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Directorate of  
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# Israel: The Sephardi- Ashkenazi Confrontation and Its Implications



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An Intelligence Assessment

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# **Israel: The Sephardi- Ashkenazi Confrontation and Its Implications**



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## **An Intelligence Assessment**

*Information available as of 15 April 1982  
has been used in the preparation of this report.*

This paper was prepared by  of the Office of Near East-South Asia Analysis. It was coordinated with the National Intelligence Council and the Directorate of Operations. Comments and queries are welcome and may be addressed to the Chief, Arab-Israeli Division, NESA, 

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**Israel: The Sephardi-  
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and Its Implications**

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*A Chinese legend tells about a very rich man who used to give out free fish to the poor people of his city. They said to him: "What a good man." But the poor people of the city said: "We don't want fish. Give us a net." This is also the problem of the Orientals in Israel. Instead of giving them nets, the government gives them fish. The nets remain in the hands of the Ashkenazim. Eli Tavor. "Revolt of the Orientals," Yediot Aharonot weekend supplement, summer 1981.*

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**Key Judgments**

The dominance of Israel's government and economy by Ashkenazi Jews is largely attributable to their early sizable immigration to Palestine and their organization and leadership of all the major prestate public and private institutions.

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Heavy immigration to Israel by Sephardi Jews did not begin until after the state was founded in 1948. This fact and their traditional lifestyle put them at a considerable disadvantage. They continue to lag far behind the Ashkenazim in most major areas—income, university education, and opportunities to advance to senior positions in government and business.

Given their relatively high birthrate, the Sephardim will constitute a growing majority of Israel's electorate. Prime Minister Begin's Likud bloc must retain their overwhelming support if it is to remain in office. The opposition Labor Party has bleak prospects of returning to power unless it can project a more credible appeal to the Sephardim by ending endemic party infighting, assuming a tougher foreign policy stance, and endorsing Sephardi demands that a greater percentage of the government budget be devoted to social programs.

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The election of 1981 clearly demonstrated that Israel is split along ethnic lines into a three-bloc political system: an intensely nationalistic, predominantly Sephardi working class supporting Likud; a more moderate, heavily Ashkenazi middle and upper class backing Labor; and a relatively evenly balanced group supporting the religious parties. Sephardi support for Likud is largely the result of identification with Begin as a forceful, charismatic leader. After his departure from the scene, Sephardi dissatisfaction with Likud's failure to address pressing domestic social and economic problems could lead to serious alienation and an increase in Sephardi-led violence.

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Israel's population is becoming increasingly conservative in outlook and is moving closer to the hardline foreign policy views of older Sephardi groups, especially as the percentage of native-born Israelis of Sephardi origin grows. The public's hardline attitudes will reinforce Likud's commitment to tough West Bank and Palestinian policies and will make it extremely difficult for Labor—if returned to office—to carry out its plan to seek negotiations on partition of the West Bank and Gaza with Jordan.

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The Sephardim and Ashkenazim are likely over the long term to diverge in their views of relations with the United States and key West European and Latin American nations. Older Ashkenazi groups probably will continue to favor more moderate foreign and military policies in order not to strain ties with Israel's traditional allies. Immigrant Sephardim and younger, native-born Israelis probably will be more inclined to support tough negotiating positions and preemptive military actions.

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## Israel: The Sephardi-Ashkenazi Confrontation and Its Implications

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### Ashkenazi Immigration and Its Impact

Major Ashkenazi immigration to Palestine began in the early 1880s, following a stepup in persecution in Russia.<sup>1</sup> A total of 100,000 Jews—mostly Russian and East European—migrated to Palestine during the next 40 years. This influx erased the demographic majority Sephardi Jews had held in the Jewish community in Palestine.<sup>2</sup> Ashkenazim continued to be the predominant immigrant group until the late 1940s. From 1919 to 1948, 90 percent of the immigrants were Ashkenazim.<sup>3</sup>

- The Histadrut labor federation, which today represents nearly all Israeli wage earners.
- The World Zionist Organization and the Jewish Agency, which retain the major responsibilities for immigration and settlement affairs.

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The early Ashkenazi leadership in Palestine also imbued local Jewish life with particular political, economic, and cultural attitudes. Taken together, these complemented and reinforced Ashkenazi control of the administration of the Palestinian Jewish community during the British mandate as well as the post-1948 state.

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The key to Ashkenazi dominance of the Israeli state created in 1948 lies in the particularly heavy immigration of Ashkenazim in the early decades of this century. Israel's exclusively Ashkenazi initial leadership—including Chaim Weizman, David Ben-Gurion, Yitzhak Ben-Zvi, and Golda Meir—consolidated its control during this period.

Most of the early Ashkenazi leaders were seeking an escape from Russian oppression. They perceived their task as building a homeland in Palestine to serve as a Jewish haven from further persecution. To this end they stressed "settling the land" and—under the leadership of Ben-Gurion and Weizman—gaining the political support of the great powers. The Ashkenazi immigrants fleeing the German persecution in the 1930s and 1940s brought with them an even stronger sense of urgency to establish and maintain a Jewish state.

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The early Ashkenazi leaders organized all of the institutions that eventually became central elements of Israeli society, including:

- A representative assembly that later became the Knesset.
- Political groupings that evolved into Israel's current religious, nationalist, and socialist parties.

