

The 2008 Social Survey

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The Taub Center's annual *Social Survey* gauges the Israeli public's sense of well-being and social confidence, as well as its attitudes toward a variety of selected timely social issues. The survey is a valuable component to the Taub Center's annual analysis of Israel's social services.¹ As in previous years, this year's survey included several questions that were phrased identically to those of earlier surveys to allow an analysis of changes in public attitudes over time. Some of the questions – those touching directly on the most fundamental aspects of social confidence – constitute the basis for calculating the Taub Index of Social Confidence, an index that quantifies the Israeli public's sense of social confidence and gives a fuller picture than individual responses to single questions. An index of this kind, which can be used for comparison purposes across time periods and population groups, expands and enriches the understanding of public attitudes and sentiments.

This year's survey findings point to two major trends:

- Firstly, the Israeli public's sense of well-being and social confidence eroded over the past year (2008). The Taub Index, which reached a high of 62 in May 2007, fell to 58 (on a scale of 0 to 100) in May 2008, indicating that Israelis are feeling the effects of the slowdown that has hit the local and global economies. Although the downturn has yet to affect the

¹ The Taub Center's *Social Survey* is a public opinion survey that has been conducted annually in a set format for the past nine years. The survey was conducted in May, 2008. Data collection was carried out by Smith Consulting and Research Ltd. The survey was administered to a representative sample of 1,000. The sampling error is 3.1 percent.

population's standard of living, it is already prompting fears for the future. As expected, these fears were found to be greater among the weaker population groups, particularly those with lower incomes.

- The second trend is reflected in a broad public consensus that social disparities are Israeli society's number one problem, and that efforts to address them should be high on the government's agenda. On the one hand, the public agrees that it is possible to significantly improve the situation of inequality and social economic disparity; on the other hand, there is a consensus that the state and its institutions are not currently working to narrow the disparities but are, in fact, contributing to their widening.

This year the survey questions addressed several issues that lie at the heart of Israeli public discourse with an emphasis on the social-disparity dimension. The first section of the chapter presents the Taub Index of Social Confidence. The following section discusses public opinions and attitudes regarding disparities and inequities, as well as preferences regarding the kind of policy needed to deal with the problem. The third section addresses standards of living and presents findings for both the population as a whole and for selected population groups. The final section focuses on changes in the public's sense of job security over the past year.

1. The Taub Index of Social Confidence

The index developed by the Taub Center uses a scale of 0-100, 100 being optimal and 0 indicating a total lack of social confidence. The index score enables an assessment of the degree of social confidence enjoyed by the Israeli public as a whole, and by specific groups within the population over time. The index data provide a coherent picture and supplement the information provided by responses to individual survey questions. The Taub Index provides an aggregate score for a set of questions, phrased identically in each survey, that directly address basic components of social well-being. The responses to these questions enable an assessment of public perceptions of changes in standard of living, exposure to criminal violence, basic economic security, and fear of unemployment.

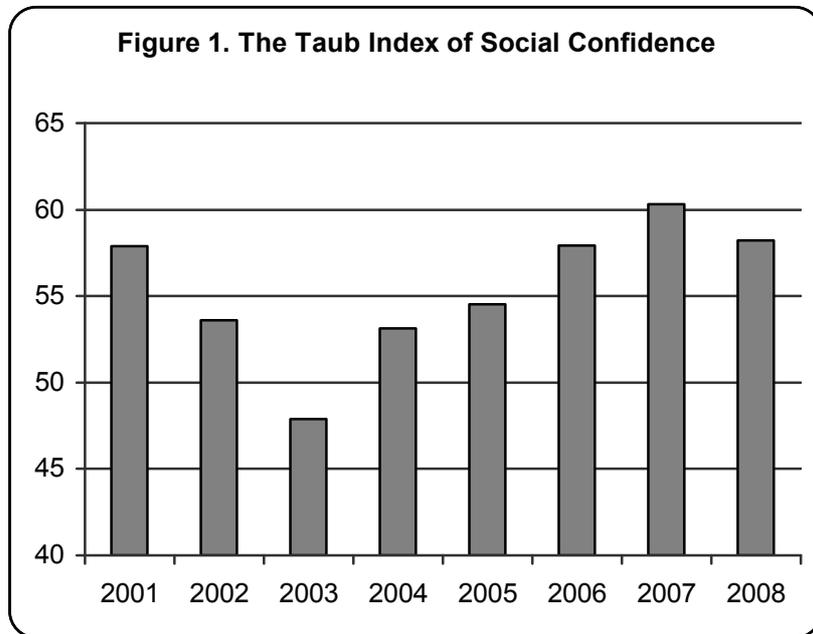
In May 2008 the Taub Index for the population at large stood at 58, compared with 60 in September 2007.² The recent decline is particularly striking against the background of a continuous upward trend since 2003. It appears indicative of the degree to which recent economic developments have affected the Israeli public's sense of social confidence – even before they have had an impact in terms of concrete socioeconomic indicators (see Figure 1).

The overall index score, which represents the total survey population, conceals major differences in social confidence levels between specific population groups. The index arrived at for the population group that defines itself as “far above average” in terms of income was 73 in 2008, while the figure for the “far below average” income group was only 48. In 2007 the figures were 70 and 50, respectively. It should be noted that, although the gap

² The multi-year comparisons relate to years in which more than one survey was conducted and refer specifically to the surveys of July 2005, July 2006 and September 2007.

between the two groups widened this past year, it was already large in 2007 (see Figure 2 and Table 1).

The differences between population groups broken down by education level are considerably less marked, although the trends are similar. The results in Table 1 point to a continuous upward trend in social confidence among those of low education level during the period 2003-2007. This trend reversed itself in 2008 with a decline to 51 in the low-education group's sense of social confidence. Respondents with an academic education expressed higher confidence levels for all years, although a moderate decline was seen in 2008 for this group as well.



