away from the "drain the swamp, till the land" ideal he had once espoused, arguing that "pioneering" could also mean opening an electronics plant or pharmaceutical company. He was opposed bitterly by many in his own party. But throughout the 1960s, new high-tech industrial conglomerates appeared or expanded—the Israel Aircraft Industry, for example; innovative smaller firms proliferated and prospered. Between 1970 and 1978, exports of sophisticated electronics alone—e.g., word processors, medical equipment, solar energy systems—grew tenfold.

Much of the impetus came from the Six Day War. In the eyes of many, Israel's lightning victory over Egypt, Syria, and Jordan in 1967 signaled that the Jewish state at last had "arrived." Companies such as ITT, RCA, IBM, Allied Chemical, and Motorola substantially increased their investments in Israel. This massive influx of capital created a new elite of well-connected, well-heeled Israelis who took their place alongside the old establishment—the political parties, the Histadrut, the

kibbutz organizations, the armed forces.

"We have no 'poor whites'," Israel's first President, Chaim Weizmann, wrote in 1947, "and we also have no feudal landlords." But by the early 1970s, Israel no longer looked like Weizmann's Palestine. The Jewish population was far more heterogeneous than anyone had anticipated, and wealth was far less equally distributed. As a result of the Six Day War, Israel had also taken aboard large numbers of Palestinian and Syrian Arabs in the West Bank, Gaza, and the Golan Heights—1.2 million at last count, not including the 600,000 Arabs who are Israeli citizens, and who have long been considered by Jews to be a "problem" in their own right.* The shift in economic emphasis, meanwhile, from farm to factory, from rural pioneer to urban scientist and technocrat, had been disorienting.

^{*}Since the first election in 1949, Israel's Arab citizens have been permitted to vote and they enjoy, at least theoretically, the right to most employment opportunities and government benefits. Few hold positions of power. Yet the social and economic gains made by Israeli Arabs have been impressive. Life expectancy rose from 52 to 72 years between 1948 and 1978. In 1948, almost no Arab village had electricity; three-quarters did 30 years later. But Arabs lag considerably behind their Jewish compatriots in education, as they do in income. There are no independent Arab political parties as such, but Rakah, one of Israel's two Communist parties, attracts considerable Arab support. Long quiescent politically, Israeli Arabs have become increasingly nationalistic since the Six Day War. Eighty percent of them now favor creation of a Palestinian state, according to a recent poll.

There was still a solid minority of Israelis who cherished the network of institutions (and the ethos underlying them) that Ben-Gurion and others had set into place before independence. But Ben-Gurion died in 1973, and his Labor Alignment had by then been losing electoral support for more than a decade—beset by defections, by public dissatisfaction with the conduct of the costly 1973 Yom Kippur War, by labor unrest that seemed increasingly to tie the economy in knots, and by a wave of political scandals. (Prime Minister Yitzhak Rabin, hero of the 1967 war, was himself forced to resign in 1977 after it was discovered that his wife maintained an illegal foreign bank account.) The Israeli population, moreover, was becoming younger: During the 1970s, a majority was under 30 years of age, and among young Israelis public opinion surveys revealed widespread unease and, as elsewhere, "alienation."

Symptomatic was the steady decline in immigration to Israel throughout the 1970s and the steady increase in emigration from Israel. As many as 500,000 ex-Israelis now live in North America alone, with large concentrations in Los Angeles and New York. Many of those who have chosen to leave have been native-born Israelis (Sabras), former Army officers, even kibbutz members. Menachem Begin raised this issue in the Knesset in 1976, a year before the triumph of his Likud coalition. Since independence, he pointed out, "we have lost four divisions or a dozen brigades, which represents a real bloodletting." In 1981, the government reported a net emigration of 20,000 Jews, more than enough, under Israel's electoral system, to elect a candidate to the Knesset.

A Political Potpourri

With its multiparty system, Israel is an extreme case of parliamentary democracy. In contrast to the British model, candidates do not compete in winner-take-all contests in individual districts but instead run in the country at large—with the 120 seats in the Knesset divided proportionately among all parties that have garnered at least one percent of the vote. There is thus no lack of political parties in Israel. About 30 vied in the last election, nine currently have seats in parliament, and five are part of the current Likud coalition government. *Every* government Israel has ever had has been a coalition affair and no political party has ever won a majority of the votes cast.