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<sup>1</sup> In its narrowest sense the term Ashkenazi applies to Jews of Central and East European origin. As used in this paper, it also includes non-Sephardi Jews who have immigrated from North and South America, South Africa, and Western Europe.

<sup>2</sup> The term Sephardi applies in its strictest sense to Jews of Spanish and Portuguese origin. As used popularly and in this paper, Sephardi also includes "Oriental" Jews from North Africa and the Middle East.

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<sup>3</sup> Of the 14.5 million Jews in the world, approximately 3.2 million or about 22 percent live in Israel. About 85 percent of the world's Jews are considered Ashkenazim, the other 15 percent Sephardim. About 10 percent of the world's Ashkenazim live in Israel compared with about 80 percent of all Sephardim. The Sephardim make up about 55 percent of Israel's Jewish population and the Ashkenazim about 45 percent. Ashkenazim and Sephardim subscribe to the same basic tenets of Judaism, but there are differences in matters of ritual, outlook, and interpretation. The government of Israel recognizes and perpetuates the dual communities with such institutions as the Ashkenazi and Sephardi Chief Rabbinate.

The early pioneers aimed to integrate socialist ideals with Jewish traditions to fashion a uniquely ethical homeland. They hoped thereby to preempt the development of conflicting domestic pressures that they associated with their frequently disadvantaged status in their countries of origin. They attached high moral value to manual labor, in part to further their plan to foster a "new" Jewish man no longer confined to a largely urban lifestyle. They worked tenaciously to reclaim land for settlement and agricultural cultivation from the swamps that dotted northern Palestine and the deserts in the central and southern regions.

The harsh realities of establishing a claim to the land encouraged flexibility in lifestyle, including a nontraditional division of family duties, and resourcefulness

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in problem solving. The expanding network of communal settlements and the socialist visions of many Ashkenazi pioneers further promoted equality between the sexes. [redacted]

**Sephardi Immigration and Its Impact**

An estimated 60 percent of the Jewish population in Palestine was Sephardi throughout most of the 19th century. This dropped to 23 percent by the mid-1930s. Sephardi immigration rose rapidly in the late 1940s, and from 1948 to 1962, 55 percent of Jewish immigrants were Sephardim. By the late 1970s Sephardim constituted between 55 and 60 percent of the Jewish population and a near majority of Israel's electorate. [redacted]

Unlike the Ashkenazi immigrants the Sephardim were not steeped in socialism. Jews from the Yemens and other Muslim countries migrated to Israel in part because of their deep-seated religious desire to live in the "land of the Bible." They attached supreme value to being able to practice their religion near the major Jewish holy places. Many also sought to escape persecution in their Arab countries of origin. Given their geographical separation from the major events of World War II, Sephardi Jews were largely untouched by the Holocaust and insensitive to the Ashkenazi preoccupation with it. [redacted]

The Sephardim suffered relatively more than most Ashkenazim from Israel's inability to integrate the massive influx of immigrants in the years immediately following the establishment of the state. From 1948 to 1951 the new state—with an initial population of only 700,000—had to absorb 750,000 newcomers. Overwhelmed, the government in 1950 began to set up transit camps to provide temporary housing. By the end of that year there were well over 100 such camps with nearly 200,000 immigrants living in tents, huts, and other temporary dwellings. The camps were dispersed throughout the country to form future population centers. [redacted]

Initially, Ashkenazi and Sephardi immigrants populated the camps in almost equal numbers, but the Ashkenazim proved able to leave earlier, often by making use of ties with established Ashkenazi families. The Ashkenazim also usually spoke Yiddish,

Hebrew, or a European language readily understandable to the Ashkenazi-dominated establishment. Most Sephardim spoke Arabic—a language not widely used in the state bureaucracy or the Ashkenazi community. [redacted]

There were still tens of thousands of people living in the camps in the early 1970s. As part of the government's effort to dismantle the camps, large numbers of Sephardim were transferred to isolated agricultural settlements, development towns, or abandoned Arab villages. This reinforced the already strong tendency toward separation between the two Jewish communities and placed most Sephardim in areas with reduced employment and educational opportunities. [redacted]

Unlike many Ashkenazim, the Sephardim maintained respect for rabbinic authority. Sephardi Chief Rabbi Ovadia Joseph, for instance, is a venerated figure even among nonobservant Sephardim. The Abu-Hatzeira family, whose head once was Chief Rabbi of Morocco, is regarded as possessing nearly mystical powers by Sephardim who live near the family seat in southern Israel. [redacted]

Sephardi attitudes and culture have clashed fundamentally with those of the Ashkenazi community. Sephardi communities traditionally have revolved around the synagogue, which serves as a major social and political as well as religious center. Sephardi society has tended to turn inward, in contrast to the Ashkenazi predilection for aggressive, politically oriented action. The Sephardim have tended to regard the government with suspicion and as the preserve of the Ashkenazi elite. [redacted]

Sephardi families are generally larger than Ashkenazi ones and have a strongly patriarchal tradition. Within Sephardi society personal status is measured according to ancestry and family ties. Sephardi men have been reluctant to work at jobs considered demeaning. This and the customarily large number of family members often have forced Sephardi children to abandon school for work in order to supplement family income. Sephardi women have remained in traditional roles—bearing and raising children, cooking, and keeping house. [redacted]

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The low educational level of Sephardi immigrants was a key factor leading to their concentration in relatively low-income employment. According to one estimate, only about 60 percent of Sephardi immigrants after 1948 were literate, compared to a literacy rate of nearly 100 percent among Ashkenazi newcomers. This estimate probably refers only to Sephardi men.