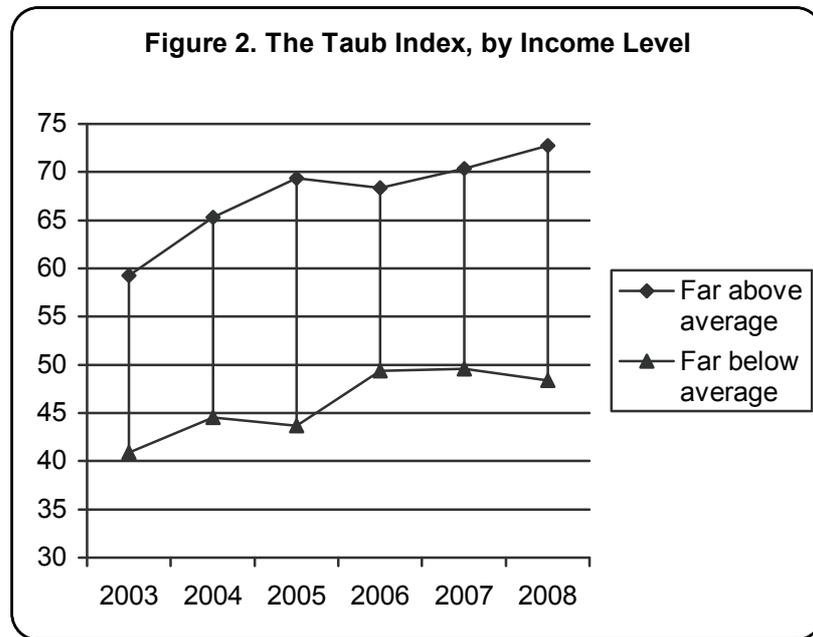


Table 1. **The Taub Index, by Education and Income Levels, 2003-2008**

	2003	2004	2005	2006	2007	2008
Education Level						
• Primary or partial-secondary	43	45	46	50	53	51
• Academic	50	55	58	59	62	61
• Score discrepancy	7	10	12	9	9	10
Income Level						
• Far below average	41	45	44	49	50	48
• Far above average	59	65	69	68	70	73
• Score discrepancy	18	20	25	19	21	24

The trend of recent years toward greater social confidence as measured by the Taub Index was particularly evident for the *Haredi*, or ultra-orthodox Jewish, population, and somewhat less so for the Arab population (see Table 2). For FSU immigrants a significant rise was seen over the years, although the trend recently reversed: this group's sense of social confidence, as reflected in a sharp decline in its Index score, appears to have eroded.

The decline in sense of well-being in 2008 is noteworthy among three population groups which will be discussed separately. The decline is particularly striking among immigrants and among *Haredim*, whose confidence level was higher at the outset. The score change for the Arabs was more moderate last year, although their confidence level over the last few years has been lower overall.

Table 2. **The Taub Index, by Selected Population Groups, 2003-2008**

	2003	2004	2005	2006	2007	2008
<i>Haredim</i>	50	58	58	57	64	60
Arabs	44	46	50	55	55	53
FSU immigrants	50	49	48	55	57	51

Last year a general question was added to the survey: “*Generally speaking, how would you define your and your family's sense of socioeconomic confidence?*” The question was asked again this year. The question was intended, to a certain degree, to assess the validity of the Index findings. Although the responses to the direct question place most of the Israeli public within the “moderate” to “good” categories in terms of confidence, the percentage of those attesting to a “very good” or “good” level of confidence dropped somewhat, from 42 to 39, while the percentage of respondents

whose sense of socioeconomic confidence was “not so good” or “not good at all” rose from 15 to 19. However, despite the sense of an erosion of public confidence given by the survey, it should be noted that the percentage of those whose sense of socioeconomic confidence is “very good” still exceeds the percentage of those responding “not good at all.” At the same time, the percentage of those responding “good” was three times higher in 2007 and 2.5 times higher in 2008 than that of interviewees responding “not so good.”

Table 3. Responses to the question: ***“Generally speaking, how would you define your and your family’s sense of socioeconomic confidence?”*** – Total population (Percent)

	2007	2008
Very good	9	8
Good	33	31
Moderate	43	42
Not so good	11	13
Not good at all	4	6

Thus, the survey findings for 2008 indicate (both in terms of the Taub Index and in terms of the responses to the more general, direct question) a change from the on-going trend of the years 2003-2007 of an improved sense of socioeconomic confidence. Not surprisingly, those with the strongest feeling of confidence are those who fall into the highest income category.

Immigrants from the FSU are noteworthy as a group for their low social confidence level. The survey findings point to a high percentage of immigrants with a low level of socioeconomic confidence, and this percentage exceeds that of the Arabs and of those with incomes far below average. The impression is that, despite on-going integration and absorption efforts, immigrants as

a group have greater exposure than do other groups to fluctuations in the overall economic situation. It may well be that immigrants have greater awareness (due in part to their high education level) of the economic downturn's potentially negative effects on standard of living and job security.

In answer to the single direct question regarding perceived social confidence, the *Haredim*, who last year had been noteworthy for their high confidence level, expressed a decline in the most recent survey – as may also be seen in the Index score itself. By contrast, the answers of Arab respondents to the individual question indicated no change in their confidence level. The Index score for Arab respondents did not point to a particularly significant change, although a certain deviation from the previous trend was registered (see Table 4).

The Taub Index is composed of six different questions. Four of these questions had a greater influence on the drop in the Index. These questions had to do with the respondent's economic and occupational future, particularly with regard to their anticipated financial income. By contrast, questions oriented toward the present (e.g., the ability to manage with one's present income), contributed less to the decline in the aggregate Index score. The question regarding fear of criminal violence actually pointed to a certain degree of improvement.

Table 4. Responses to the question: **“Generally speaking, how would you define your and your family's sense of socioeconomic confidence?”** By education and income levels and selected population group, (Percent)*

	2007		2008	
	Good	Not good	Good	Not good
Education				
• Academic degree	44	15	43	17
• Low education level	27	21	30	30
Income				
• Far above average	86	7	77	3
• Far below average	19	34	17	38
Selected population groups				
• FSU immigrants	19	35	14	40
• <i>Haredim</i>	49	15	36	21
• Arabs	14	37	32	27

* The category defining the respondents' sense of socioeconomic confidence as “moderate”, brings the total to 100.

