

***The Welfare State Consensus in Israel:
Placing Class Politics in Context***

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Israel provocatively challenges the social-democratic theory of welfare states that was first formulated in the late 1970s by Korpi (1978b; 1983), Castles (1978) and Stephens (1979) and which underpins the influential work of Esping-Andersen (1985; 1990). A hallmark of social-democratic theory is its claim that material interests are the mainsprings of both opposition and support regarding welfare states. Classes are the critical actors driving welfare state development, their interests forcefully articulated by left and right parties and associations of labor and capital. The most advanced welfare states, based on the principles of universalism, decommodification and public provision are found in Scandinavia, and they are the product of the organizational and political power of trade unions and leftwing parties. In this setting, it is argued, public support for egalitarian social policy is both broad and skewed (Korpi and Palme 1998; Svallfors 2004). Support is *broad* because social programs are inclusive of the middle classes and their interests. Yet it is also *skewed*, because the pervasiveness of class conflict in political discourse increases the salience of conflicting class interests concerning social policy. Consequently, compared to other welfare regimes, in social democratic settings public opinion is characterized both by a high level of overall (average) support for the welfare state *and* prominent class differences.

The Israeli case is discordant with key elements of the social-democratic perspective. In Israel the origins of the welfare state, and important aspects of its continuing development, can be traced to the struggle to establish a Jewish presence in Palestine and to build up its territorial, demographic and political base (Rosenhek 2003; Shalev 1989). Related to the close ties between social policy and Israel's distinctive national agenda, a strong consensus on social policy may be observed at the level of both political parties and the mass public. This article will show that public opinion is characterized not only by a high average level of support for redistribution and other forms of state intervention, but also by relatively weak differentials between classes – an anomalous combination from a social-democratic perspective. Class-based distributive conflicts are largely absent from public political contention in Israel, which instead revolves around territorial aspirations, the relationship between state and religion, and what it means to be Israeli (Shamir and Arian 1999; Yuchtman-Yaar and Peres 2000). The divergence of the political left and right in Israel from the European standard is acutely evident in the political allegiances of Israeli classes. The Labour Party, which historically dominated Israeli politics and society, relies heavily on the support of the middle and upper classes while the political right has built its power base on

disadvantaged ethnic and religious groups that are predominantly lower-class (Smootha 1993; Shalev and Kis 2002).

These paradoxes and peculiarities of Israeli politics can only be understood by recognizing that in Israel the welfare state, the labor movement and the left have all been decisively shaped by nation and state-building (Shafir 1989). That is why there is such a deep gulf between Israel and other affluent democracies in the meaning of the core concepts of social-democratic theory, as well as the theory's ability to explain welfare state legitimacy (Shalev 1992). In principle, these contradictions between theory and case study suggest two far-reaching conclusions. *Methodologically*, Israel's distinctiveness underlines the importance of contextualization in comparative research. *Analytically*, the Israeli case could be seen as posing a fundamental challenge to the theoretical primacy of class politics. This paper concurs with the first of these conclusions but not the second. Like the better-known Japanese "exception" (Goodman and Peng 1996; Kwon 2000; cf. Esping-Andersen 1997), the Israeli case shows that the standard understanding of welfare regimes was developed for – and has limited applicability beyond – the western countries. For the specific purpose of understanding welfare state attitudes in Israel, contextualization is especially important because the perceived interests of the mass public have been shaped by locally-specific state projects and patterns of political development. However, regarding the theoretical implications of the Israeli case, I shall argue that it by no means invalidates a class perspective. Conflicting class interests are universal, but they are differentially inserted and expressed in differing national contexts. This important insight is alien to social-democratic theory because its perspective on distributional politics is unduly rooted in the Scandinavian experience (Baldwin 1990; Castles 1994; Shalev 1983). In Israel, collective struggles for material and symbolic power and advantage are an integral feature of political life, *without being politically constructed as class conflict*. Nevertheless, *class conflict is subtly but surely implicated* in the visible issue conflicts of Israeli politics. In other words, the fact that class differences in support for the welfare state are politically muted in Israel does not render class politics irrelevant, because the backstage of identity politics is about redistribution.

Popular Support for the Welfare State in Comparative Perspective

One very broad indicator of support for the welfare state, which is arguably its most important ideological underpinning (Blekesaune and Quadagno 2003), is favorability towards income redistribution. The comparative analysis which follows relies on a 1996 multi-country survey concerning "The Role of Government" that was carried out in the

framework of the ISSP¹. One question asked respondents to express the extent of their support for government intervention to reduce income differences between rich and poor.² Results reported for Israel will be limited to veteran Jewish citizens. Two large minorities are thereby excluded: immigrants from the former Soviet Union (on the grounds that they were recently arrived at the time of the survey and came from a very different political context); and Palestinian-Arab citizens (because both welfare state politics and actual social rights differ in crucial respects between Arabs and Jews (Rosenhek and Shalev 2000)).

INSERT CHART 1 ABOUT HERE

As Chart 1 indicates, the mean level of support for redistribution among Israeli Jews is higher than in any of the veteran OECD countries. However, the demand for redistribution is best interpreted in relation to the "supply of inequality".³ In this regard it is notable that while Israel's redistribution score is almost a full standard deviation above that for the United States, *actual* income inequality in Israel approaches America's high Gini score. Israel and the US are representative of two of the three noteworthy configurations highlighted in Chart 1. The egalitarian social-democracies (Norway and Sweden) are positioned midway between other Western European countries in terms of support for redistribution. Their success in narrowing income differentials may have checked enthusiasm for further equalization, especially among citizens with high incomes. A second cluster is led by the US, where inequality is severe but support for redistribution is well below the international average. In contrast, Israel – along with several post-Communist states and Spain – combines severe inequality with unusually strong support for countervailing state intervention. All of these countries experienced highly visible increases in material inequality in the wake of dramatic changes in both the political and economic regime (in Israel, the fall of the dominant Labour Party in the 1977 election and far-reaching economic liberalization since the mid-1980s). In terms of income distribution, Israel is thus a highly unequal society in which popular sentiment, far

¹ ISSP is an acronym for International Social Survey Program. For further information, see <http://www.issp.org>.

² Another question referred to reducing differences between people with high and low incomes. I created the index in Chart 1 by summing responses to both questions (V16 and V42), after adjusting for the different number of categories they offered and converting the result to z-scores.

³ Inequality data (for equivalent household disposable income) are from the Luxembourg Income Study, based on surveys typically carried out within 1-2 years of the 1996 ISSP survey. To avoid "stretching" the chart it does not show the true Gini score for Russia (.45). Source: <http://www.lisproject.org/keyfigures/ineqtable.htm>

from the complacency of American free-market ideology, exhibits a yearning for state amelioration of inequality that resembles opinion in post-authoritarian Europe.