[redacted]

Most Sephardim have preferred not to work as farmers and have little understanding for the Ashkenazi commitment to "redeeming the land." Agricultural settlements within Israel proper and in the occupied Arab territories are Ashkenazi preserves, with very few Sephardi residents [redacted]

**Personal Status, Housing, and Education**

The Sephardim have improved their living conditions over the past 30 years. Their standard of living as measured by personal income has improved, and representation in the professional sectors of the private economy and in the civil service has doubled. [redacted]

Other evidence suggests a process of gradual integration between Sephardim and Ashkenazim. Younger, native-born Israelis from both communities speak the same language—Hebrew—in contrast to the early days of the state when immigrant Sephardim generally spoke Arabic and the Ashkenazim spoke Hebrew, Yiddish, or a European language. [redacted]

Intermarriage also has risen from about 12 percent in the mid-1950s to 20 percent by the late 1970s. In 1955 about two-thirds of such marriages were between an Ashkenazi groom and a Sephardi bride. Since then the social acceptability of intermarriage has risen so that the rates for both grooms and brides have become more nearly equal. [redacted]

Nevertheless, a wide gap continues to separate the Sephardim and Ashkenazim in most economic and occupational spheres and in higher education. Ashkenazim on the average enjoy a standard of living twice as high and hold a disproportionate share of senior positions in the scientific and academic communities and higher status white-collar and government jobs. In the area of luxury consumer items—telephones, private cars, quality housing—the Ashkenazim also are twice as well-off [redacted]

Housing is a particularly sore point for the Sephardim. Sephardi slums remain in major urban areas—the Hatiqva quarter in south Tel Aviv, Musrara and Katamon Tet in Jerusalem. Ashkenazim dominate the posh neighborhoods, such as Savyon and Herzliya in north Tel Aviv and the renovated Jewish quarter in East Jerusalem. The pervading shortage of housing—combined with inordinately high purchase costs—further compounds Sephardi grievances. [redacted]

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A compulsory education law was passed in 1950 as part of an early effort to raise Sephardi educational levels, but a widespread shortage of trained teachers in Sephardi urban areas and in development towns made it difficult to achieve rapid progress. Despite subsequent improvements in elementary education for Sephardi children, the Ashkenazim still average three more years of schooling. Sephardi children make up 70 percent of elementary classes, but only 16 percent complete high school and only 3 percent graduate from university. Of Israel's nearly 250,000 illiterates over the age of 14, two-thirds are Sephardim. [redacted]

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**Public and Private Sectors**

Sephardim are concentrated in the lower and middle ranks of Israel's private and public sectors. The upper middle class elite of academics, management, and industrialists is heavily Ashkenazi. Sephardim constitute only a small percentage of the teaching profession, writers and poets, and media personnel, including broadcasters, producers, and journalists. [redacted]

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The Jewish Agency executive and the Central Committee of the Histadrut trade union federation are predominantly Ashkenazi in membership. Sephardim have only a small representation within the senior management of Hevrat HaOvdim, a major Histadrut industrial concern, and in the Manufacturers' Association, which represents Israel's major industries in collective bargaining with the Histadrut. [redacted]

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In the public sector Sephardi representation is greatest in the lower ranks of the civil service and minimal at the senior levels. The same situation prevails in Israel's police force and military. [redacted]

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Slum dwellers clear land for their tent "settlement" in south Jerusalem



Jerusalem Post ©

### Ethnic Stereotypes

The Ashkenazi leadership has assumed a paternalistic attitude toward the Sephardi community since the beginning of the heavy Ashkenazi immigration to Palestine in the late 19th century. They have tended to view immigrant Sephardim as a "generation of the desert," representing a degrading "Levantine" force, needing continuous rehabilitation, lazy, and inclined to alcoholism and violence.

Prominent Ashkenazi leaders—representing a spectrum of political views—have long voiced such opinions. Ben-Gurion told a Labor Party Central Committee meeting in January 1954 that "the danger we are faced with is that the great majority of our children whose forebears have been uneducated for generations will sink to the level of Arab peasant children. . . . In another 10 or 15 years they will be the nation, and we will become a Levantine people." Former Labor Party

Foreign Minister Abba Eban noted in 1969 that "we are far from considering our Oriental immigrants as a bridge to our integration in an Arabic-speaking world. Our objective is to imbue them with a Western mentality and to prevent ourselves from being led into an unnatural Orientality." Former Chief of Staff Mordechai Gur spoke even more bluntly of a "retarded mentality deeply rooted in underdeveloped modes of thought, from which even the academic Orientals cannot free themselves sufficiently."

The national election campaign last June witnessed particularly strident ethnic attacks. Gur told Sephardi hecklers at one Labor rally that "we will beat you as we beat the Arabs." Labor Chairman Shimon Peres referred to his Sephardi hecklers as "Khomeinists" and advised them to return to their countries of origin.