2. *Social Disparities and Inequality*

Each year the survey addresses several ethical-ideological issues and respondents' opinions regarding government policy. This year the focus was on social disparities, a topic to which the Center has recently been paying special attention, both in the framework of a Presidential Task Force in cooperation with the Minister of Social Affairs and Social Services and Taub Center researchers,³ and in the context of the Center's continuous monitoring of service development in the major welfare areas.

One striking trend highlighted by the survey is that of a broad public consensus that social disparities are Israeli society's most serious problem, and that contending with them should be a high-priority item for any Israeli government. It was, for example, found to be widely believed that income inequality and socioeconomic gaps could be reduced significantly. At the same time, there was a near consensus that the state and its institutions not only are not working to narrow the disparities but are actually contributing to widening them. The objective findings that indicate a widening of disparities (as reflected clearly in the data presented in other chapters of this book) have entered the public's social awareness.

A. *Assessing the Current Socioeconomic Situation*

Several questions were asked that were intended to explore respondents' assessment of the current situation:

1. *In your opinion, have socioeconomic disparities widened, narrowed or remained unchanged over the past year?*

³ The Taub Center's Task Force report was submitted to the President and to the Minister of Social Affairs and Social Services in October 2008.

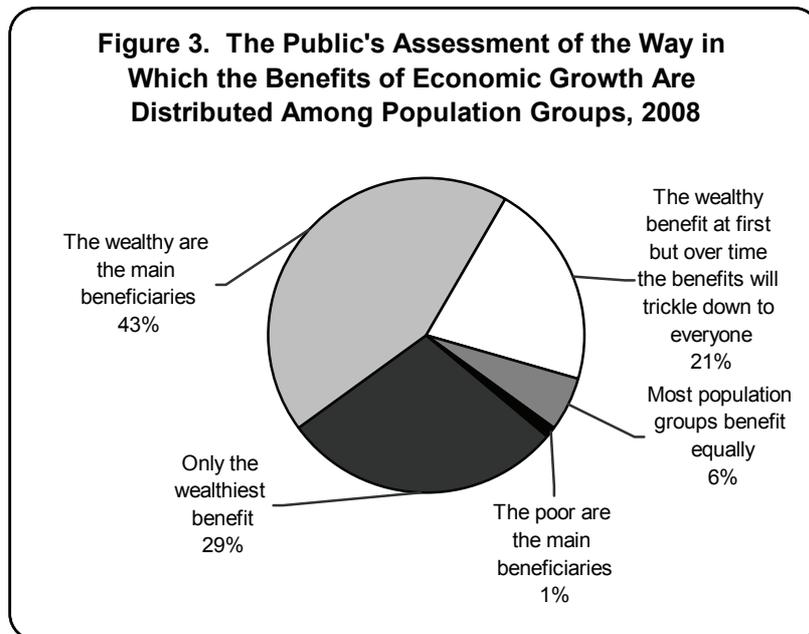
2. *How, in your opinion, are the benefits of the last few years' economic growth being distributed to the various population groups?*
3. *If you were to rank Israel's various population groups by socioeconomic status, which of them would, in your opinion, be at the bottom of the scale?*
4. *In your opinion, do all population groups benefit from a more or less equal level of health services?*

It turns out that, with regard to the first question, a clear majority of the public – 75 percent as compared to 61 percent last year – feels that disparities have grown. This high percentage is indicative both of the issue's significance and of a consensus regarding the direction of its development. Moreover, although differences in assessment exist between the various population groups, they are relatively small. For example, among two of the weaker population groups – FSU immigrants and those with low education levels – the percentage of those who feel that the situation has worsened is lower: in their opinion, things have not changed. Of course, they may well have thought that the situation was bad to begin with. By contrast, within the far-below-average income group there was a particularly high percentage of those who feel that disparities have widened greatly. Percentages are exceptionally high among those of prime working age (30-64), 81 percent of whom feel that the gaps have grown, versus 75 percent of the general population.

Regarding the question, *“Who is benefiting from the economic growth of the past few years?”* 73 percent feel that the wealthy are the principal beneficiaries of recent economic growth (according to some one-third of the public, the wealthy are actually the sole beneficiaries), while just one percent feel that the poor are the main beneficiaries (see Figure 3). Within different population groups, 83 percent of those with incomes far below average believe that the main beneficiaries of growth are the wealthy, while only half of those with high incomes hold this view. Similar differences were

found between those with academic backgrounds and those with low education levels, between *Haredi* and secular Israelis, and between young and old.

Concerning expectations for the future, only a fifth of the respondents expressed a belief that ultimately the benefits of growth will trickle down to the entire population. Weaker groups stood out in particular for their lack of hope in this regard. Amongst these groups much lower percentages than the average expressed this optimism: Arabs (15 percent), those with far-below-average incomes (13 percent), and those with low education levels (12 percent). By contrast, nearly half of those with high incomes (46 percent) feel that the benefits of growth will ultimately reach all levels of the population.



With regard to the following question: “If you were to rate Israel’s population groups by socioeconomic status, which do you think lies at the bottom of the scale?” survey participants singled out several specific groups as having a low ranking on the socioeconomic scale: firstly, those with low incomes (30 percent of the participants feel that this is the weakest group); secondly, Arabs, the unemployed, residents of development towns and poor neighborhoods (13-16 percent of the survey participants identified these groups in particular); and thirdly, *Haredim* and immigrants (less than 10 percent felt that they were at the bottom of the scale).

Interestingly, the *Haredim* deviated from the general public in their rankings: 42 percent felt that they themselves were the weakest population group, compared with 10 percent of the population at large. However, only one percent of *Haredim* feel that the Arabs are the weakest group, versus 16 percent of the general population. On the other hand, and perhaps mirroring this last finding, nearly a third of Israeli Arabs feel that they are the weakest group, while only 6 percent ranked the *Haredim* in this category. Apart from the Arabs, it was found that those with post-secondary and academic education feel that the Arabs are worse off – the percentage of this group who hold this view is higher than that of the general population. Another interesting finding was that, among Jews, the percentage of those who place the Arabs at the bottom of the socioeconomic scale is three times higher than the percentage of those who assign this status to the *Haredim* (12 percent versus 4 percent).⁴

To complete the picture with regard to opinions on social disparities, the participants’ opinions about inequality in health care was examined. Based on the responses, 61 percent of the public perceives large or very large differences in the level of health care services provided to different population groups. This