This system, dreamed up by Zionist idealists before World War I, is widely condemned but also widely regarded as permanent in a nation that has never been able to agree even on a

constitution. The upshot is that small parties like Shinui or Poale Agudat Israel are at times in a position to exert inordinate influence. The National Religious Party (NPR) has never won more than 15 seats in the Knesset, but it has been a part of almost every government since 1948, and on religious questions—the Kosher Food for Soldiers Ordinance, the Pork Prohibition Law, the Who is a Jew Amendment—its word has been law.*

Going Soft

In a faction-ridden system such as Israel's, it is sometimes difficult to discern ideological shifts from year to year. But a fundamental shift clearly occurred in 1977 when Menachem Begin's Likud bloc (consisting of his Herut or Freedom Party, the former Liberal Party, the Land of Israel movement, and some dissident Laborites) formed a coalition with the NPR and other parties to finally rout the Labor Alignment. Likud's umbrella covered a diverse constituency: ultranationalists, big industrialists, private farmers, most Orientals, and many Orthodox Jews. Its outlook was capitalist, not socialist. And it hoped to fill the ideological vacuum created by the decay of labor-Zionism with a call for reestablishment of Israel's "biblical" frontiers—at the very least Judea and Samaria (the West Bank, occupied by Israel in 1967) but defined by some to include Jordan and conceived by others to stretch as far as the Euphrates.

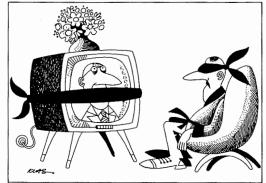
This biblical approach to Israeli territory is epitomized by the Gush Emunim, the "Bloc of the Faithful," formed after the 1973 war. The influence of the Gush spread quickly, finding adherents in Begin's Herut movement and elsewhere. Gush Emunim's stance is simply put: "Every piece of our land is holy—a gift from God." An unusually high percentage of the Gush are Orthodox Jewish immigrants from the United States. Most are Ashkenazim. Few wear the black coat, fur hat, or long side locks seen among Jerusalem's most militant Orthodox. Contending that Israel has gone soft morally and economically—becoming an "international schnorrer"—they prescribe a remedy called hitnahalut, which amounts to a

^{*}Israel is technically a secular state, but Jewish holidays are also national holidays and the Jewish Sabbath, Saturday, is the day of rest; all interurban public transport ceases and El Al jets do not fly (a recent victory won by the religious parties). Marriage and divorce are matters for the Jewish (or Christian, or Muslim) clerical hierarchies; neither can be accomplished by civil authorities. While many of the American immigrants are not Orthodox but Reform or Conservative Jews, their rabbis are not officially recognized in Israel—a sore point between the American Jewish community and the Jewish state. Because religious parties hold the balance of power in the Knesset, it is likely that Israeli law will become more rather than less Orthodox, despite the uneasiness or opposition of many Israelis.

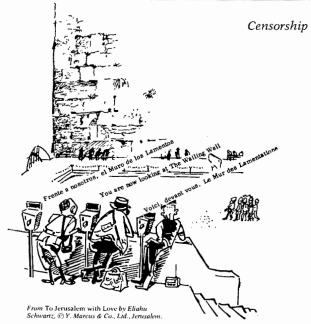
ISRAELI SELF-PORTRAITS



Prime Minister Menachem Begin



Klas/Migvan.



The Wilson Quarterly/New Year's 1983



The Wilson Quarterly/New Year's 1983

combination of frontier settlement and messianism, requiring Jews to establish themselves in all of Greater Israel as a cultural imperative and religious obligation.

Gush volunteers have set up dozens of Jewish settlements in Judea and Samaria, at first opposed but now winked at by a government that, since 1967, has itself established more than 100 settlements on the West Bank. They frequently resort to stealth, infiltrating Arab areas in the middle of the night. Recently, 18 Gush families reoccupied the old Jewish quarter—abandoned after rioting in 1929 that left 67 Jews dead—in the center of Hebron, an Arab town of 70,000 south of Jerusalem.

The Peace Now movement occupies the other end of the political spectrum. It, too, was formed after the costly 1973 war, and its position is also simply stated: "Peace is greater than Greater Israel." Peace Now commands a considerable following among students, *kibbutzniks*, and big-city socialists. Its power peaked during the late Egyptian President Anwar Sadat's visit to Jerusalem in 1977 and ever since has been on the wane, although it was able to mount several large demonstrations protesting Israel's recent invasion of Lebanon. The political party whose program embodied Peace Now principles, Shelli, lost both of its seats in the Knesset in the last elections.

Beginomics

The 1981 balloting, in which Begin's Likud increased its share of the vote to 37 percent, caught many commentators—and the Reagan administration—by surprise and served to highlight the conservative trend in Israeli politics.