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The Ashkenazim, in turn, perceive themselves as embodying all the essential characteristics for leadership—native intelligence, ability to work hard for extended periods, personal initiative, decisiveness, flexibility. Polling data suggest that Sephardim often agree. Many attach a high premium even to physical traits ascribed to Ashkenazim, such as fair complexion and light-colored eyes. [redacted]

Some Israeli scholars point to data they believe demonstrate that the gap between Ashkenazim and Sephardim is not narrowing. Indeed, one leading researcher believes the problem will grow more serious because of the growing cultural alienation and sense of grievance among younger Sephardim who, through military service and schooling, have come into increased contact with Ashkenazim and become more aware of the inequality between the two groups. Another sees it as a class struggle between an essentially Ashkenazi bourgeoisie and a Sephardi proletariat. [redacted]

#### Domestic Political Trends

Sephardi political representation is greatest at the level of local government, particularly in southern Israel. Several southern towns, including Kiryat Malakhi and Yavne, have Sephardi mayors and Sephardi-dominated town councils. [redacted]

On the national level Sephardim have gained increasing, but still essentially only token, representation. In the 1950s one Sephardi minister generally was included in coalition governments. This quota was raised in the 1960s to an average of two cabinet positions and minimal membership on other bodies including the Jewish Agency executive, the Histadrut Central Committee, and the Supreme Court. [redacted]

In the current Begin government three of 17 ministers and three deputy ministers are Sephardim. They administer relatively minor portfolios dealing exclusively with domestic affairs, including housing, labor, social welfare, and immigrant absorption. Sephardim have been excluded from the more powerful finance, foreign affairs, defense, and security-related portfolios. [redacted]

#### Voting Patterns

Over the four Knesset elections from 1969 to 1981 Prime Minister Begin's Herut Party—the dominant component of the Likud bloc—has garnered an increasing percentage of the Sephardi vote at the expense of the opposition Labor Alignment. In the national election of June 1981, 60 percent of Likud's vote—but only 25 percent of Labor's—was Sephardi. [redacted]

Labor's near miss in the election—47 Knesset seats compared to Likud's 48 and only about 10,000 fewer votes than Likud—is misleading. Labor's comeback—it won only 32 seats in 1977—was the result partly of the preelection collapse of the reform-minded Democratic Movement for Change, which drew strong support from many erstwhile Labor backers in 1977. Other voters—particularly those who traditionally have voted for small, moderate parties and Israeli Arabs—rallied behind Labor because of concern over the implications of continued Likud control. [redacted]

According to an estimate by a prominent Israeli political scientist, Labor since 1969 has gained only 75,000 new supporters. Likud—including its constituent parties that predated Likud's formation in 1973—has added nearly 400,000 voters since 1969, including over 100,000 last June. The electorate over the same 12-year period has increased by more than a half million. Likud thus has won about 80 percent of this group. [redacted]

Likud's support among both Sephardi immigrants and first generation Israelis of Sephardi ancestry has nearly doubled since 1969 and now includes about 60 percent of the Sephardi voter pool. Last June about 30 percent of the Ashkenazi electorate also voted for Likud; this group apparently includes many conservatively inclined, younger native-born Israelis of Ashkenazi origin. [redacted]

#### Begin and the Sephardim

Despite Likud's popularity it has provided only minimal party representation for Sephardim. Only two of 15 Likud cabinet ministers and six of Likud's 48

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Knesset deputies are Sephardim. In contrast, 17 of Labor's 47 Knesset delegates are Sephardim. The senior leadership of both parties is overwhelmingly Ashkenazi. [redacted]

Begin's personal qualities are the primary reason for Likud's popularity. Despite his Ashkenazi origin and punctilious East European manners, Begin represents to the Sephardim the classic image of the "outsider" who has long suffered at the hands of the Ashkenazi elite. Begin's personal history of imprisonment in Siberia during part of World War II and his dogged leadership of the dissident Irgun underground and Israel's rightwing political opposition have given him an antiestablishment aura. [redacted]

Polling data make clear that he also is perceived as a strong leader who can be relied upon to "keep the Arabs in their place." His strident hard line on key Arab-Israeli peace negotiation and security issues evokes strong support from the Sephardim, many of whom retain bitter memories of persecution in their Arab countries of origin. Many do not share Begin's ideological commitment to permanent retention of the West Bank, but their animosity toward Israel's Arab opponents strongly inclines them to support his tough policies aimed at annexing the territory. [redacted]

The traditionally religious Sephardim also attach high symbolic importance to Begin's respect for Orthodox Judaism. Labor's pronounced secularism clashes dramatically with Begin's traditionalist image. [redacted]

#### The Religious Parties

Although Begin's personal appeal has attracted a growing number of Sephardim who traditionally have supported the religious establishment, the religious parties are likely to continue to attract most observant Sephardim, who rely on them to ensure respect for Orthodoxy among the overwhelmingly secular population. For the same reason, the National Religious Party and the ultraorthodox Agudat Israel—the two senior religious parties—are likely to retain strong support among religious Ashkenazim, a small minority of Israel's population, but a major element of the religious parties' electorate. [redacted]



Tami leader Abu Hatzeira [redacted] Wideworld ©

Tami, a new Sephardi religious party, entered the election campaign of 1981 on the final day of registration but still won three Knesset seats—the most striking success of any ethnic party in the past generation. Tami's leadership is nearly exclusively Moroccan in origin and thus projected a strong appeal to Moroccan Jews, who constitute Israel's largest Sephardi group. Unlike other Sephardi contingents—including the Yemenis, Iraqis, Bulgarians, and Algerians—most Moroccan Jewish community leaders emigrated to Western countries after 1948 rather than to Israel. As a result Moroccan Jewish immigrants to Israel have experienced particular difficulty in improving their status and rallied behind Tami's campaign calls for increased Sephardi representation in the higher echelons of government and the private sector. Tami's popularity also was partly the result of the personal appeal of its leader—a member of the venerated Abu-Hatzeira family—and of public concern over alleged National Religious Party financial scandals. [redacted]