⁴ See, in this context, the discussion later in this chapter regarding the public’s support for affirmative action to aid the weaker sectors of society.

percentage rose significantly relative to 2007, when 53 percent of Israelis shared this view. It is interesting to note that the rise in this figure did not come from a change in the responses of the weaker groups, but was due to an increase in dissatisfaction in the stronger groups (income and education). For example, a fourth of those with low incomes feel that health care levels are entirely equitable compared with just 8 percent among those with academic education. On average, only 10 percent of the Jewish sector believes that service levels are equitable, versus nearly twice that percentage – a fifth – of Arabs and *Haredim*. Sixteen percent of those with low incomes feel that health care services are provided equitably, compared with just two percent of the high-income group. The question naturally arises: are these differences of opinion regarding equity in health-services provision rooted in the fact that the weaker groups encounter a different reality, and that they simply have no contact with the kind of health services offered privately to those able to pay for them? Answering this question will necessitate in-depth investigation beyond the bounds of the present survey.

B. Government Influence on the Current Situation

Survey participants were asked, “*How, in your opinion, does the government’s economic policy affect social disparities?*” Interview participants were also asked, “*To what degree, in your opinion, does the education system affect the narrowing of disparities in Israeli society?*”

The responses to these two questions place Israeli government policy in a singularly unflattering light. Sixty percent of the survey participants feel that the government’s economic policy widens disparities “greatly” or “somewhat”, while only 17 percent feel that it narrows them. However, compared with the responses to a similar question in the 2005 survey, public assessment of

government policy appears to have improved. In 2005, 75 percent of the public felt that government policy was widening disparities, while just 14 percent felt that it was narrowing them. The differences in response to this question between the various population groups were not especially large.

Regarding the education system's efficacy in narrowing disparities, it was found the public can be divided into three equal groups, each of which chose one of the three following options: "narrows," "does not change," and "widens." Five years ago (in 2003) a similar question was asked: it was found that a fourth of the public believed that the education system widens gaps while 37 percent felt that it narrows them. The change in the distribution of responses to this question within the public may indicate a prevailing sense that the effort to narrow disparities has not been a high priority in the education system. Another notable finding was that 45 percent of FSU immigrants and *Haredim* feel that the education system widens disparities, while 40 percent of *Haredim* and a third of the immigrants feel that it has no effect at all in this regard.

C. Government Policy

Survey participants were asked several questions intended to assess their views, criticism or support for government policy in several major areas of public concern. These questions focused on the issue of social and economic gaps and the effort to narrow them – both in terms of wages and in terms of services and their utilization.

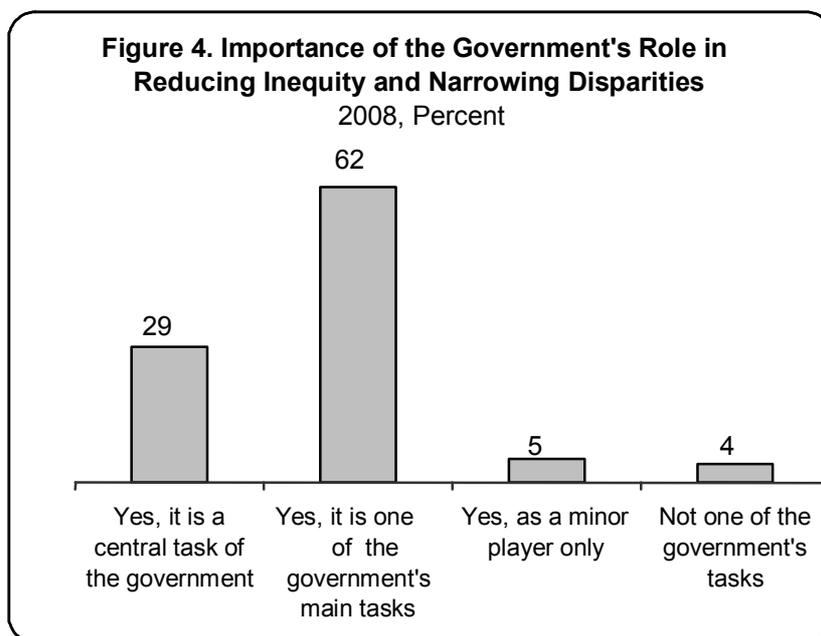
These questions related to the possibility of reducing inequalities, whether this is at all achievable, and whether it is the government's job to work toward such a goal. Separate questions addressed the degree of preference that should be given to weaker population groups in government resource allocation, and whether,

and how, the tax system should be used to narrow income disparities. Questions regarding the public's opinion on levying an inheritance tax and about acceptable wage disparities between the lowest and highest incomes in the public sector were also asked.

The findings for the "ideological" or "value-oriented" questions point to public dissatisfaction with the widening of disparities in society. Despite this readily-expressed dissatisfaction with disparity, however, the public is unwilling to give meaningful priority in the allocation of (shared) resources to society's weaker groups – especially if they themselves were asked to bear the brunt of an increased tax burden.

Most of the public (57 percent) feels strongly that socioeconomic disparities can be significantly narrowed, while 30 percent agree with this statement to a moderate degree. That is, an overwhelming majority of Israelis – 85 percent – feel that socioeconomic disparities can be narrowed. Among FSU immigrants a higher level of pessimism was found than amongst the general population: nearly a quarter of the immigrants feel that the disparities cannot be narrowed, while only 40 percent agree that it is possible to narrow them. The remaining population groups answered similarly to the overall average, tending to express optimism regarding the possibility of narrowing disparities.

The survey found an overwhelming consensus regarding the government's central role in the effort to narrow social disparities (see Figure 4). Some 90 percent of the respondents feel that the government should play a role in this endeavor: one-third view it as the most central task of the government, while two-thirds see it as one of the government's primary jobs. Only 9 percent of the total respondent group feels that narrowing disparities is not one of the government's main tasks. Interestingly, FSU immigrants were notable for their opinion, expressed in higher percentages than by other groups, that it is not the government's job to narrow disparities, or that it should play only a minor role in this endeavor.



