

# **The IDF and the Ultra-Orthodox: Economic Aspects of Conscription**

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## **The IDF and Religious Conscripts**

While the religious sector in Israel is highly heterogeneous, the overwhelming majority of its members practice Orthodox Judaism. Within this diversity, there is a rough distinction between two Orthodox publics – the ultra-Orthodox and the modern Orthodox or national-religious. The two groups differ in their relation to the state and their approaches to participation in the labor market and in the IDF.

The national-religious sector consolidated relations with the IDF in the late 1960s, and since then, the influence of religious functionaries within the IDF has grown, along with the scope of religious conscripts' involvement in all army units and ranks. Since the late 1990s, the IDF has been tasked by the government to design programs of integration for ultra-Orthodox men that replicate or adapt practices employed to accommodate national-religious soldiers.<sup>1</sup>

Military service, rather than an end unto itself, is perceived as a means that may help the ultra-Orthodox public to acquire skills and knowledge that can later on translate into economic gains. This paper addresses two opposite views on the economic achievement of veterans: one holds that the IDF only reinforces existent inequalities and does not push economic growth among veterans. The opposite belief is that the IDF increases upward economic mobility. This study analyses the impact of military service on the economic status of the ultra-Orthodox veterans. Specifically, it gauges the ability of the IDF to narrow the economic gaps between ultra-Orthodox, religious, traditional religious, traditional non-religious, and non-observant Jews. Based on data from representative surveys conducted in 2006-2012 within

the framework of the INSS National Security and Public Opinion Project (NSPOP), this paper examines the influence of IDF service on the economic position of the groups that constitute the Israeli Jewish sector. Empirical evidence is taken from a unique dataset that includes ultra-Orthodox army veterans – a group that is very small and difficult to survey quantitatively.

### **Economic Distance, the Ultra-Orthodox, and the IDF**

An old maxim holds that in the short run, actors create policies, while in the long run, policies create actors.<sup>2</sup> The state support for the religious sector started as a low cost, mostly symbolic compromise between the secular leadership and the religious establishment. In 1948 Rabbi Yitzhak Meir Levin petitioned Prime Minister Ben Gurion, responsible for the defense portfolio, to exempt a total of 400 full time yeshiva students from military service. Ben Gurion agreed, although certainly the country's Jewish population could not possibly envision the economic implications of that decision. Four hundred ultra-Orthodox yeshiva students in 1948 constituted less than .07 percent of Jewish residents of Israel, or .36 percent of the IDF force. However, six decades later, this religious sector is burgeoning and politically strong. Today, the number of ultra-Orthodox who were not drafted has grown from 400 to about 65,000 men. Based on data from 2012, approximately 55,000 of Israeli Jewish men reach the military age of 18 every year; 15 to 20 percent of them are excluded under the *torato omanuto* arrangement – Torah study as a man's primary occupation.

In 2013, ultra-Orthodox Jews made up almost half of the Orthodox public. The ultra-Orthodox community is very poor (60 percent poverty rate), very young (on average, 34 years old), and remains the fastest growing group in Israel (on average, seven children per woman). In the early 1980s, non-Orthodox Jews constituted 80 percent of the population. Since then, that percentage has dropped by some 12 points, despite the arrival of almost a million of primarily non-Orthodox immigrants from the former Soviet Union in the 1990s (some 16 percent of the population). The aggregate growth rate of the ultra-Orthodox sector in 2012 was between 225 and 250 percent over the three decades. A moderate forecast by the CBS suggests that in 2059 the ultra-Orthodox public will have grown by 453 percent (from 2009), while the rest of the Jewish population (modern Orthodox, traditional, and secular together will have grown by 49 percent), and the proportion of non-religious Israelis will have actually declined. The high growth rate forecast

suggests that ultra-Orthodox will increase by 689 percent (vs. 89 percent among other Jewish publics).

In 2012, 30 percent of children in primary schools were ultra-Orthodox. In their state-supported schools, there is a minimal curriculum of non-religious subjects that ceases to be mandatory in lower grades, which means that the skills learned in such educational institutions cannot be easily adapted to the modern labor market. In all, the separate school system, the exemption from civic obligations other than the draft, and entitlement to a range of direct and indirect social benefits has developed reliance on the welfare state<sup>3</sup> and strengthened the community's symbolic<sup>4</sup> and actual<sup>5</sup> alienation from the mainstream society. At the same time, rapid growth rates accompanied by poverty make the economic circumstances of the ultra-Orthodox a major concern.<sup>6</sup>