#### Likud's Prospects

Polling data demonstrate that Sephardi support for Likud has rested largely upon identification with Begin as a forceful, reliable leader. Begin's immense

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*Housing Minister David Levi  
chucks chin of Azer Cohen,  
who represents Ohel Moreh  
squatters.* [redacted]



Jerusalem Post ©

personal appeal so far has undercut Sephardi dissatisfaction with Likud's failure to undertake meaningful programs to renovate urban slums, provide affordable new housing, and generally reduce the Sephardi-Ashkenazi social and economic gap. [redacted]

For much of Likud's first term and during the election campaign last year, Begin and other Likud leaders cleverly exploited Sephardi memories of past bungling and perceived discrimination by Labor-led governments. But as Likud's tenure in office lengthens, the Sephardim probably will be less easily satisfied with a Likud leadership that castigates Labor's failures while failing to develop effective alternatives, particularly in addressing domestic social and economic problems. [redacted]

Likud, moreover, lacks a successor to Begin who possesses his appeal to Sephardi voters or his unique command of Likud's fractious constituent parties. Defense Minister Ariel Sharon, 53, appears to have the inside track to succeed Begin. He is a hard charging, tough-minded leader with a vociferous leadership style that appeals to the Sephardi community, despite his Ashkenazi ancestry. But he could face a tough battle with older Begin proteges, particularly

Foreign Minister Yitzhak Shamir, 67. Second Deputy Prime Minister and Housing Minister David Levi, 43, is the leading Sephardi in the cabinet and also would be a contender.<sup>4</sup> [redacted]

Sephardi disillusionment with Likud could be compounded if Likud's predominantly Ashkenazi senior leadership fails to broaden the token roles bestowed on Sephardim. Because of his housing portfolio, Levi in particular is likely to come under growing pressure from Sephardi urban activists for more effective action on slum renewal. Similar pressure is likely to be exerted on Moshe Katsav, a Sephardi deputy minister in charge of neighborhood housing. Katsav and other Sephardim in Likud's Knesset delegation who double as local leaders—including David Magen, mayor of Kiryat Gat and Meir Shitrit, Yavne council chairman—also will come under greater pressure to secure more government funds for Sephardi community projects. Some Sephardi activists, moreover, even oppose the Begin government's aggressive West Bank

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settlements policy, which they perceive as siphoning off funds from critically needed housing construction within Israel and other domestic reform programs. [redacted]

**Outlook for Labor**

Whether Sephardi discontent translates into an eventual major shift in voter support away from Likud will depend heavily on Labor's ability to resolve its own leadership crisis and to develop new domestic and foreign policies. [redacted]

Party Chairman Peres and former Prime Minister Yitzhak Rabin continue to wage a relentless rivalry that undermines party leadership and discourages a rethinking of Labor's electoral strategy. The Peres-Rabin feud, in turn, has encouraged a further unraveling of party unity at the local level, with bitter wrangling between factions headed by competing urban power brokers and kibbutz activists.<sup>5</sup> According to a recent poll, a clear majority does not believe Labor is qualified to resume office. All polls taken since the election last June show Likud widening its lead at Labor's expense. [redacted]

Prominent Sephardim in the Labor Party have become more vocal in their claims that the party's Ashkenazi leadership is insensitive. Sephardi Knesset member Ra'anana Ma'im's recent, highly publicized remarks denouncing Labor's "dovish and antireligious" policies and its Ashkenazi elitism probably have reinforced Sephardi perceptions that Labor is incapable of representing Sephardi interests. [redacted]

Labor is making little effort to recast its electoral strategy to appeal to an electorate increasingly dominated by Sephardi voters. To appeal to these voters and wean them from Likud, Labor eventually will have to replace much of its predominantly Ashkenazi senior leadership with a new and more ethnically balanced group. Press commentaries by Labor activists suggest that some in the party have begun to give

<sup>5</sup> A kibbutz is a communal settlement in which the land is owned by the state; everything else is collectively owned by all members. Labor-affiliated kibbutzim represent a relatively small percentage of Israel's population, but they exercise potent political leverage in Labor decisionmaking bodies through the united kibbutz movement, which includes in its leadership senior Labor Party figures. [redacted]



Israeli President Yitzhak Navon [redacted] Franz Furst ©

serious consideration to President Yitzhak Navon as the party's future chairman. Navon, whose term expires in 1983, is a popular and talented fifth-generation Israeli of Moroccan ancestry. [redacted]

Some also hope that before the next election Secretary General Yeruham Meshel of the Labor-dominated Histadrut will yield his position to his deputy, Israel Keisar, a prominent Yemeni Sephardi. Those espousing this changeover believe it would enable Labor to rally greater support among the Sephardi working class, whose interests the Histadrut represents in nearly all wage and other economic negotiations with the government and the private sector. [redacted]

To make significant inroads in the Sephardi community Labor also will have to realign its domestic and foreign policy strategies. Labor will have to project a more credible commitment to finance new housing construction in major urban areas, upgrade employment opportunities for Sephardim in isolated development towns, and seek for Sephardim a higher percentage of white-collar private-sector and senior civil service positions. Labor probably will have to recast its foreign policy positions along conservative lines