In light of the survey participants' support for disparity-narrowing policies and government involvement in this area, it is interesting to note responses regarding affirmative action for the weaker population groups. It is worthwhile, in this context, to bear in mind the public's responses when asked to identify weaker groups (see the previous discussion of this subject). Half of all of the survey participants (49 percent) feel that preference should be given, first and foremost, to low-wage workers and 11 percent to residents of development towns and poor neighborhoods. These are complemented by the 17 percent who feel that no preference should be given to any group (the question offered the following options: low-wage workers, Arabs, *Haredim*, new immigrants, pensioners, residents of development towns and poor

neighborhoods, the unemployed, no preference should be given to any group).

It was also found that each group gave itself a higher degree of preference than it did to other weak groups – yet every population group expressed a clear preference for the low-wage group. Although there is a high degree of overlap between weaker population groups and the low-wage group, no clear expression of support for giving preference to those groups defined as “weak” was found. It is interesting to note that when opinions regarding affirmative action were examined last year, the public was found to be divided about its necessity for weaker population groups. Half of the public expressed opposition to affirmative action for the two weakest sectors – Arabs and Haredim – with the rate of opposition being higher toward Haredim than toward Arabs.

The tax system is one of the mechanisms available to the government in its effort to address income-distribution disparities. Survey participants were asked several questions relating to government tax policy. Firstly: to the question of what kind of tax policy should be preferred, nearly half of the participants (46 percent) supported a policy that combines a tax reduction for the middle class and increased taxes for the affluent; another quarter of the public preferred a tax break for the middle class; and 15 percent responded that a tax hike should be imposed on the affluent. Only 16 percent of the participants responded that taxes are not a preferred means of narrowing disparities or that they should not be used at all for this purpose. It is also interesting to note that relative to the average, those with far-above-average incomes opposed the use of taxes as a means of narrowing income disparities – 22 percent compared with an average of 12 percent for the total respondent group.

In 2008 a question regarding a specific tax, an “inheritance tax,” which could potentially be instrumental in curbing the intergenerational transmission of inequality was included in the

survey. In general, the public tends to oppose the levying of a tax on inheritance. Most of the public (71 percent) responded negatively to the idea of such a tax, with 57 percent rejecting the proposal absolutely. High rates of opposition were found among those aged 50-64 and among those with far-above-average incomes – 80 percent of those belonging to the two latter groups expressed opposition to the proposal. Interestingly, Arabs expressed a relatively higher degree of support for the idea of an inheritance tax (17 percent supported it to a great degree while another 27 percent supported it somewhat, versus 10 percent and 16 percent respectively for Jews).

With regard to wage disparities: survey participants were asked for their opinion on imposing wage limits (minimum and maximum wage); and what kind of wage differentials they consider acceptable. The public was found to prefer support for the weaker population sectors as opposed to imposing limits on the wealthier sectors. Nearly 40 percent of the public feels that the minimum wage should be increased, versus just 7 percent who feel that public-sector wages should be restricted. However, another 40 percent feel that the two approaches should be combined. Only 5 percent feel that there is no need to reduce wage disparities.

On the issue of what wage differential is acceptable between the highest and lowest wages in the public sector, 28 percent of the public felt that a factor of two was desirable, while another 26 percent felt that the differential may reach five-fold. It is worth pointing out that 22 percent were comfortable with a differential of 10-fold or greater, while only 12 percent of respondents felt that there is no need to limit the differential at all. (Of further interest is the fact that a similar percentage of respondents hold the extreme view that there should be no wage differentials of any kind in the public sector.) Given that the difference between the lowest and highest wage-earners in the civil service is considerably greater

than ten-fold, it may be important to bring the public's opinion to the attention of policy makers.

The final question in the "ideological" cluster focused on measures to narrow health care disparities. Survey participants were asked to choose which of several options would be their "first choice." Most of the respondents chose expanding the range of services provided by the public's "health basket" (48 percent) as their first choice. A fourth of the public would strengthen and augment services to the weaker population groups, while 15 percent of the public would do away with user co-payments for medications and medical services for the entire population. To complete the picture, only a small minority view imposing restrictions on private medicine as their first-choice option. Here as well one can discern a consensus on the part of the public, which is primarily interested in expanding services for everyone without committing to any sacrifice of its own. That is, the public does not want service expansion for all to come at the cost of restricting the continual development of disparity-driving phenomena such as private medicine. Here as well one should mention a striking finding with regard to FSU immigrants, who were noteworthy in their opposition to restrictions on private medicine (only one percent of immigrants chose the option of imposing such restrictions).

3. *Standard of Living*

Arriving at an understanding of the public's subjective rating of its standard of living is a regular component of the Taub Center surveys. Participants respond to questions regarding their perceived present standard of living compared with that of the recent past, and their expectations for the future.

A. *The Population as a Whole*

With regard to their current standard of living, a clear majority (three-quarters) of respondents report that their income enables them to meet their basic needs at least to a reasonable degree. This rise over time to three-quarters of the respondent population (from two-thirds in the past) represents an improving overall trend. Since 2003 the percentage of families who feel that their income is "sufficient" to meet basic needs with little or no difficulty has risen – while at the same time the percentage of families who feel that their income "barely suffices" or is "insufficient", has declined. During the four years leading up to 2006, the percentage of families reporting economic distress was greater than that of families reporting economic well-being; however, over the past two years (2007-2008), the opposite has been the case: the percentage of families expressing a state of well-being is higher.

Table 5. Responses to the question: *"To what extent does your income allow you and your family to meet basic needs?"* – Total population (Percent)

	2003	2004	2005	2006	2007	2008
Insufficient or barely sufficient	31	34	36	32	24	25
Reasonably sufficient	47	43	42	44	47	45
Sufficient with little or no difficulty	22	23	22	24	29	30

Satisfaction with the present situation does not appear in the responses to the other questions that relate to the past or future expectations. When asked to point to an improvement or deterioration in their standard of living relative to the recent past (the previous two or three years), the trend toward increased reporting of an improvement has slowed. While in 2007 the percentage of those who felt that their economic situation had improved was greater than that of those reporting a deterioration, in 2008 the percentage of those reporting a deterioration again rose above that of those reporting an improvement, although the discrepancy is still much smaller than it was during the period 2003-2006.

