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מרכז טאוב לחקר המדיניות החברתית - 25170					

politics changed entirely. Politicians started talking to the voters," she says. Reeling from the reaction to the cottage cheese price hike, businesses, too, have hesitated to raise prices over the last decade, she believes.

Main success

Noah Efron was a Tel Aviv City Council member at the time and involved with the protests. He says their success shouldn't be judged by the inability of protesters to sustain the momentum of tent cities and rallies.

"The movement didn't die afterward. Something as charismatic as the summer of 2011 couldn't possibly continue – people couldn't keep living in tents into the winter," he says. "This huge display of energy and excitement was something that was going to pass. Everyone knew that was the case," says Efron, who today hosts a politics podcast called The Promised Podcast.

Instead, the movement was channeled into a crop of nongovernmental organizations, whose main success was to bring more transparency to government. Some of its leaders entered politics – including Shaffir, who was elected to the Knesset in 2013 – while others, such as Moshe Kahlon and his Kulanu party, rode the wave of consumerism. They all flamed out, Efron concedes, but more mainstream politicians have now adopted much of their agenda.

Bental, however, is skeptical that the protests were really that effective and says the reforms that came in the subsequent years weren't a response to them. In any case, much more important

Shaffir: 'The summer of 2011 was a summer of awakening. For the first time, lots and lots of people went into the streets all over the country to demand their basic social rights.'

core reforms – to bring down housing prices, improve the schools and increase Israel's low rate of labor productivity, to name a few – have yet to be seriously addressed by the government.

Meanwhile, the better macroeconomic metrics can be attributed to the high rate of economic growth over the last decade. The drop in poverty was due to more working-age Israelis entering the labor market, which was due to cutbacks in government allowances that Netanyahu made as finance minister in the early 2000s, years before the protests.

One thing protest skeptics and supporters do agree on is that Netanyahu was by far the person primarily responsible for the direction Israel took in the 10 years after 2011, for better or worse.

On the economy, economists regard him largely as a washout who avoided tackling the country's big issues. "The big question is 'what if' – what would have happened if Netanyahu ... actually had wanted to fix some of the bigger issues. He didn't. Things improved, but they could have improved a lot more," Ben-David says.

Meanwhile, notes Shaffir, the activists seeking to improve the lives of ordinary Israelis after 2011 got waylaid by what she calls Netanyahu's assault on democracy. Activists were forced to put aside the economic and social agenda to focus their efforts on removing him from power, with constant rallies near the prime minister's official residence on Jerusalem's Balfour Street.

The former Labor lawmaker isn't apologetic for that change in direction. "Political populism did considerable harm to Israeli society and democracy itself was in danger," Shaffir says. "You can't differentiate between that and the social struggle – both are important.

"Perhaps if we had been able to remove Bibi earlier, the situation would have been different," she adds.

Netanyahu is gone, so the question now is whether the new government of Prime Minister Naftali Bennett will do any better. Shaffir for one is cautiously optimistic. "True, on a lot of important issues it won't be able to advance – among them, in my view is the most important, which is the Israeli-Palestinian dispute," she says. "But it can make progress in improving services to the public and give priority to restoring good government."

Bental shares that view. "At least they will try to do something, assuming they survive," he says. "The system has been in a stalemate for almost two years, so the reforms were blocked by the instability of the government. Even before, the government didn't fulfill its promises and had no consistent policy. The system has been stable for a decade, since the 2011 event."



Stav Shaffir, left, and Daphni Leef.

Nir Keidar



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Clockwise, from above: A run for social justice in August 2011; a protest tent in October 2011; and a protest in 2011, all in Tel Aviv.

Mr Keidar; Daniel Bar-On; Ofer Vaknin

David Rosenberg

A decade after the social justice protests, are Israelis any better off?

On many economic parameters they are better off than ever, but schools remain poor, roads are crowded and home prices are high

Ten years ago this week, Daphni Leef set up a tent on Tel Aviv's Rothschild Boulevard after being evicted from her apartment, and called on others to do the same. "Even though I work seven days a week, I realized that with rents, I would never be able to get through the month," she told the Ynet news site. "I'm no longer waiting for anyone to solve the problem for me."

Her grievance hit a nerve. Israelis were already enraged over Tnuva raising the price of their beloved cottage cheese, and now Leef was proposing to widen the scope of the protest and bring it into the street.

Within short order, Rothschild turned into a giant campground and teach-in, and rallies were staged in Tel Aviv and across the country. On September 3, no less than 400,000 people turned out for the protests, which had by then morphed into a call for "social justice" and the government to do more to address the needs of ordinary Israelis by reducing the notoriously high cost of living.

"The summer of 2011 was a summer of awakening. For the first time, lots and lots of people went into the streets all over the country to demand their basic social rights – for fair housing, for proper government services," says Stav Shaffir, who emerged as a protest leader during those heady days. "For a long time, Israelis were focused on security issues – there weren't protests, certainly not on a large scale, over social issues. But people felt that the time had come to talk about what pained us here in our own home," she adds.