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*Voter Profiles*

**Likud**

*Younger voters (especially 18 to 30 age group)*  
*Blue-collar workers*  
*Lower educational, occupation, and income groups*  
*Traditionalists*  
*Sephardim, with a greater percentage of native-born Israelis of Sephardi origin supporting Likud than their parents*

**Labor**

*Middle-age and older voters (45+ age group)*  
*White-collar workers*  
*Middle and upper educational, occupation, and income groups*  
*Secularists*  
*Ashkenazim, with a smaller percentage of native-born Israelis of Ashkenazi origin supporting Labor than their parents*

[redacted]

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that are more consonant with hawkish Sephardi views. This process could eventually result in the shelving of the party's longtime commitment to compromise with the Arabs on West Bank, Gaza Strip, and Golan Heights territorial questions. [redacted]

portion of Likud's Sephardi vote to win at the polls. About 30 percent of the Sephardi community voted for Labor last June. Labor success in developing greater credibility among Sephardi voters also could encourage the religious parties to consider dropping their alliance with Likud and thereby ease Labor's task of forming a majority coalition. [redacted]

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Given the deep-seated personal and factional rivalries within Labor, moves to achieve such far-reaching leadership and policy changes are certain to provoke protracted infighting. Bitter opposition is certain from major elements of Labor's Ashkenazi constituency, whose support the party cannot afford to alienate even as it attempts to broaden its base among the Sephardim. [redacted]

—The Sephardi community could become a floating vote, shifting between national elections from the party in power to the opposition. If this trend develops, Likud and Labor probably would alternate terms in office. [redacted]

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**Sephardi Options**

—The Sephardim could continue to back Likud by their current overwhelming margin. Indeed, Likud's prospects are likely to rest in large measure on its ability to retain the support of the older Sephardi voters and to project a broader appeal to younger native-born Israelis of both Sephardi and Ashkenazi origin. [redacted]

—The Sephardim could also organize their own national movement. Sephardi ethnic parties, however, have fared poorly in the past; Tami's success in the last election probably was due primarily to its calculated appeal to the large Moroccan community. Tensions among different Sephardi groups are likely to constitute a primary barrier to forming a major national Sephardi party. [redacted]

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—Should Labor retain the support of the middle-aged and older Ashkenazim—as seems likely—it would need to restore its support among younger native-born Israelis of Ashkenazi origin and siphon off a

Four other Sephardi election lists—some including well-known former members of the Knesset—failed to win a single seat in the election last June. Likud and Labor together won 95 of the 120 Knesset seats,

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underscoring the preference of most Israelis for backing the principal political combinations. Given the absence of prominent Sephardi figures with the requisite leadership credentials—especially in foreign and security affairs—an ethnic grouping would seem unlikely to constitute a serious near-term challenge to the established parties. [redacted]

Nevertheless, as long as one major party does not gain a clear parliamentary majority, Tami and other ethnic organizations probably will be courted as potential coalition partners, and they thus could wield disproportionate influence. For example, Tami's three Knesset seats are indispensable to Begin's current government, and Tami leaders have capitalized on Begin's dependence to gain major influence on labor and social issues. In future elections the established parties probably will make increasing appeals to the Sephardi electorate in an attempt to undercut the polling power of small ethnic parties. [redacted]

—The Sephardim also might fragment into various smaller groups backing Likud, Labor, and the religious and ethnic parties, with some Sephardim floating between these groups. This development would be particularly likely should Likud fail to project strong leadership after Begin's departure and should Labor remain mired in factional squabbles. [redacted]

Major moves toward military and political cooperation among the Arab states or a return to civil war in Lebanon would usher in prolonged, heightened regional tensions that would encourage the Sephardim to subordinate their domestic concerns. Extended periods of relative regional calm could lead to intensified action by the Sephardim to redress their grievances and assign a larger slice of the government budget to meeting domestic social concerns. Sephardi pressure could lead to new social unrest and encourage Sephardi voters to defect from Likud. However regional circumstances develop, the Sephardim will continue to demand a strong military. This demand, taken with Sephardi pressure for more funds for domestic programs, would strain Israel's limited budgetary resources. [redacted]

Serious domestic violence does not appear to be a likely near-term threat, although the sense of grievance among Sephardim—particularly among the younger and more educated—clearly is growing. One researcher conducting interviews from 1978 to 1981 with potential leaders from Israel's three largest Sephardi groups, the Moroccans, Iraqis, and Yemenis, found that the Sephardim are increasingly frustrated over their difficulties in working through the bureaucracy and other institutions to effect rapid improvements in status. Some of those interviewed speculated that it might be necessary to resort eventually to organized violence. [redacted]

#### Impact on Arab-Israeli Relations

The Sephardim are likely to continue to be the principal group backing hardline policies on major Arab-Israeli issues, but polling and electoral data show a progressive toughening of public opinion among Ashkenazi groups as well. Indeed, Likud has succeeded in generating significant voter support among the Ashkenazim—particularly among younger native-born Israelis of Ashkenazi origin. Support for a more flexible stance on major security and peace negotiation issues has steadily declined and is now concentrated among middle-aged and older Ashkenazim. [redacted]

Polling data demonstrate that Israel's electorate has steadily increased its support for conservative parties. Right-of-center parties have registered significant gains in recent Knesset elections, winning a total of 32 seats in 1969, 39 in 1973, 45 in 1977, and 51 last June. Moderate and left-of-center parties, on the other hand, declined from 66 seats in 1969 to 52 seats last year. [redacted]