The class politics of welfare state opinion

I turn now to a comparative analysis of class differences within countries. This analysis adds the Israeli case to Svallfors' (2004) study of public support for specific domains of welfare state intervention in Britain, Sweden, Germany and the USA. Svallfors calculated both overall country scores and class-disaggregated variations in opinion, based on the occupational class classification developed by Goldthorpe and his collaborators (Erikson, Goldthorpe and Portocarero 1979).⁴ The present analysis only assigns class positions to employed respondents. Moreover only the class locations of working individuals are measured, without reference to their family circumstances (i.e. the position of their parents and spouses).

INSERT TABLE 1 ABOUT HERE

The first pair of questions in Table 1 refers to the state's role in caring for the sick and the elderly, groups that are widely understood as deserving (Coughlin 1979). The other two questions are more controversial, since they tap the extent to which people believe that governments should act to neutralize or offset the operation of labor markets. The scale used in all four opinion variables runs from a high of 3 ("definitely the government's responsibility") to a low of zero ("definitely not"). The table first reports the proportion of each country's respondents who expressed the strongest level of support. The second result for each question is the difference between the opinions of the upper service class and unskilled manual employees.

For the first two questions the overall proportion who definitely support state intervention is at least two-thirds in Sweden and Britain, nearly twice as high as in the USA; Germany is in between. The results for Israel are almost identical to Sweden. For the two more controversial questions the proportion of strong supporters is much lower in all countries. There are sharp distinctions between Sweden and the United States, as would be expected of the social-democratic and liberal welfare regimes. In Israel public opinion is even more "leftist" than in Sweden, especially regarding the state's role in employment creation.

⁴ All class-differentiated analyses utilize the same 6-category version of the EGP class schema as Svallfors, who based his recodes of occupations to classes on the work of Harry Ganzeboom. Meir Yaish kindly supplied the recodes for Israel. See respectively <http://home.fsw.vu.nl/~ganzeboom/ISKO88> and <http://soc.haifa.ac.il/~yaish/codes.htm>.

The class differences shown in Table 1 are the distance between the opinions of the highest and lowest classes, measured in standard deviations. Not surprisingly, these differences are much larger for labor market-related issues, testifying to the continued relevance of the class cleavage (Svallfors 2006). Yet there are good reasons to expect substantial variations across countries in the salience of class. First, other social cleavages such as race or religion may cross-cut and thereby weaken class differences. Second, insofar as personal opinions are the product of political consciousness-raising, we should expect major differences between countries in line with the strength of the political forces (especially trade unions and leftwing parties) that challenge the “natural” ideology of capitalism, economic liberalism. Both of these considerations prepare us for the finding that class polarization is far greater in homogeneous and social-democratic Sweden than in the liberal and socially heterogeneous USA – but predictably, only in relation to the second pair of policies, which clearly capture class interests.

In this context, the Israeli result is quite striking.⁵ While Israel is no exception to the rule that opinion is differentiated by class,⁶ on all four questions the indicator of class polarization positions Israel below the other countries. Combining this result with the previous one, it appears that on distributional issues the *average opinion* among Jewish Israelis is “more Swedish than the Swedes”, yet at the same time, Israelis are very similar to Americans in the degree to which their views are *shared by all classes*. From a theoretical standpoint, this is a paradoxical result. Beginning with their formative works, leading contemporary theorists of social democracy have clearly implied that across countries, the strength of mass support for the welfare state and the severity of class divisions in opinion should be positively associated (Castles 1978; Esping-Andersen 1978; Korpi 1978a; Stephens 1979). Inclusive welfare states generate broad popularity by benefiting all strata (Korpi 1978a; Korpi and Palme 1998). The political rationale for this is that even strong labor parties can only implement their programs by addressing the needs of allied classes – in the Swedish case, farmers in the formative period and white-collar workers in the postwar era (Esping-Andersen 1985). Nevertheless, class

⁵ Svallfors calculated the class gap in opinion as the difference between the upper service class and unskilled manual workers, groups which consistently held polar positions in his data. However in Israel unskilled manual workers were a little less favorable towards state intervention than skilled workers. Had class polarization been measured between whichever classes in each country had the most different opinions, the result for Israel would have been less consensual, but still strikingly different from Sweden. For example, regarding income redistribution the attitude gap would have been .77 instead of .55.

⁶ See also Lewin-Epstein, Kaplan and Levanon (2003), who analyzed the 1999 ISSP survey using structural equation models and showed that over and above the effects of education and ethnicity (Mizrachim vs. Ashkenazim), the working class was more favorable towards redistribution than the service class.

conflict over distributional issues remains strong at an ideological and sometimes also political level. The reason is that the Scandinavian left has on the one hand imbued its core supporters with working class consciousness, while on the other its achievements are resisted by capitalists and their allies.

Transposing these insights to the level of individual opinion, the literature leads us to expect that in the social-democratic context welfare state egalitarianism should be strongest among workers, union members and supporters of the political left. In addition, one way that social-democratic welfare states sow the seeds of their own legitimacy is by employing large numbers of workers (many of them professionals) in sheltered public sector jobs (e.g. Huber and Stephens 2000). As a result, it is possible that the effects of sector and class on favorability to the welfare state are interactive. Specifically, public employment may offset the tendency for higher-class workers to resist state intervention (e.g. Andersen 1999).

INSERT TABLE 2 ABOUT HERE

To get a rough sense of how these predictions work out in practice, Table 2 presents simple correlations between support for redistribution (as measured in Chart 1) and putative causal variables. Three different national settings are compared: Sweden, representing the Nordic social democracies, the United States as an exemplar of economic liberalism, and Israel. The bottom two rows of the table show that, as expected, in Sweden there is a deep division of opinion between the working class and Goldthorpe's "service class" (managers, professionals and substantial employers). The same class divide is also present in the other two countries, but far less intensively. Similarly, while union members in Sweden are more likely to support state intervention aimed at narrowing income gaps, this variable has no effect in the other countries. Finally, two indicators of support for the political left – one behavioral and the other symbolic – reveal that in this respect Israel is strikingly anomalous. Whereas left-wingers are much more favorable to redistribution in Sweden and moderately more favorable in the USA, in Israel they are somewhat *less* supportive.

INSERT CHART 2 ABOUT HERE

Chart 2 provides a more detailed view of some of these results in order to clarify the magnitude of the class effects and to address the previously-mentioned hypothesis regarding the effect of public sector employment. The graphs on the left utilize the same indicator of support for redistribution as previously, while those on the right show respondents' self-placement between left (1), right (-1) and center (0). The class effects

are very strong in Sweden, and there is strong similarity between the results for political and policy variables. The politics of egalitarianism conform very strikingly to the class hierarchy, with two standard deviations separating the attitudes of the polar classes. In addition, as expected the public sector narrows class differences between manual and non-manual workers. The state's white-collar employees are a lot more favorable to both egalitarianism and the political left than their counterparts in the private sector. These findings are consistent with the received wisdom concerning the Swedish model.