Table 6. Responses to the question: *“If you compare your and your family’s standard of living with that of two or three years ago, in your opinion has there been: ...”* – Total population (Percent)

	2003	2004	2005	2006	2007	2008
Significant or some improvement	8	12	19	21	27	26
No change whatsoever	34	38	43	46	48	42
Significant or some decline	58	50	38	33	24	32

In terms of the public’s expectations regarding future standard of living, the findings support the trend noted in 2007 toward increased fears of a worsening economic situation. The growth that characterized the Israeli economy over the past few years and can be seen in a number of objective measures, does not provide the survey respondents with sufficiently firm ground for optimism regarding their future standard of living.

Table 7. Responses to the question: “*Do you expect your and your family’s economic situation to change in the coming year?*” – Total population (Percent)

	2004	2005	2006	2007	2008
There will be a significant or some worsening	13	16	13	11	21
There will be no change whatsoever	58	58	47	61	54
There will be a significant or some improvement	29	26	40	28	25

Participant responses to yet another survey question, one relating to their economic future: “*Are you concerned about the possibility that you or your family may fall into poverty or economic distress?*” also indicate a certain dampening of the trend toward a sense of improvement that had characterized the public up to 2007. This year a higher percentage of people expressed concern regarding the possibility of falling into economic distress relative to the two previous years; and the percentage of those not concerned at all declined.

Table 8. Responses to the question: “*Are you concerned about the possibility that you or your family may fall into poverty or economic distress?*” – Total population (Percent)

	2003	2004	2005	2006	2007	2008
Very concerned or greatly concerned	31	27	20	20	18	20
Slightly or somewhat concerned	43	43	48	49	46	50
Not concerned at all	26	30	32	31	36	30

The 2008 Social Survey points to the existence of a population that is not seeing its standard of living improve compared with previous years – and whose expectations for the future consequently reflect fear and concern. Of course, one must ask whether this feeling is prevalent at similar levels in all groups of society, or whether it characterizes certain population subgroups only. This question will be examined with regard to selected population groups – those with low socioeconomic status in particular – both separately and compared to the population as a whole.

B. The Haredi Population

The *Haredim* rate their standard of living as relatively lower than the general population rate theirs. This is evident from the percentage of those who feel that their income enables them to meet their basic needs with little difficulty, which is lower than that of the general population (25 versus 30 percent); it is also evident from the much higher percentage of respondents reporting that their income “barely” suffices for basic needs (38 versus 25 percent).

In recent years responses of the *Haredi* population to questions regarding standard of living indicate a fluctuating trend. Although the trend for the general population since 2003 is clearly toward a rise in the percentage of those reporting incomes that suffice with little difficulty for basic needs, findings for the *Haredim* have varied (see Table 9). It also appears that the rise in percentage of those responding “sufficient with no difficulty,” is concurrent with a rise in the percentage of those stating that their income is “barely sufficient.”

Table 9: Responses to the question: “*To what extent does your income allow you and your family to meet basic needs?*” – *Haredim and the total population* (Percent) *

	2003	2004	2005	2006	2007	2008
<i>Sufficient with little or no difficulty</i>						
• Total Population	22	23	22	24	29	30
• <i>Haredim</i>	21	17	13	12	17	25
<i>Insufficient or barely sufficient</i>						
• Total population	31	34	36	32	24	25
• <i>Haredim</i>	42	33	43	45	22	38

* The category “Income enables needs to be met to a reasonable degree” brings the total to 100 percent.

When the current situation is compared with the recent past, the impression that disparities have widened in the *Haredi* community is stronger. Firstly, the percentage of *Haredim* reporting that their situation worsened over the last two-three years is much higher than that of the general population. This percentage rose sharply in the current survey, more so than for the population as a whole. It should be noted, however, that in general from 2003-2007, the *Haredim* have trended upward in terms of the percentage of those reporting an improvement in their standard of living. Although the percentages have been lower than those of the general population, the trend has been steady and did not reverse itself in 2008. This may support the finding regarding a rise in the percentage of *Haredim* responding that their income enables them to meet their basic needs without difficulty.

Table 10. Responses to the question: “*Compare your and your family’s standard of living today with that of two to three years ago*” – *Haredim* and total population (Percent) *

	2003	2004	2005	2006	2007	2008
<i>Situation has deteriorated relative to the recent past</i>						
• Total Population	58	49	38	34	24	33
• <i>Haredim</i>	57	46	46	43	23	44
<i>Situation has improved relative to the recent past</i>						
• Total population	8	13	19	21	27	26
• <i>Haredim</i>	9	13	13	16	18	21

* The category “No change whatsoever” brings the total to 100%.

Haredi expectations for the future continue to conform to the general trend toward fear of additional deterioration and of a future decline in standard of living. This is particularly evident in *Haredi* responses to the question regarding concern about the “*possibility of falling into economic distress or poverty.*” While the percentage of *Haredim* who reported great concern in 2007 was slightly below the overall average (16 versus 18 percent) – a finding that reflected optimism in earlier years – in 2008 the trend reversed and the percentage of *Haredim* greatly concerned over their economic future rose sharply relative to the general population (26 versus 20 percent, respectively).

C. *The Arab Population*

The Arab population’s assessment of its present standard of living did not change significantly over the past year. The percentage of Arabs who responded that their income enables them to meet basic

needs with little difficulty has been quite stable over the last few years, holding steady at about a sixth of the Arab population (with very small fluctuations). This is not, in itself, an encouraging finding – indicating as it does that more than 80 percent of Israeli Arabs report difficulties in meeting their basic needs. However, the percentage of Arabs reporting that their income is “insufficient” or “barely sufficient” which had been rising until 2006 and peaked at more than half of the Arab population (52 percent), has declined over the last two years to around 40 percent and continued to drop slightly in 2008. This percentage is still much higher than that of the general population (25 percent), and of the Jewish population (22 percent).