Other polls demonstrate a hardening of Israeli attitudes on key peace negotiation and security issues. A clear majority prefer some form of permanent Israeli control over the West Bank and Gaza or outright annexation to Labor's strategy of engaging Jordan eventually in territorial partition talks. [redacted]

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The public's tough attitudes will reinforce the ideological commitment of Likud or a rightwing successor combination to a rigid stance on Palestinian autonomy, settlements in the occupied territories, and other issues central to Israel's retention of the West Bank and Gaza. The public's mood probably also would severely complicate Labor's intention to seek talks with Jordan on partitioning these territories. Begin and other opposition leaders would be certain to rally strong resistance among supporters of Likud and other nationalist parties and activist settlement movements like the Gush Emunim and Rabbi Meir Kahane's Kakh group. Together with predictably strident opposition from conservatives in Labor itself and among its likely religious party allies, Labor would find it extremely difficult—perhaps impossible—to offer the kinds of sweeping territorial and other concessions necessary to spur serious movement toward a negotiated peace. [redacted]

Polls suggest that the Israeli public is likely to continue to endorse the peace treaty with Egypt and government efforts to further normalize bilateral ties, despite suspicion that the Mubarak government eventually will return to the Arab fold. Israelis generally believe they have made enormous and disproportionate sacrifices to gain peace—abandoning settlements established in Sinai at great expense, evacuating major Sinai airbases and constructing new bases in the more constricted confines of the Negev, dispensing with the strategic depth and buffer offered by Sinai, and leaving behind profitable oilfields. These concessions have strengthened the Israelis' determination to hold Egypt to the letter of what they regard as Cairo's most tangible treaty concession—limitation of the number and type of Egyptian military forces in Sinai. [redacted]

Neither the Sephardim nor Ashkenazim, however, are likely to favor comparable concessions in exchange for peace with Jordan or Syria. Both groups perceive the Syrian leadership as among the most radical in the Arab world and committed to Israel's destruction. A broad spectrum of Israeli opinion long supported annexation of the Golan Heights and thus applauded the Knesset's extension last December of Israeli law, jurisdiction, and administration to the area. [redacted]

Most Israelis do not believe Jordan's King Hussein possesses enough weight in the Arab world to participate in peace talks or, even if he did, to accept Israeli retention of East Jerusalem and sizable portions of the West Bank and Gaza. Jordan's close relationship with Iraq, its improving ties with the Soviets, and its search for advanced weapons systems have aroused further apprehension. [redacted]

#### Relations With the United States

The Ashkenazi and Sephardi communities are likely to diverge increasingly in their views of US-Israeli relations, although both agree that Israel must retain strong US diplomatic, military, and economic support. The Sephardim in particular are likely to back heightened Israeli Government efforts to gain increased levels of US economic and military assistance. [redacted]

Older Sephardi groups and younger native-born Israelis have drawn great satisfaction from Begin's perceived success in battling the United States over peace issues. Begin's performance has reinforced their conviction that Israel can pursue tough foreign and security policies and still retain high levels of US military, economic, and political support. These groups thus are likely to continue to back a more direct style—like that of the current Begin government—of publicly stating Israel's position and leaving it to the other parties to accommodate themselves. They probably also will continue, much more than middle-aged and older Ashkenazim will, to support Israeli military actions certain to provoke US opposition, such as wide-ranging preemptive operations against the Palestinians in Lebanon. [redacted]

Older Ashkenazim, on the other hand, are likely to continue to favor Labor Party-style tactics placing a premium on avoiding direct confrontations with the United States on peace issues and leaving vague Israel's minimum position by making efforts to accommodate elements of US proposals. [redacted]

Differences in attitude between the Ashkenazim and Sephardim toward the US Jewish community almost certainly will grow as Israeli culture and politics

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diverge from the predominantly Western patterns established by the early Ashkenazi elite. Older Ashkenazi groups—including many with family ties in the United States—probably will continue to urge special Israeli Government efforts to consult with American Jewish leaders on Israeli foreign and domestic policies. But most of the Sephardim and many younger native-born Israelis have little or no cultural affinity with US Jews and little incentive to take account of their views. [redacted]

Similar Ashkenazi-Sephardi differences probably will emerge over Israel's relations with key West European and Latin American states, despite general Israeli recognition of the political and economic importance of maintaining close relations with these states. Older Ashkenazi groups will expect future governments—whether Likud- or Labor-led—to repair eroding ties with key West European states. They also will favor special efforts to maintain cordial relations with major Latin American nations, particularly those with large Ashkenazi populations like Argentina and Brazil. The Sephardim lack strong cultural ties with these states or their Jewish communities. They are unlikely to temper their support for independent Israeli military actions or continuing adherence to a tough stance on peace negotiations because of apprehension over adverse European and Latin American reactions. [redacted]

Older Sephardi groups have retained deep-rooted feelings of bitterness and animosity toward the Arabs, stemming from their experiences while living under Arab rule. They are unlikely to favor greater accommodation on key Arab-Israeli issues. Public opinion polls suggest that significant elements among younger native-born Israelis also favor continued tough policies designed to preserve Israeli freedom of action on peace negotiation and security matters. Over the long term the sentiments nourished by all these groups seem likely to drive Israel toward greater self-imposed isolation. [redacted]

