

Israel: 200,000 families need help to survive

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Every third child, every fourth elderly person and every fifth family lives in poverty in Israel.

According to the Alternative Poverty Report published by Latet, an Israeli humanitarian group, more than 200,000 Israeli families suffer from nutritional insecurity and need help if they are to survive. This represents more than 1 million people in a country of 6 million.

The financial crisis and the recession have exacerbated the situation. The need for aid is growing while the resources to help people in need are shrinking fast, with the result that the aid agencies' ability to provide even the most basic support to those in need is in real danger.

Latet Chairman Gilles Darmon and Eran Weintraub, general manager, said of its report on 2008, "Poverty has become more prevalent in 2008—the poor have gotten poorer and the organizations' ability to provide solutions has substantially declined due to a decline in donations, an erosion of public interest, the deterioration in the US dollar exchange rate, increase in the price of food and sweeping disinterest on the part of the government. 2009 will be catastrophic: many organizations will collapse."

Latet expects tens of thousands of families to fall below the poverty line in 2009 and 2010. "Without the State's intervention," the group states, "the humanitarian sector might collapse leaving over 1 million Israelis without food."

It has launched a campaign to recruit volunteers from 150 local agencies to help provide 200,000 meals for families in need and make sure that everyone can enjoy a meal for the Jewish New Year on September 18.

Latet organised a virtual Rosh Hashanah (Jewish New Year) meal web site, inviting guests to join the table, but instead of eating a meal, to give it to someone who needs it. Visitors can join existing tables by donating NIS 10 (US\$2.65) or host their own table and invite their friends and relatives to join the campaign.

The virtual dinner party was set up in Tel Aviv's Rabin Square from August 31 to September 2. The whole square was covered with 1 km-long tables set for dinner, complete with chairs, plates and silverware—but without any food—in order to publicise the dire situation facing many Israeli families.

Latet has also organised a nationwide food drive in supermarket chains and shopping centres this week to collect

food to distribute to those in need.

The 2008 Alternative Poverty Report's definition of poverty is based on disposable income and five qualitative parameters that combine to form a "basket" of basic rights that offer a dignified existence—employment, education, housing, health and food.

According to the report, every fifth needy individual contemplates suicide as a result of a deep sense of despair. One quarter say that their greatest fear is hunger. Seven percent are worried about dying of hunger. The main concern of 59 percent is their inability to give their children what they need. Fully 69 percent of the needy report that they have encountered degrading situations, such as receiving food from organizations, asking friends or family members for help or collecting food off the ground. Tellingly, 60 percent of the needy feel that their financial situation has deteriorated over the last five years. One in every four Israelis says he or she is afraid of falling into poverty.

The main causes of poverty are unemployment, low wages, and temporary or part-time work. The average net monthly income of aid recipients in 2008 was NIS 3,134 (US\$798), far below their expenses.

A total of 74 percent of the needy said they would rather work than receive welfare, giving the lie to those that claim that the poor are work-shy. Indeed, the number of working poor has increased: 34 percent of the needy said they were working—a 13 percent increase over the previous year and an increase of 55 percent since 2006. There has been a 50 percent drop in the number of permanent jobs and a staggering 123 percent rise in temporary jobs since 2008.

Latet cites a host of statistics about what it means to be poor in Israel. In relation to health:

- 10 percent of the needy said that a person close to them had passed away because they had no money for medical care.
- 57 percent of aid recipients or their family members do not get the medical treatment or medication they need.
- 60 percent do not seek medical care.
- 62 percent of the needy do not have health insurance.
- Only 9 percent are able to pay for dental care.
- 18 percent of the aid recipients are chronically ill.

In relation to children:

- There was an increase of 33 percent in the number of children removed from the family and taken into care. A

shocking one in four poor parents (24 percent) have had one or more of their children taken away due to financial difficulties, up from 18 percent in 2007.

- 87 percent of poor parents were unable to make the educational co-payments for their children.
- 80 percent of poor parents could not provide their children with the equipment they needed for school.
- Children in 70 percent of the families surveyed did not take part in school activities because their parents did not have enough money, an increase of 51 percent in the last two years.
- 82 percent were unable to afford academic studies for themselves or their children.

In relation to housing, the number of those able to meet their rent or mortgage payments had fallen by 25 percent in the last year, with only one quarter able to cover the cost of housing. Fifty-nine percent of the needy have moved home in order to find smaller or less expensive accommodation or because they had been evicted.

Even these figures are a pale reflection of the impoverished conditions faced by Israel's poor. Many are not on the books of the aid agencies, relying on family and friends to get by.

A recent government report from the National Insurance Institute highlighted the increase in poverty and noted that the gap between the higher and lower earners was widening. This growing inequality must be set against the relatively high economic growth from 2003 to 2008. The government had claimed that the wealth would "seep down from the top to the bottom." The opposite has taken place, with the majority of Israelis experiencing a reduction in their living standards.

A study by the Adva Institute said, "If during the 1960s Israel was considered the most egalitarian country in the developed world, today it ranks second in the west on every measure of inequality." The United States tops the league of shame.

Israel's economic growth benefited only the top echelons of society—the CEOs and managers of the top 25 companies listed on the Tel Aviv Stock Market. The monthly salaries of this group—excluding bonuses and stock options—grew from NIS 345,000 (US\$91,250) in 2003 to NIS 874,000 (US\$231,186) in 2006, an 150 percent increase. The CEO of the average publicly traded firm earned 49 times the minimum wage and 22 times the average wage. The annual salaries of CEOs in the 25 largest publicly traded firms were much larger. In 2006 they earned an average annual salary of \$2.5 million, compared with \$1 million in 2003.

The majority of Israeli wage earners earned less than \$1,450 a month last year. Adva calculate that it would take the average Israeli wage earner 12 years to accumulate the monthly salary of the average CEO of a big company in Israel.

Adva drew attention to the discrepancy between the tax cuts benefiting the rich and the cuts in the public services: "As a result of the tax cuts, between 2002 and 2007 the state Treasury lost a total of NIS 4.4 billion in revenues, and the prediction is that by 2010 the loss will amount to NIS 21.7 billion—an

amount that is not much less than the annual budget of the Ministry of Education—the civilian ministry with the highest annual budget."

Its comprehensive study of the social situation in 2007 concluded that the government's economic and social policies were directly responsible for the growing inequality and poverty in Israel. Since then the situation has deteriorated further.

As well as the huge disparity between the rich and poor, Adva also exposed the inequality resulting from ethnicity, religion and gender. Ashkenazi Jews of European or American descent earn 39 percent above average while Mizrahi Jews from the Middle East and North Africa earn only 3 percent above average.

The salary of an Israeli Arab was 30 percent below the average in 2006, compared to 25 percent in 2003, dropping far faster than any other section of Israeli society. Unemployment was less than one percent in the affluent Jewish suburbs of northern Tel Aviv, but reached 20 percent in some Arab towns and villages.

The average wage of an Israeli woman last year was 63 percent of a man's. Even when adjusted for hours worked, a woman's average hourly wage was 84 percent of that of a man.

These reports reveal a society in a deep and intractable social crisis. The Labour Party, Benyamin Netanyahu's coalition partner, has been an active accomplice in all of this, as has Israel's national trade union body, Histadrut. As a result, Histadrut has been deserted by large numbers of workers. Its membership in 1989 stood at 1.6 million, while today it is less than half that at 700,000.



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