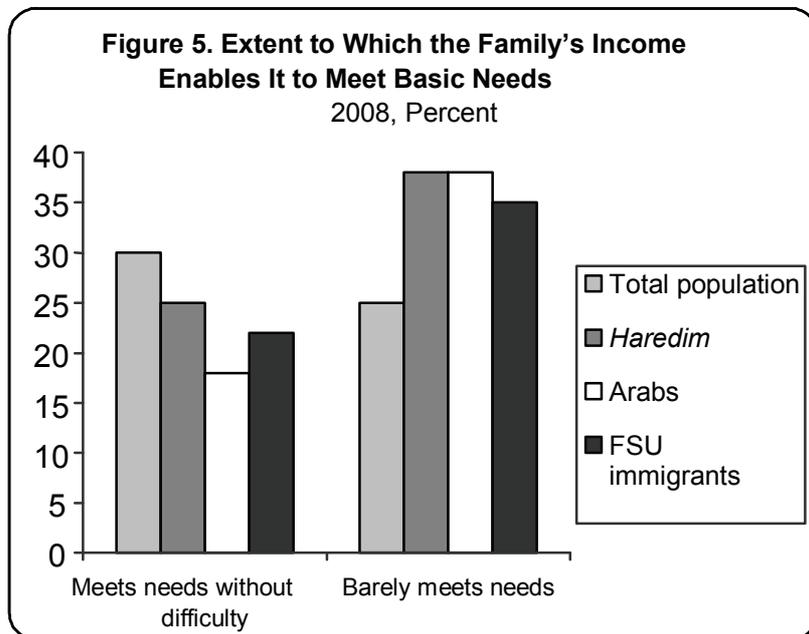
Table 11. Responses to the question: *“To what extent does your income allow you and your family to meet basic needs?”* – Arabs and total population (Percent)*

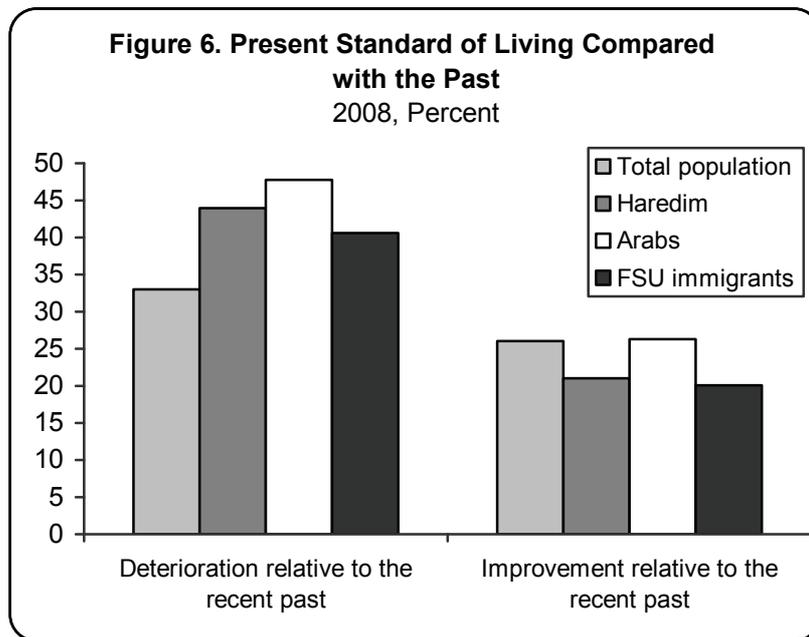
	2003	2004	2005	2006	2007	2008
<i>Income sufficient with no difficulty</i>						
• Total Population	22	23	22	24	29	30
• Arabs	17	16	19	15	18	18
<i>Income barely sufficient</i>						
• Total population	31	34	36	32	24	25
• Arabs	44	46	55	52	41	38

* The category “Income enables needs to be met to a reasonable degree” brings the total to 100 percent.

A comparison of current living standard with the past indicates two opposing trends within the Arab population: on the one hand, there is a certain sense of change for the better as shown by the percentage of those reporting an improvement in their situation – a percentage that has risen steadily since 2003 and at a faster rate than that of the population at large. Although there was a change in

the trend this past year, the decline was less than that for the total population. On the other hand, for those who reported a deterioration in their living standards, the downward trend that had characterized the years up to 2007 reversed – in a similar manner to that of the population at large. The high percentages are particularly striking – half of the Arab respondents report that their situation deteriorated in 2008, compared with a third of the general population and a quarter of the Arabs reported an improvement. This is, clearly, a high percentage of people who feel that their standard of living is deteriorating.





D. *Immigrants from the FSU*

The immigrants' assessments of their standard of living improved over the years, peaking in 2006. This was reflected in the following trends: a rise that exceeded that of the general population in the percentage of immigrants reporting incomes sufficient to meet their needs "with no difficulty"; a narrowing of the discrepancy relative to the general population regarding "barely sufficient" incomes; with a disappearance of this discrepancy altogether in 2006. However, immigrants reported a subsequent decline in their standard of living over the last two years which was greater than that of the overall population average. Here as well, the change has occurred at both ends of the spectrum – a rise in the percentage of those whose income "barely" suffices, greater than the overall average for 2008, and a decline in the percentage of those whose incomes enable them to meet basic needs "without difficulty."

Table 12. Responses to the question: “*To what extent does your income allow you and your family to meet basic needs?*” – FSU immigrants and total population (Percent)*

	2003	2004	2005	2006	2007	2008
<i>Income sufficient with no difficulty</i>						
• Total Population	22	23	22	24	29	30
• FSU immigrants	18	13	18	30	24	22
<i>Income barely sufficient</i>						
• Total population	31	34	36	32	24	25
• FSU immigrants	36	50	49	32	28	35

* The category “Income enables needs to be met to a reasonable degree” brings the total to 100 percent.

The survey findings regarding immigrant evaluations of their current standard of living relative to the past strengthens the overall impression of change. The percentage of immigrants reporting a decline in their standard of living over the past year is higher than that of the population at large, for the first time since 2003 (in some years the immigrant and general-population percentages were on a par). On the other hand, the percentage of immigrants reporting an improved situation, which had tended to be higher than that of the population as a whole, declined sharply last year from 32 to 20 percent, reaching a level lower than that of the population at large: 20 percent versus 26 percent, respectively.