The graphs for Israel confirm that while patterns of opinion on redistribution express universal stratification-based divisions, the political consequences of class are seemingly "back to front". Egalitarianism declines as we move up the class hierarchy, although the gradient is much more moderate than in Sweden. The amplifying effect of the public sector is also weaker, and it pertains to manual as well as white-collar workers. The right-hand graph highlights Israel's political exceptionalism by demonstrating that identification with the left increases as we ascend the class ladder.⁷ The inverted nature of Israeli leftism is also evident from the sectoral effect. Whereas in Sweden the public sector helps to draw relatively privileged workers into the left camp, in Israel it serves instead to soften the alienation of less privileged workers. Note that although the rate of union membership is far above average in the public sector (60% vs. 35%), unionism is not responsible for this effect. Indeed, again quite unlike Sweden, analyses not reported here yielded no evidence for Israel that belonging to a union systematically affects either left-right partisanship or support for redistribution.

The political articulation of classes and class interests in Israel thus contradicts the usual pattern. *The left attracts the higher classes, despite the fact that (as in other countries) they hold relatively conservative opinions regarding redistribution.* Could it be that Israel is an extreme instance of the trend claimed by scholars like Inglehart (1977) and Lipset (1981) for affluent professionals to be drawn to the left by post-materialist ideological leanings? Additional ISSP questions shed light on this possibility. A factor analysis was carried out to operationalize the distinction between support for materialist and post-materialist roles of the state.⁸ The results show that favorability towards post-materialist intervention is indeed correlated with support for the left, although less so than support for social services and other core activities of the state. Moreover, unlike the latter,

⁷ The petit bourgeois class is an exception, which likely reflects the ethnic composition of the self-employed (cf. Farjoun 1983).

⁸ Details of this analysis are available on request. A battery of 8 questions (V25 through V32) was identified that tap support for either more or less government spending in different policy domains. Factor analysis revealed that two of these (the environment and the arts) form a distinct post-materialist cluster.

support for post-materialist intervention hardly varies between classes.⁹ It would appear then that class politics in Israel genuinely deviate from established patterns and that this can only be explained by peculiarities of the Israeli context. However, before offering an interpretation of Israel's distinctiveness, we first need to clarify how views concerning the welfare state fit into the overall pattern of issue conflict.

Controversy over the role of the state in Israel

Social policy is clearly not the core domain of controversy in Israel concerning the role of the state. As is well known, the main political fault-lines concern borders and the management of the conflict with the Palestinians and the Arab states. Increasingly, however, debates on these "external" issues have been joined by conflicts over "internal" identity and lifestyle issues (Shamir and Arian 1999). By and large, the latter are not the questions that have been prominent in public life in Europe and North America. Instead, the domestic issues that are usually most visible in electoral politics in Israel concern the relationship between state and religion. Examples are whether religious norms and practices should be publicly enforced, the basis for entitlement to immigration and citizenship ("who is a Jew?"), the right to refuse military service on religious grounds, and public support for parochial schools.

In the wake of the Oslo peace agreement, and as a result of Israel's growing integration into the world economy and other processes spurring consumerism and individualization, obligations to the nation and the state became questioned in the more affluent, secular and Western-oriented quarters of Israeli society (Ram 2005; Shafir and Peled 2000; Peled and Ofir 2001). Even the commitment of incoming recruits to compulsory military service was reported to be diminishing. Summing up these trends, and particularly the decline in the hegemony of Israeli "republicanism", Shafir and Peled (2002) have succinctly described contemporary political conflict in Israel as a contest between two alternative citizenship discourses, by which they mean two competing visions of Israel's collective identity and the mutual obligations of citizens and the state. An "ethno-national" discourse that prioritizes Israel's Jewish character and interprets it in religious terms competes with a "liberal" discourse which includes Israel's Palestinian-Arab citizens, offering a civic version of Israeliness and promoting a more libertarian view of citizenship.

Given the state's embrace of manifold practices designed to exclude Arabs from critical domains that range from landholding to military service, liberalism has radical

⁹ The absolute difference (in standard deviations) between the highest and lowest classes is .2 for "post-materialist spending" compared with .8 for the other types of state expenditure.

implications in Israel. In this spirit, Uri Ram (1999) conceives of liberalism as "post-Zionism". In parallel, he sees the ethno-national discourse as supporting a "neo-Zionist" project, the ambition of permanent Israeli control over the occupied territories as fulfillment of God's historic covenant with the Jewish people.

Previous empirical studies of public opinion that sought to capture these bitter divisions among Israelis have been limited to the rarified terrain of ideology (Kimmerling and Moore 1997; Shamir and Arian 1999). In contrast, the present research draws attention to concrete aspects of what ISSP researchers call "the role of government".

Unfortunately, however, the ISSP surveys pass over the very issues that are most contentious in Israel. However, Israel's national election studies (e.g. Arian and Shamir 2005) routinely include a battery of relevant questions about the role of the state. In the 1999 pre-election survey, respondents were asked whether they favor increased, decreased or unchanged government spending in 11 different areas.¹⁰ The results presented in Chart 3 show that there is a consensual core of state activity, including education and health, on which virtually all Jewish Israelis would prefer higher spending. Two social programs, aid to new immigrants and the unemployed, engender some opposition as one would expect from selective, targeted programs. On the other hand, a majority would like to cut the areas of state activity associated with both post-Zionism (Arabs and the environment) and neo-Zionism (settlements and religious institutions).

INSERT CHARTS 3 & 4 ABOUT HERE

In order to probe the relationship between these attitudes, they were subjected to multidimensional scaling (MDS), a technique that projects the distances between a set of variables onto a two-dimensional map. The results appear in Chart 4. The vertical dimension clearly represents consensuality, with all of the disputed issues located at the top of the chart. In contrast, the horizontal dimension graphically expresses the divisions of opinion that define the left-right cleavage in Israeli politics. The top left corner is the home of the post-Zionists, who favor compensatory government expenditure on the Arab minority and who, through their support for increased spending on the environment, signal their readiness to transcend state-building. Neo-Zionism is represented in the top right corner by spending that seeks to revise and reinvigorate the Zionist claim to the land and to buttress the religious content of Israeliness.

The hegemonic consensus is located in an area of its own, at the bottom and center of the chart. Note that this area is common to two issue domains: the welfare state

¹⁰ The 1999 results are representative of those gathered prior to all four of the elections held between 1992 and 2003, suggesting a stable structure of ideological divisions.