The worsening state of the economy seems to have swayed few voters. Inflation had passed the 100 percent mark in 1979, and it stayed there for two more years. The peace treaty with Egypt signed in 1979 had proved costly; among other things, Israel now has to pay \$2 billion annually for new imports necessitated by loss of the Sinai oil fields. Despite the government's hope that Israel would one day be able to export its way out of the economic doldrums, the chronic annual trade deficit continued to hover around \$3 billion.

In February 1981, four months before the June voting, the government's third Finance Minister in four years, Yoram Aridor, introduced a quasi-supply-side economic scheme, cutting taxes and spending, and freezing government employment. What effect this will have in the long term remains in doubt. In the short term, the Begin government's decision in the months before the election to borrow heavily from private banks—in

order to subsidize further and in fact reduce the price of milk, eggs, soft drinks, air conditioners, motor bikes, and other items—may have helped, as MIT's Bernard Avishai put it, "to contrive an illusion of prosperity."

The most decisive change in outlook, as gleaned from the 1981 election returns, seems to have occurred in the military, once a bastion of the old labor-Zionist ideals. A 1972 survey of retired senior officers found 57 percent willing to make territorial concessions on the West Bank; they displayed liberal attitudes on such matters as civil marriage. Yet in 1981, Likud received far more support from soldiers—46 percent of their vote—than it did from the public at large. The shift is reflected in the army's leadership: Begin's Defense Minister, Ariel Sharon, and the Chief of Staff, General Rafael Eytan, both sympathize openly with Gush Emunim.

Back to Basics?

The same trend was apparent among the Sephardim, 60 percent of whom backed Begin in 1981. During the Ben-Gurion era, Labor wooed the Oriental Jews, successfully winning their support in political campaigns. With Ben-Gurion's disappearance, Begin gradually replaced the "Old Man" as father figure, prophet, and fiery-tongued critic of the Ashkenazic establishment. While Oriental Jews have slowly been narrowing the economic gap with the Ashkenazim, the income differential is still equivalent to that between whites and blacks in the United States. Orientals account for only 10 percent of university students. They deeply resent paternalism and "tokenism" and now identify Labor with both.

The fact that Israel's ideological cleavage is increasingly an ethnic cleavage has many people worried about the future of democracy in Israel. There had always been those who, like Rabbi Moshe Levinger, one of the founders of the Gush and now one of the Jewish residents of Hebron, believed that "the Jewish national renaissance is more important than democracy." But alienation from the electoral process seems of late to have become far more pervasive, particularly among Jews from Arab states whose first taste of true democracy was in Israel.

In a survey released before the 1981 voting by Dahaf, one of Israel's principal polling organizations, 31 percent of Jewish respondents were in favor of abolishing political parties; 55 percent supported restrictions on press freedom; and 21 percent said they would prefer an undemocratic government with "acceptable" policies to a democratic one with "unacceptable"

policies (20 percent were undecided). Two weeks before the election, the *Jerusalem Post*, alarmed at what some see as "Peronist" tendencies in the electorate, warned that "a not inconsiderable segment of the population takes a dim view of the country's system of democracy, and would be happy to see it scrapped and replaced with an authoritarian, 'strong-man' regime."

It has never required a strenuous act of will, during Israel's short history, to view with alarm the nation's future prospects. That, ironically, is one reason why Western visitors have found so much to admire in the Israelis themselves: not because they have turned their nation into a Levantine version of prosperous. multiethnic Switzerland, which is hardly the case, but because they remain a high-spirited people despite their saga of chronic, sometimes self-inflicted, difficulties. Faced with catastrophe, they have time and again managed to find its exposed flank and ward off the unthinkable. So it is, perhaps, today. There are signs, for example, that the Labor Party is serious about reform—and about building bridges to the Oriental Jews. There are signs, too, that Israelis are becoming less willing to tolerate a chaotic regime of single-interest parties: In 1981, many small factions lost Knesset seats as voters moved in large numbers to back major parties instead.

Israel's invasion of Lebanon in June 1982, its inconclusive victory, the months-long Israeli occupation, and the massacre of Palestinian refugees in Beirut by Lebanese Christian Phalangists under Israeli eyes—all of this has prompted a great deal of vocal soul-searching among Israelis. Whatever the military merits of the operation, it has forced everyone to confront the basics once again: the nature of the Jewish state, the price to be put on peace, the road Israel has traveled since 1948. With all of the other problems Israel must face, it may be that, in 1983, an ounce of perspective will be worth a pound of cure.