Yet by that October, the protests had all but evaporated and, despite attempts by activists to revive them over the following years, Israel has not seen anything on the scale of the summer of 2011 again.

What happened? Did life begin to get better for ordinary Israelis? Did the social-justice protests really bring the changes activists sought? Were they a one-time event or did they simply take new, less visible forms? Or did they get subsumed by the country's obsession over



A protest in Tel Aviv in August 2011.

Tal Cohen

Benjamin Netanyahu?

Ten years later, even with the deleterious effect of the coronavirus pandemic, ordinary Israelis are in many ways in better shape economically than they were in 2011, most economists say.

"Israel is much better off than it was a decade ago. It's not that everybody is better off, but even if you look at income deciles, if you look at inflation, average incomes rose. If you look at poverty and income inequality in gross income terms – before government interventions – they improved. A greater share of people have gone out to work, so they are bet-

ter off," says Dan Ben-David, who heads the Shoshan Institution for Socioeconomic Research and is an economist at Tel Aviv University's Department of Public Policy.

Glaring problem

Over the past 10 years, wages have climbed by more than a quarter in real terms. Consumer prices have fallen in some years, and over the course of the decade have risen a little more than 5 percent. Israel's unemployment rate had dropped to a record low of 3.5 percent in the months before the coronavirus struck.

Meanwhile, the percentage of Israelis living under the poverty line had declined to 20.4 percent by 2018, from 23.1 percent in 2011, while income inequality – as measured by the so-called GINI index – has improved somewhat.

Israel's middle class, whose grievances were at the forefront of the 2011 protests, has seen its share of national income rise steadily since 2008, when it was 53 percent, to 61 percent in 2018. Most of the growth occurred after 2013.

But in other ways, as Ben-David stresses, the lot of the average Israeli remains poor – certainly by international standards.

The most glaring problem, and the one that sparked Leef's initial protest, is housing prices.

They have risen more than 48 percent since 2011, compared with 31 percent on average for the countries belonging to the Organization for Economic Cooperation and Development. Homes have become so out of reach that a 2018 poll showed that more than half of young Israelis cited finding "adequate" housing as one of their top three worries.

Schools are another sore spot. Israeli 15-year-olds perform unusually poorly for a country that bills itself as Startup Nation and a center for innovation. In science and math, young Israelis made some modest improvements in their scores on the international PISA exams of student achievement, compared with 2009, but those gains have plateaued at levels about 6 percent under the OECD average in 2018. In reading, Israeli scores have actually declined.

"If you look at the education system, it continues to be the worst in the developed

world," says Ben-David, who notes that the PISA scores don't count ultra-Orthodox children. They learn little or no math and science, but account for a disproportionate share of student-age Israelis. "The problem is that about half of the children today are receiving a Third World education," he warns.

Despite a bevy of high-profile infrastructure projects, most importantly the Tel Aviv light rail, Israelis suffer more than ever from inadequate public transportation and crowded roads. Even though Israelis have fewer cars than their peers in other well-off countries, there were 2,800 vehicles for every kilometer of road in 2014, making Israeli highways by far the most traffic-clogged among OECD nations.

Even when Israelis have made economic gains, they remain, on balance, worse off than their developed-country peers. Israel continues to have among the highest rates of poverty in the OECD. Israel's middle class has grown, but it remains small by developed-country standards. Moreover, the chances of Israelis belonging to the middle class decline the younger they are: 62 percent of Israeli baby boomers belong to the middle class, but only 55 percent of millennials.

If a thriving middle class is the benchmark, then the protests should be judged a failure, says Benjamin Bental, principal researcher and chairman of the Economics Policy Program at the Taub Center for Social Policy Studies. He cites research showing that the protests were confined mainly to the middle classes, and despite calls for "social justice," the protesters' demands were really much more narrowly focused on their class interests.

"What the protest achieved for three deciles [those in the fifth through eighth deciles of the income ladder] was very little. The most important effect was free preschool education from age 3 – there were a lot of young families whose everyday life was affected by that. Many of the other reforms were related to regulatory issues that had only a marginal effect on people's lives or were never implemented," Bental says.

Free preschool education was one of the proposals by a committee chaired by Prof. Manuel Trajtenberg, appointed by then-Prime Minister Netanyahu in the wake of the protests.

Other consumer-friendly reforms included Open Skies, which led to a sharp drop in airfares; the cellular reform that did the same for mobile phone call rates; and the "cornflakes law" and other measures to insert more competition in the food market, which helped rein in soaring food prices.

But even if they didn't arise from the Trajtenberg committee's recommendations, Shaffir says many of these reforms were an indirect outcome of the 2011 protests. "The language of