(education and health) and the developmental state (jobs and roads). Not far away is security, occupying an interesting borderline position. The desire for increased military spending is located nearer than the other domains to the neo-Zionist segment of the chart, reflecting its special appeal to “hawks”. But it is closer still to the areas of consensus, which is indicative of the widespread perception of security requirements as sacrosanct and, more than this, the militaristic lenses through which Jewish Israelis tend to view the world (Kimmerling 1993).

The proximity between attitudes towards the state's roles in welfare, development and security concretely represents core practices of Israeli state-building that originated with modern Jewish settlement in Palestine more than a century ago. Their purpose was to build an infrastructure to absorb new immigrants, the demographic key to Zionism's success, and to secure the territories claimed by the settlers (Kimmerling 1983; Shafir 1989). The goal of social protection was to support protected pockets of employment among Jewish workers threatened by competition from cheap unskilled Arab labor. Aid was largely channeled through labor movement institutions (“workers’ housing”, “workers’ health insurance”, “workers’ kitchens”), an arrangement which generated so much political capital for the workers’ movement that it was largely retained after statehood (Arian and Talmud 1991). More broadly, and typical of a settler society facing a hostile “native” population, all aspects of the survival and growth of the prestate Jewish community (and later of Israel) were dependent on a high degree of collectivism and an interventionist state, or state in-the-making (Rosenhek 2003; Shalev 1992).

After the attainment of sovereignty, in light of the risks and sacrifices that were entailed by life in Israel the welfare state took on additional tasks of compensation and legitimation (Shalev 1989). Its compensatory role is evident in the social insurance system, which includes programs for victims of Nazism and terrorism, disabled army veterans, and reserve soldiers deprived of their normal incomes.¹¹ The legitimating role of social protection in Israel has surfaced sharply at moments when the political establishment was challenged by unrest among disadvantaged Jews. Advantage and disadvantage among Jewish Israelis broadly follow the distinction between those of European origin (the *Ashkenazim*), many of whose families arrived in the prestate era, and immigrants who poured into Israel from the Arab countries in the early years of

¹¹ If we add to these programs cash benefits for new immigrants (which are only one element of the aid package available to them), then according to the source data from Gal's study of categorical benefits (Gal 1998), until about 1980 benefits based on sacrifice or service to the state constituted at least a quarter of total income maintenance spending. Gal's data indicate that while their importance has decreased in recent decades, by the mid-1990s spending on these programs was still equivalent to roughly half the cost of income maintenance for the elderly.

statehood and their descendants (*Mizrachim*) (Semyonov and Lewin-Epstein 2004). When the political alienation of the *Mizrachim* became sharply evident at the beginning of the 1970s, public policy reacted by introducing new forms of income redistribution and promising “integration” through the school system (Hoffnung 1982). At stake was not only the political survival of the ruling Labour Party but also the state’s ability to legitimate Zionism’s “melting pot” rhetoric and the heavy burden of compulsory military service in a country periodically at war. Reforms of the income maintenance system strengthened its universalistic components (Doron and Kramer 1991), and consequently also its popularity.

To summarize, the welfare state is unusually popular in Israel because of the country’s history as an embattled settler society. Despite economic liberalization and rising individualism, Israel’s earlier tradition of economic collectivism – along with its demanding citizen’s army and the official ideology’s insistence on equality among Jews – promote aversion to economic inequality and an expectation that it will be ameliorated by the state. The popularity of redistribution and government responsibility for social services have so far spared the welfare state from becoming an object of seriously divided opinion among the mass public. Rather, as we have seen, in Israel left-right contention over the role of the state revolves around the tension between neo-Zionism and post-Zionism. This raises two questions. First, since in practice the income distribution is sharply unequal, why do the have-nots fail to express their objective interest in redistribution through the party system? Second, since distributive conflict is so weakly politicized, why is it that support for the political left and right nevertheless varies by class?

Understanding class politics in Israel

Electoral behavior in Israel is characterized by an “inverted” class vote that seemingly contradicts voters’ interests in redistribution. The puzzle would be easily solved if in Israel the left and right labels had for some reason simply been transposed. However, this is not the case. The major party on Israel’s right, the Likud, rose to prominence in the 1970s as an unholy alliance of politically marginalized groups – militant Zionists, bourgeois liberals, and underprivileged *Mizrachi* Jews to whom it promised relief from the deprivations and humiliations which they suffered during the long era of Labour Party hegemony (Shapiro 1991). Given its populist and nationalist ideology and its longstanding opposition to organized labor (the power base of its rivals), the Likud can hardly be viewed as the functional equivalent of a leftwing party. At the same time the Labour Party deviates sharply from the European social-democratic parties with which it has traditionally identified (Rosenfeld and Carmi 1976; Shalev 1990). The peak

association of labor (the Histadrut) was historically the principal organ of the state-building project, and it supported separation of the Jewish and Arab wings of the working class. After statehood, as the governing party Labour was responsible for the rise of a local Jewish bourgeoisie and the crystallization of a socioeconomic hierarchy closely correlated with both national (Jewish/Arab) and ethnic (Ashkenazi/Mizrachi) differences.

Not surprisingly, then, until the late 1970s both major parties embraced a common agenda in domestic policy, upholding the state's responsibility for the employment and economic protection of Jewish citizens (Ben-Porath 1983; Yishai 1977). A revised consensus emerged when first Likud and then Labour repudiated economic collectivism and moved in a notably pro-market direction (Shafir and Peled 2000).

In Israel, then, the major parties of both the left and the right largely fail to articulate class cleavages in explicit and conflictual ideological terms. Yet among the mass public, even after taking account of the partial overlap between class and ethnicity, support for Labour, Likud and several lesser parties is nevertheless deeply "classed" (Shalev and Kis 2002). I have argued elsewhere (with Gal Levy; see Shalev and Levy 2005) that the interpretation which has been suggested by Gershon Shafir and Yoav Peled for class and ethnic differences in the appeal of Israel's three citizenship discourses goes a long way to resolving this conundrum. Shafir and Peled (2002) point out that the members of Israel's privileged strata – predominantly Ashkenazi and male – traditionally drew their advantages directly or indirectly from the state. The legitimation of these advantages was provided by a statist "republican" discourse which presented the beneficiaries as pioneers and warriors, selfless agents of the common good. However by the 1980s, given their superior human, financial, social and cultural capital, the members of this stratum became increasingly attracted to the expanding market sphere, where globalization further augmented their opportunities. This trend was reinforced by the political rise of previously marginal sectors, the Mizrachim and the orthodox, who undermined the ability of the dominant group to utilize the state arena to preserve its privileged position. Accordingly, whereas in the past the discourses and practices spurred by the conflict between Zionism and the Palestinians served as the material and symbolic wellspring of the advantages enjoyed by the Ashkenazim, by the 1990s many of them had come to see the national conflict as anachronistic, along with the virtues of collectivism and statism. This explains the twin demands for "peace and privatization" that became the hallmarks of most of the Israeli left in the 1990s.