#### **The Soviet Angle**

The Israelis' perception of the USSR probably will be a special case, less affected by growing differences between the Ashkenazim and Sephardim. Both view the Soviets as committed to the Arab camp and will remain extremely wary of Soviet diplomatic initiatives. But unlike the Sephardim, Israel's Ashkenazi community probably will continue to perceive a special urgency in gaining Soviet agreement to allow Jewish dissidents to emigrate. The more than 3 million Jews of the USSR represent the largest source of significant Ashkenazi immigration to Israel in the near term. [redacted]

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**Annex: Demographic Trends****Jewish Birthrates**

By 1948 Israel's Ashkenazi community constituted about 75 percent of the country's Jewish population. The relative decline in Ashkenazi immigration after 1948 coupled with the enormous influx of Sephardi immigrants—especially from 1948 to 1952—led to a gradual erosion of the Ashkenazi majority. Most Israeli scholars agree that by the mid-1960s the Ashkenazim made up less than half of the Jewish population. [redacted]

Official Israeli statistics published in 1977 claimed that Sephardim made up about 47 percent of the Jewish population, but most Israeli demographers believe the Sephardim constitute a much larger percentage. According to one analysis of the national election of 1977, the Sephardim totaled around 60 percent of the entire Jewish population and 66 percent of the Jewish population under 18 years of age. [redacted]

The higher fertility rate of the Sephardim is likely to increase their demographic majority. In 1977 the Sephardi birthrate was 3.56 per 1,000 compared to 2.85 for the Ashkenazim. This gap probably will narrow somewhat toward the end of the 1980s as the Sephardi birthrate approaches that of the Ashkenazim, but demographers still project a Sephardi advantage of about 2.84 per 1,000 to 2.6 for the Ashkenazim. [redacted]

Only major new immigration to Israel from countries with large Ashkenazi populations—the United States, Canada, Western Europe, the Soviet Union, South Africa, Brazil, Argentina—would be likely to decrease the Sephardi demographic advantage. Such a development seems unlikely. [redacted]

The relatively affluent Ashkenazi populations of the West traditionally have not immigrated to Israel in large numbers. Currently, over 70 percent of Soviet Jewish emigrants prefer to resettle in the United States or in Western Europe. Israel's high inflation

rate—102 percent last year—the high taxation rate, endemic housing shortages, and extensive military requirements are likely to continue to discourage Ashkenazim from immigrating to Israel. [redacted]

The Ashkenazi sector also is likely to continue to decline because a high percentage of affluent and well-educated younger Ashkenazim emigrate, searching for greater economic and professional opportunities in the United States and Western Europe. Official Israeli estimates put the number of emigrants from 1948 to 1979 at about 300,000. [redacted]

Special incentives granted by the government to encourage new immigration to Israel—which although very limited now comes mostly from countries with large Ashkenazi populations—are certain to continue to fuel resentment among the Sephardim. They particularly oppose allowing immigrants preferential access to subsidized housing, upper echelon private-sector job opportunities, and retraining programs. [redacted]

**Jewish Manpower Shortage**

Israeli demographers project a growing Jewish skilled manpower shortage during the 1980s. The Israeli Labor Ministry foresees shortages of dentists, engineers, lawyers, and business managers. In contrast, surpluses are anticipated in physicians, school teachers, and university graduates in the social sciences and humanities. Many of the workers needed in construction, unskilled and semiskilled industrial employment, and in agriculture will continue to be drawn from the West Bank and Gaza Strip. In 1980 about 75,000 West Bank and Gaza Arabs commuted daily to such jobs in Israel. [redacted]

These shortfalls become more critical whenever the Israeli military and civilian sector compete for available personnel. Prolonged military callups—either as contingency moves in reaction to perceived Arab

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threats or during hostilities—will aggravate the Jewish labor shortfall in the civilian economy. The limited size of the Jewish labor force and the declining Jewish birthrate, moreover, will be major constraints on future expansion of the armed forces. [redacted]

**Arab Population and Implications for Israel's Jewish Majority**

Israel's Arab population probably approached 600,000 at the end of 1981. In 1977—the last year for which we have good statistics on the regional distribution of the Arab population—about 260,000, or roughly 47 percent, lived in northern Galilee. About 200,000 Arabs lived in villages scattered along the central coastal plain among the dense Jewish population. There also were Arab villages clustered along the northern border with the West Bank and about 40,000 seminomadic Bedouins, mostly in the Negev desert in southern Israel. [redacted]

The Arabs in Israel have a high average birthrate—3.6 per 1,000—which is viewed with alarm by Israel's Jews, who are apprehensive over a growing minority that is alien in culture, history, religion, and political

aspirations. Evidence of pro-PLO sentiment among Israel's younger, better educated Arabs has further deepened Jewish apprehensions. The specters of an independent West Bank/Gaza state and an irredentist Arab population in Galilee reinforce support for Begin's limited Palestinian self-rule plan and his aggressive Jewish settlements program in the West Bank. [redacted]

Israel's status as a Jewish state is threatened by the growing Arab population in the country and in the West Bank and Gaza. Arabs constituted about 17 percent of the total population of Israel proper in 1980. By 1990 this is expected to increase to around 20 percent. When combined with the population of the West Bank and Gaza—now about 1.1 million—Arabs could make up 41 percent of the population of Israel and the occupied territories by the end of the decade. By the turn of the century this combined Arab population could equal Israel's Jewish population [redacted]

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