Clearly, the immigrant population, some portion of which has actually reached “veteran Israeli” status (FSU immigrants began arriving in Israel in 1989), seems to express a feeling that their standard of living has deteriorated. This feeling is also reflected in the immigrants’ expectations for the future and in the relatively high level of fear they expressed regarding the possibility of future

economic distress: the percentage of those who responded that they are greatly concerned about falling into poverty or economic distress was higher in the current survey (2008) among immigrants than among the general population, while the percentage of those who were “not at all concerned” was lower than that of the general population. However, these figures represent no substantial worsening relative to 2007. That is, there has been no notable increase in levels of distress as indicated by the percentages of those reporting great concern about falling into poverty, but there has been a slight decrease in the percentage of those who are “not at all concerned.”

Table 13. Responses to the question: *“If you compare your and your family’s standard of living today with that of two to three years ago ...”* – FSU immigrants and total population (Percent)*

	2003	2004	2005	2006	2007	2008
<i>The standard of living has deteriorated</i>						
• Total Population	58	49	38	34	24	33
• FSU immigrants	55	45	38	29	24	41
<i>The standard of living has improved</i>						
• Total population	8	13	19	21	27	26
• FSU immigrants	9	18	19	24	32	20

* The category “No change whatsoever” brings the total to 100 percent.

Finally, it is interesting to note the differences in standard of living by education level. The groups presented, with their differing attitudes and evaluations of their respective situations, also differ from each other in terms of education and income. In this context it may be noted that the FSU immigrant population, for example, is relatively highly educated, in contrast to the Arab population which has a much higher percentage of those with low education levels.

Table 14. Responses to the question: *“If you compare your and your family’s standard of living today with that of two to three years ago ...”* – Total population, by education (Percent)*

	2003	2004	2005	2006	2007	2008
<i>The standard of living has deteriorated</i>						
• Academic education	62	47	35	31	22	27
• Low education	67	65	62	49	31	50
<i>The standard of living has improved</i>						
• Academic education	8	13	21	23	32	31
• Low education	8	1	7	13	22	17

* The category “No change whatsoever” brings the total to 100 percent.

In general, the sense of an improvement in standard of living lessened this year both among those of higher (academic) education, and among those of low education. However, the low-education group was far more affected. Among them, the percentage of those reporting a decline in standard of living rose from a third to a half in 2008, while the percentage of those reporting an improvement in their standard of living fell. This development among the low-education group points to the group’s increasing marginalization in Israeli society. By contrast, the percentage of those with an academic education who reported an improvement in their standard of living is nearly double that of those in the low-education group; and the percentage of low-education respondents reporting deterioration is more than double that of the academically-educated.

4. *The Population's Attitudes on Job Security*

Work is one of the most significant elements in the lives of most working-age people, and is also a source of economic and social security for most individuals and their families. It allows people to provide for themselves and their families, does much to determine their social status, and has an effect on quality of life and self-esteem. Employment is usually the first area to be affected by the onset of an economic crisis. However, when the state of the economy begins to improve, employment may be slow to recover. This year, as in previous years, survey participants were asked about the degree to which they fear losing their jobs and their level of concern about the prospect of not finding work and remaining unemployed.

Table 15. Responses to the question: ***“Do you, or does someone in your family, fear dismissal or fear that they will not find work and become unemployed?”*** – Total population, by income (Percent)*

	2003	2004	2005	2006	2007	2008
<i>Greatly or very greatly concerned</i>						
• High income	28	15	15	8	13	11
• Low income	56	46	52	39	34	35
<i>Slightly concerned or not concerned at all</i>						
• High income	59	58	62	77	67	73
• Low income	25	30	29	37	41	41

* The category “Somewhat concerned” brings the total to 100 percent.

The changes in level of concern about losing one's job between 2008 and 2007 are small; there do not appear to have been significant changes in perception among the Israeli public. A fifth of the participants (22 percent) responded that they are greatly or very greatly concerned – a slightly higher percentage than in 2007 (18 percent). At the same time, over half of the participants (55 percent) responded that they are only slightly or not at all concerned about dismissal – a percentage similar to that of last year.

When specific population groups are examined, however, a rather different picture emerges. For example, the fear of dismissal is considerably (three times) greater among those with low incomes than among those with high incomes, while the percentage of those not at all (or only slightly) concerned is nearly twice as high among the high-income group. Since 2003 both of these groups have displayed similar trends toward lower percentages of those greatly concerned about dismissal and higher percentages of those not at all or only slightly concerned.

The level of concern regarding job security varies with education level; the highly-educated expressed a higher degree of confidence and their job security greatly improved over the last few years. The low-education group also experienced a certain improvement in job security over time, but the percentage among them who feared unemployment in 2008 was nearly twice as high as in the academically-educated group; and the percentage of the academically-educated who felt secure in their jobs was still much higher than among those with a low level of education.

Table 16. Responses to the question: ***“Do you, or does someone in your family, fear dismissal or fear that they will not find work and become unemployed?”*** – Total population, by education (Percent)*

	2003	2004	2005	2006	2007	2008
<i>Greatly or very greatly concerned</i>						
• Academic education	37	27	27	23	16	18
• Low education	42	49	51	50	48	34
<i>Slightly concerned or not concerned at all</i>						
• Academic education	35	44	45	55	56	57
• Low education	39	29	35	36	31	47

* The category “Somewhat concerned” brings the total to 100 percent.

With regard to the economically weaker population groups, there was an eroding in their expressed sense of security, reversing the previous trend toward improvement. Levels of concern vary from group to group: Arab respondents showed a higher rate of “great concern” regarding the possibility of unemployment, compared with immigrants and *Haredim*. However, the percentage of those slightly (or not at all) concerned is lower among immigrants, who, as noted previously, tend to express considerable concern of losing their jobs.

Table 17. Responses to the question: ***“Do you, or does someone in your family, fear dismissal or fear that they will not find work and become unemployed?”*** – Selected population groups (Percent)*

	2003	2004	2005	2006	2007	2008
<i>Greatly or very greatly concerned</i>						
• FSU immigrants	42	39	45	26	19	22
• Haredim	39	23	20	18	10	18
• Arabs	48	44	45	38	22	29
<i>Slightly concerned or not concerned at all</i>						
• FSU immigrants	33	40	27	36	57	42
• Haredim	36	48	52	54	67	53
• Arabs	27	32	36	51	43	48

* The category “Somewhat concerned” brings the total to 100 percent.