Nevertheless, only a tiny avant-garde of Ashkenazim drew radical post-Zionist conclusions. As our mapping of attitudes towards the various domains of state intervention has shown, collectivism continues to be integral to a widely shared Zionist

consensus. This resilience is especially noteworthy given that neo-liberal rhetoric has increasingly been voiced by members of the economic elite and their political, professional and media allies. The higher classes have thus come to endorse a seemingly inconsistent mix of beliefs which on the one hand reflects awareness of their class interest in economic liberalization, while on the other evincing continuing support for the welfare state, equality and redistribution.¹²

At the other end of the ethno-class hierarchy are the less privileged Jewish strata, nearly all of them Mizrachim (although other Mizrachim have entered the middle classes). A key to the politics of this group is that although most immigrants from Arab countries experienced proletarianization and powerlessness after their arrival in Israel, this failed to result in working class solidarity and political mobilization (Swirski 1984). Given the acute national conflict and the prejudices of the Ashkenazim, there was no political or cultural space for these “Arab Jews” to ally themselves with Israel’s truly disadvantaged, the Arab minority (Shenhav 2006). On the contrary, by identifying as Jewish Israelis the Mizrachim became eligible for sociopolitical status and material aid which guaranteed that their conditions of existence would be superior to those of the Arab citizenry (Peled 1998). At the same time, the obvious political vehicles for channeling Mizrachi disadvantage into socialist politics – the all-powerful Histadrut labor organization and Mapai (the Labour Party) – alienated Mizrachim by faithfully attending to the melting-pot agenda of the state as well as their own political and institutional interests (Shalev 1992). They opted for clientilistic means of mobilizing Mizrachi loyalty by fostering dependence on jobs and favors and imposing alien or coopted leaders. In parallel, the cultural standing of the Mizrachim and their contribution to the “Republic” were constructed as vastly inferior to those of the Ashkenazi veterans.

Thus it came about that Labour, which preempted most of the political space on the left, came to be perceived by Mizrachim as responsible for their marginalization and humiliation. In response, instead of being channeled into social-democratic class politics, Mizrachi discontent was first expressed in sporadic bouts of insurgency, then by the rise of grass-roots political entrepreneurs and protest voting for the Likud, and later by support for the religious-Mizrachi party, Shas. Unable to compete on meritocratic grounds with the Ashkenazim, and denied the prestige of being considered “pioneers” and “warriors”, most Mizrachim were alienated from both the liberal and republican citizenship discourses. Against this background, as Peled (1998) has argued, the

¹² This is an important reason why, until the new millennium, the welfare state remained broadly unharmed by the liberalizing reforms that have been the leitmotif of Israel’s political economy since the successful deflation of the mid-1980s (Shalev 1998).

spectacular rise of Shas can best be understood as a Mizrahi bid to position the third discourse, the ethno-national alternative, at the center of Israeli political culture – and with it a view of Israeliness as Jewishness that elevates “traditional” Jews to a symbolic position above that of the affluent and “secular” Ashkenazim.

Nevertheless, there is more to the ethnic vote than struggles for symbolic advantage. Just as liberalism serves the material interests of privileged or upwardly mobile Jews of European origin, ethno-nationalism addresses the class as well as status interests of peripheral Mizrachim. Aid to *yeshiva* students, subsidized housing in the occupied territories, and the state-subsidized religious school system operated by Shas have all had palpable economic consequences for the orthodox and lower-class Mizrachim who constitute the bedrock of Shas support. A combination of class and status interests therefore explains the peculiarity of the Shas vote: while almost exclusively Mizrahi, Shas support is strongest by far among the lower classes. By the same token, the class and status interests of Ashkenazim together draw them to the parties of the left (for detailed empirical evidence for the 1999 and 2003 elections, see Shalev and Kis 2002; Shalev and Levy 2005).

If this interpretation of the class distinctiveness of support for left and right parties is correct, then even though Israel's peculiar left/right ideological differences address geopolitics and matters of collective identity, they should be strongly correlated with class. Indeed, given the solid cross-class support for the welfare state and redistribution which this paper has documented, it can be further hypothesized that the tendency for rival visions of Zionism and Israeliness to be espoused by different classes is stronger than the class differentiation of attitudes towards distributional issues.

INSERT TABLE 3 ABOUT HERE

To address these hypotheses requires measures of individuals' ideological positions in relation to both distributional and identity conflicts. Such measures were derived from a factor analysis of the 1999 pre-election survey, using the same battery of questions on desired government expenditures that was analyzed earlier (see the Appendix).¹³ Predictably, three factors emerged, corresponding to the three segments of opinion identified in Chart 4. The analysis in Table 3 make it possible to compare the extent to which opinion in each of these realms is differentiated by class. The first attitude dimension concerns state responsibilities for welfare and development that in other countries arouse differences of opinion along class lines but which in Israel are highly

¹³ The factor analysis excluded two somewhat contentious issues, aid to immigrants and the unemployed, which the earlier analysis suggested do not belong to the main ideological cleavage.

consensual. The other two factors tap support for the neo- and post-Zionist agendas of state intervention.

Table 3 reveals that the "consensus" and post-Zionist roles of the state are associated with much smaller class gaps in opinion than the neo-Zionist agenda, which favors state support for religious institutions and Jewish settlement in the occupied territories. Nevertheless, neo-Zionism is disproportionately supported by religiously observant and Mizrahi Israelis (Shamir and Arian 1999), many of whom are lower-class. Could this association be confounding our results? Additional findings in Table 3 indicate how much of the class effect remains after accounting for differences of opinion along ethnic and religious lines. Both the neo- and post-Zionist class gaps are more than halved when this control is applied. Despite this, the difference between the neo-Zionist scores of high and low-SES respondents still remains sizeable (half a standard deviation). Indeed, if we accept Peled and Shafir's suggestion that class and identity effects are mutually reinforcing, then shrinkage of the statistical effect of class is only to be expected. The evidence thus supports the view that in Israel, the affinity between ideology, electoral politics, and ethnic and cultural cleavages has an authentic material dimension.

Conclusion

This article has demonstrated that Israel combines both strong *and* consensual support for egalitarian policies, a configuration that has no parallel in any of the three recognized welfare regimes. Linkages between ideology, partisanship and class are also anomalous in Israel. Although they are less favorable to redistribution, managers and professionals vote for the left, while the working class supports redistribution and the right. These findings make sense only when we recognize specific peculiarities of the Israeli context. Egalitarianism is consensual because Israel is a settler society locked in permanent conflict. Historically these features mandated economic collectivism and state interventionism, and even after Israel's economic liberalization they continue to support an ethos of national solidarity. The inverted association between class and party is the path-dependent outcome of the venerable role of the left in promoting the mobility and prestige of veteran Jews of European origin, at the expense of those who originated in Arab countries and found a more supportive political home on the right.

Distinctive national contexts like Israel's underline the importance of case contextualization. However I believe that there is also a theoretical lesson to be learned. Classes may be bound to parties by ideologies that are quite different from those found in European polities, where class conflict is central to political discourse and the key locus of class conflict is the welfare state. Partisan politics in Israel have rarely been

dominated by opposing views on social policy and equality.¹⁴ Instead the rights, obligations and identities associated with competing Zionist futures define the ideological left and right.

Despite this, I have argued that the same class interests which are normally articulated in left/right disputes over decommodification and redistribution are tangibly present behind the scenes of conflicts over future borders, relations between state and religion, and the rights of Arab citizens. While intimately linked to the symbolic injuries historically suffered by Mizrachim, in contemporary Israel both neo-Zionism and post-Zionism (or ethno-nationalism and liberalism) also speak to individual self-interest. The core insight of social-democratic theory that class conflict underpins mass politics is therefore vindicated by this case study. It is the mechanisms that link class to politics which deviate. Israel teaches us that class politics and status or identity politics may be self-reinforcing rather than contradictory. The Israeli case thus enriches our understanding of public opinion concerning the welfare state, by suggesting that it would be mistaken to treat class and culture-based explanations as mutually exclusive (Pfau-Effinger 2004; Steensland 2006).

¹⁴ The March 2006 elections were an exception in which poverty was a major campaign issue. Popular dissatisfaction with the Likud government's neo-liberal reforms was articulated by the trade union leader unexpectedly chosen to head the Labour Party, and for a time the economic policy platforms of the three major contenders paralleled standard expectations for left, center and right-wing parties (Smootha 2006).

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Table 1: Support for state intervention (1996)

The government is responsible to...		Sweden	Britain	Germany	USA	Israel
...provide health care for the sick	% Definitely	67	79	49	37	65
	Class difference	.21	.15	.21	.37	.14
...provide a decent standard of living for the old	% Definitely	63	66	46	35	63
	Class difference	.34	.19	.32	.38	.15
...provide a job for everyone who wants one	% Definitely	28	23	25	12	37
	Class difference	.98	.90	.77	.48	.53
...reduce income differences between the rich and the poor	% Definitely	37	28	22	15	43
	Class difference	1.28	.90	.73	.57	.55

Source: ISSP 1996 survey (local versions of Sweden and Israel)

Table 2: Correlates of support for redistribution (1996)

	Sweden	USA	Israel
Upper "service class"	-.40	-.12	-.14
Manual workers	.33	.12	.11
Union membership	.27	.06*	-.03*
Left vote	.44	.30	-.14
Left-right self-placement	.63	.34	-.12

Source: ISSP 1996 survey (local versions of Sweden and Israel)

Notes: "Left vote" is vote in the last election for SAP (Sweden), Clinton (USA) or Peres (Israel). Asterisks indicate that significance did *not* reach the .05 level.

Table 3: Class differences in support of three types of public spending, Israel 1999

SES	Unadjusted means			Adjusted for ethnicity and religion		
	Consensus	Neo-Zionist	Post-Zionist	Consensus	Neo-Zionist	Post-Zionist
1 (n = 96)	0.19	0.87	-0.19	0.17	0.42	-0.04
2 (n = 163)	0.18	0.28	-0.18	0.17	0.14	-0.11
3 (n = 355)	-0.04	-0.16	0.09	-0.03	-0.02	0.04
4 (n = 80)	-0.31	-0.31	0.24	-0.31	-0.13	0.13
"Class gap"	0.51	1.18	0.43	0.48	0.53	0.18

Source: Israel pre-election survey, 1999 (Arian and Shamir, 2002)

Notes: The "class gap" is the absolute difference between the highest and lowest categories of SES. SES was calculated by summing simplified indicators of education and housing density. Spending types were established by factor analysis (see the Appendix). Adjustment for the effects of ethnicity and religion was carried out by controlling for a 6-category combined indicator of religious observance and ethnicity, using Multiple Classification Analysis.

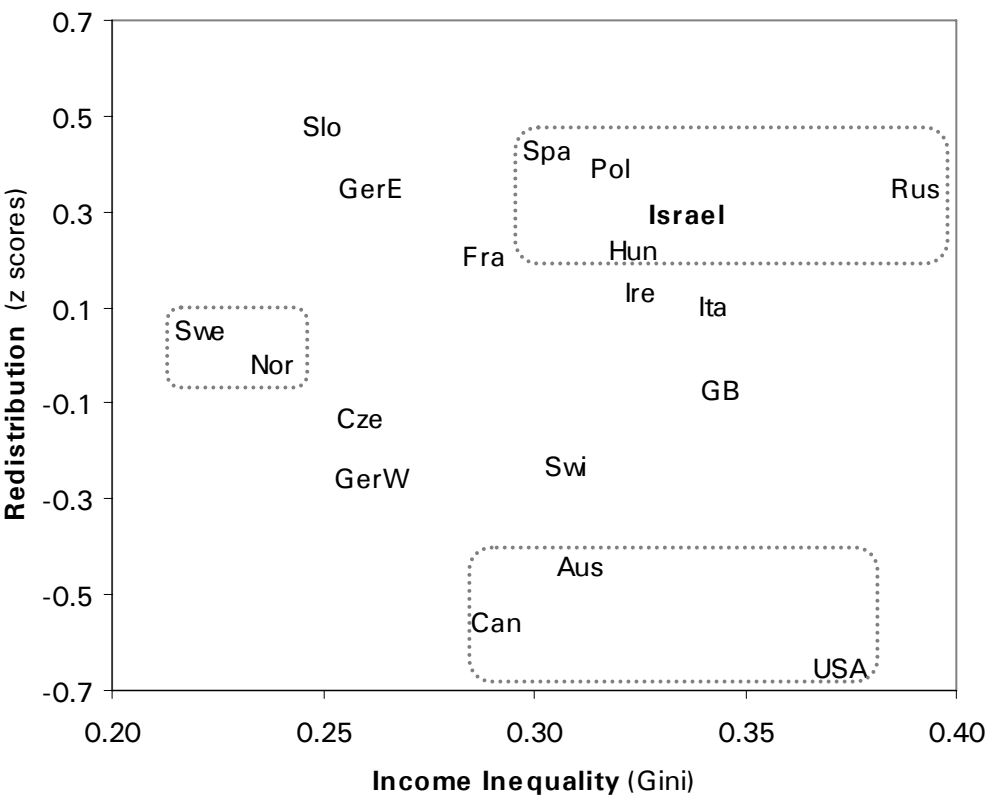
Appendix: Factor loadings for government spending, Israel 1999

	Consensus	Neo-Zionist	Post-Zionist
Health	0.73		
New jobs	0.67		
Roads & safety	0.63		
Education	0.53		0.44
National security	0.50	0.48	
Settlements		0.82	
Religious institutions		0.79	
Environment			0.82
Arab sector		-0.30	0.70

Source: Israel pre-election survey, 1999 (Arian and Shamir, 2002)

Notes: PCA with varimax rotation. Values less than .3 are not shown.

Chart 1: Actual inequality versus desired redistribution (c.1996)



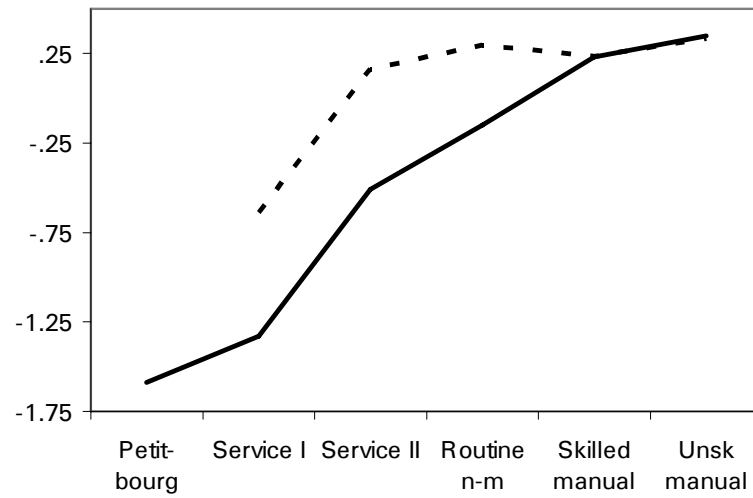
[TEXT FOR CHART 2]

Chart 2: Class and sectoral influences on support for redistribution and the left
(dotted line=public sector)

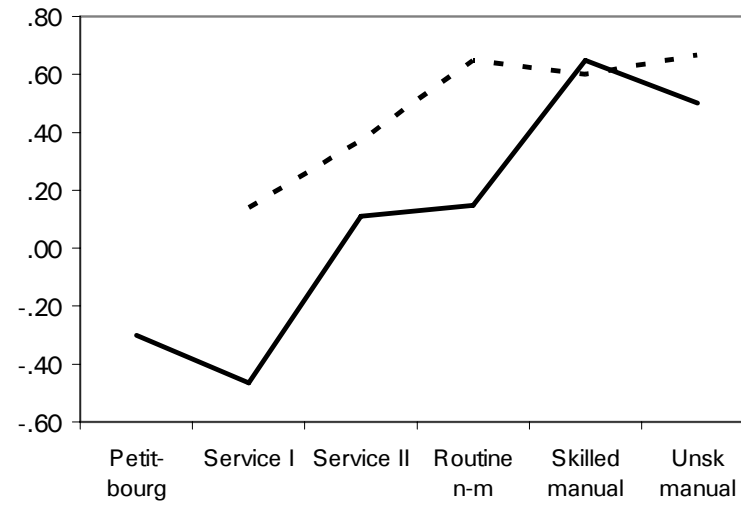
Source: ISSP 1996 survey (local versions)

Notes: Classes are as defined by the Goldthorpe schema. Union members have been excluded from the petit-bourgeois class.

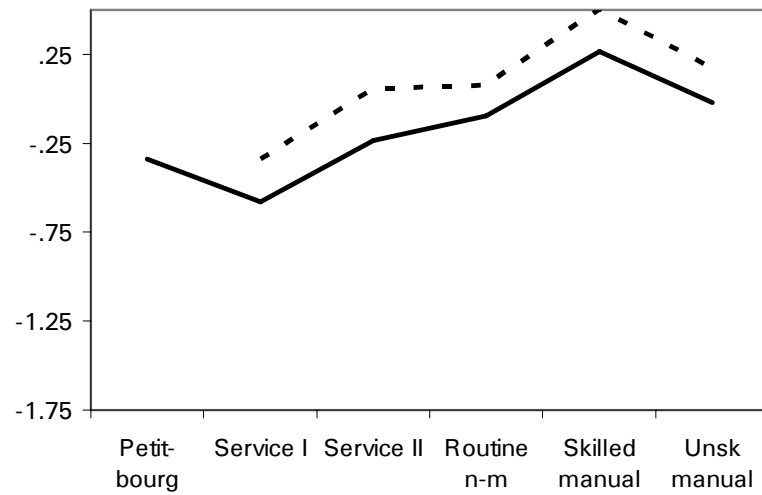
Redistribution - Sweden



Leftism - Sweden



Redistribution - Israel



Leftism - Israel

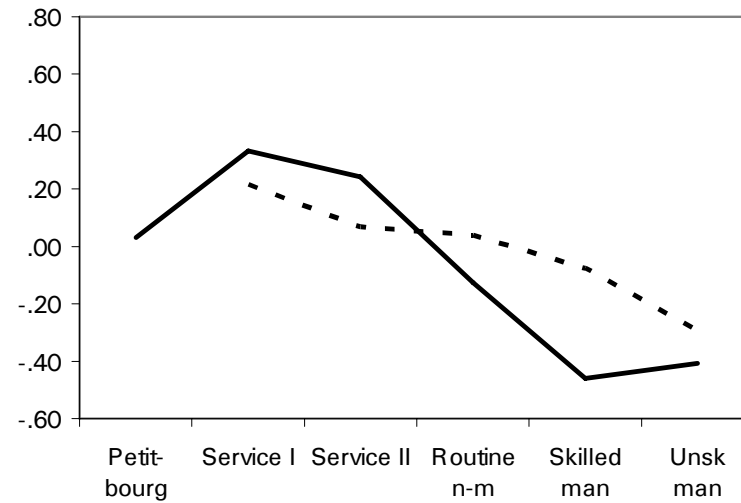
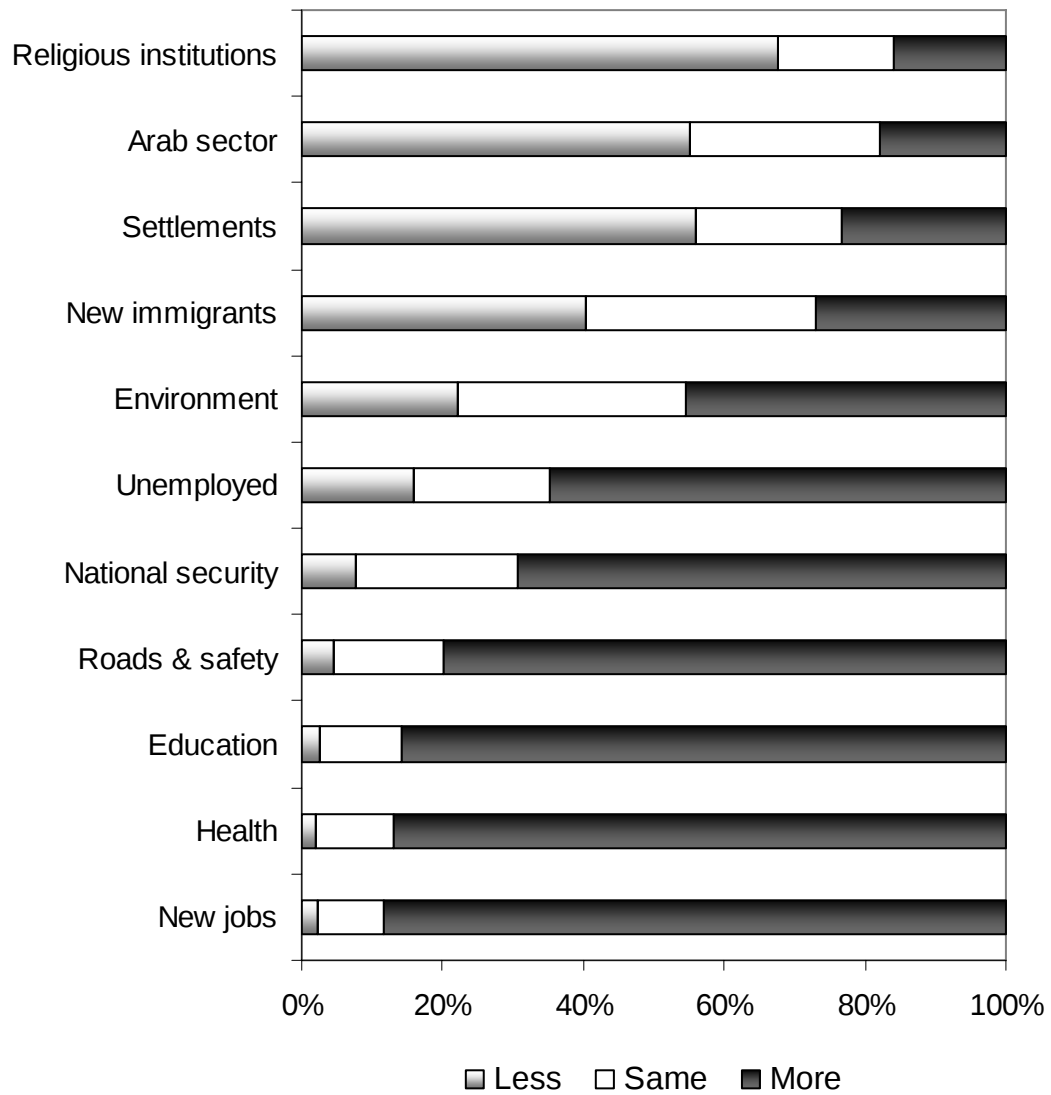
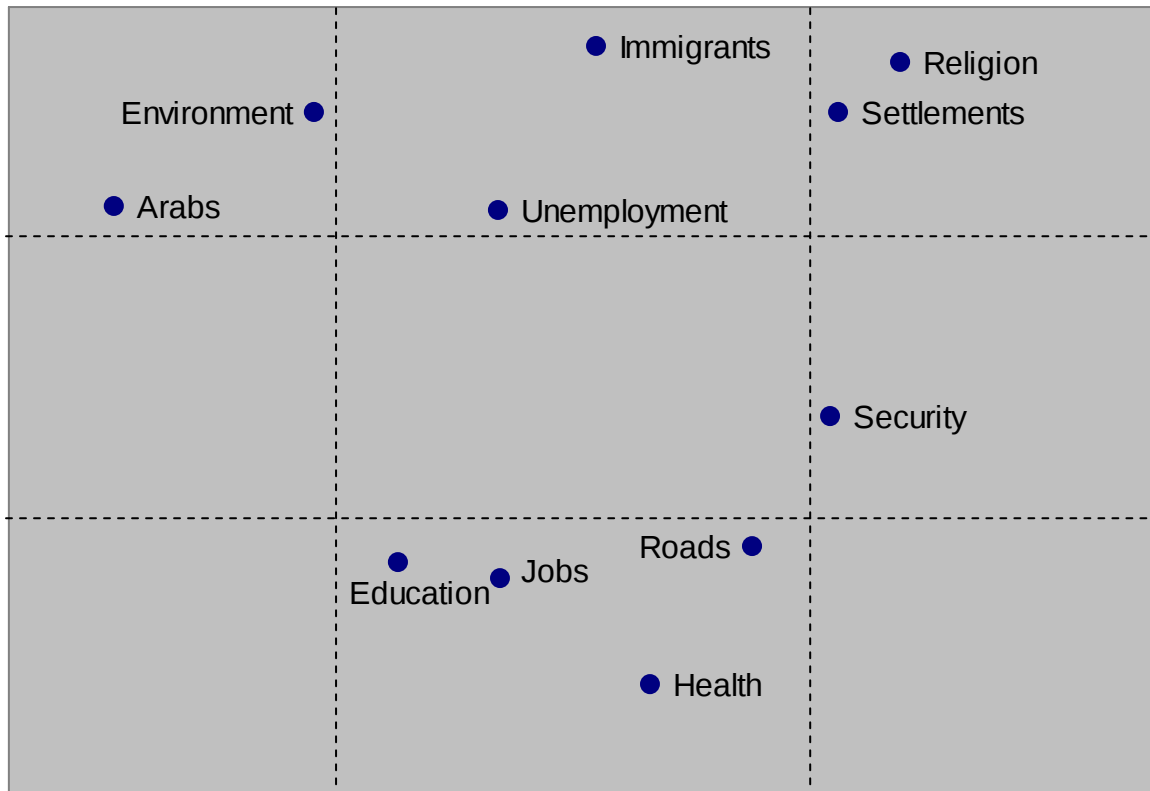


Chart 3: Desired changes in state spending, Israel 1999



Source: Israel pre-election survey, 1999 (Arian and Shamir, 2002)

Chart 4: Multidimensional scaling of desired changes in state spending, Israel 1999



Source: Israel pre-election survey, 1999 (Arian and Shamir, 2002)

Notes: MDS using standardized Euclidean distances and Guttman-Lingoes scaling (Coefficient of Alienation=.14).