Non-ultra-Orthodox policymakers<sup>7</sup> and academics<sup>8</sup> assert that the practical skills acquired during the military service are instrumental for ultra-Orthodox men to help them break the circle of poverty. Their position is informed by the past, as the army has proven effective in preparing recruits from various undereducated populations for professional lives. Moreover, evidence from abroad suggests that ultra-Orthodoxy is not structurally alien to productive economic participation: ultra-Orthodox men outside Israel enter the labor force after spending 3-5 years in yeshivas; in Canada, 80 percent of working age ultra-Orthodox men are employed, and the figures are similar for the US and the UK.<sup>9</sup>

Ultra-Orthodox leaders oppose the idea of conscription on the same grounds that underlie the optimism of the non-ultra-Orthodox policymakers. They fear that conscription might potentially promote entrance to the labor market and the world outside of the sector, which “is liable to damage the unique identity of the next Haredi generation.”<sup>10</sup> Critics<sup>11</sup> who do not belong to ultra-Orthodox circles cite qualitative evidence that IDF practices designed to accommodate religious needs by crafting special arrangements for religious soldiers change the impact of army service on these conscripts.

Against this background, I examine the ability of the IDF to influence the economic position of ultra-Orthodox conscripts.

## **Data, Models, and Measures**

The analysis draws from data pooled from four representative surveys (N=2681) conducted in 2006-2012 for the National Security and Public

Opinion Project.<sup>12</sup> The results are presented first for all Jewish Israelis and then separately for men. The focus is on male respondents because the legislature plans to recruit only men from the ultra-Orthodox sector. In the NSPOP sample, 40 percent of ultra-Orthodox men reported serving in the military. Men aged 40 or younger and those born in Israel (as opposed to immigrants) reported serving at a lower rate (34 percent). Among the non-ultra-Orthodox, 84 to 89 percent of all men stated they had served in the military; among the Israeli-born public, the rate is higher than that of immigrants.

The hypothesis about the impact of IDF service on household expenses is tested in Models I-V. Models I-II are estimated for a joint sample of all non-Arab Israelis, to measure the economic standing of the religious sector compared to the remaining groups (model I) and the effect of the IDF service on veterans across the groups (model II). Models III through V are estimated for men.<sup>13</sup> Model III and IV, respectively, repeat models I and II, while model V is estimated for a truncated sample of older men (>44 years old in 2006) and shows the influence that military service had on religious veterans in the past.

Economic distance was measured with the self-reported “monthly household expenses” variable, namely, a 5-point scale of average family household expenses. As to controls (table 1):

- a. Religiosity was measured with a single item 5-point scale: “Would you describe yourself as Haredi (ultra-Orthodox), religious (modern Orthodox), traditional religious, traditional non-religious, or non-religious?” This measure of religiosity is more appropriate than questions on the level of observance or strength of religious belief because it splits the modern Orthodox and ultra-Orthodox groups that both indicate “full observance” of religious rituals but differ in their attitude toward the IDF and the state.
- b. Ideology: 7-point scale of political preferences based on self-reported vote in the last elections.
- c. Ethnic origin: 4-point nominal scale: “Asian-African origin,” “East European origin,” “Western origin,” “Israeli born.”
- d. Age: continuous 18-94.
- e. Male/female: 1-male, 2-female.
- f. Education: 1-academic degree.
- g. Army service: 1-veteran.

## Results

First, I estimate the effect of army service on the self-reported monthly expenses. Negative signs before the coefficients in all models show that the variable has a negative impact on household expenses, i.e., reduces them. The higher the value of the coefficient (usually distributed from 0 to 1, if not stated otherwise), the stronger the impact of the variable on the household expenses. The methodological imperfections of the model<sup>14</sup> may be alleviated by comparison of the military service effect across religious groups.

Overall, military service relates positively to household spending. For all Jews (men and women), the negative effect on household expenses of belonging to the ultra-Orthodox community ( $b=-.4728$ ) is two times higher than the positive effect of military service ( $b=.2647$ ), and almost as large as the effect (positive) of academic education ( $b=.5898$ ) (model I). In the presence of interaction (model II), belonging to the national-religious sector and serving in the IDF associates with a decrease in household expenses (in comparison with secular IDF veterans), i.e., when these two factors come in contact with each other they produce a negative impact on the household expenses, whereas the effect of the service is trivial among the remaining groups. Models III and IV present the results for male respondents. Estimates from model III are similar to those from model I, while model IV shows that the interactive effects of military service and religious sector are positive (though insignificant) for less religious publics, but negative for the religious (figure 1). Thus, data suggest that there is no evidence that IDF service will extract ultra-Orthodox households from poverty.

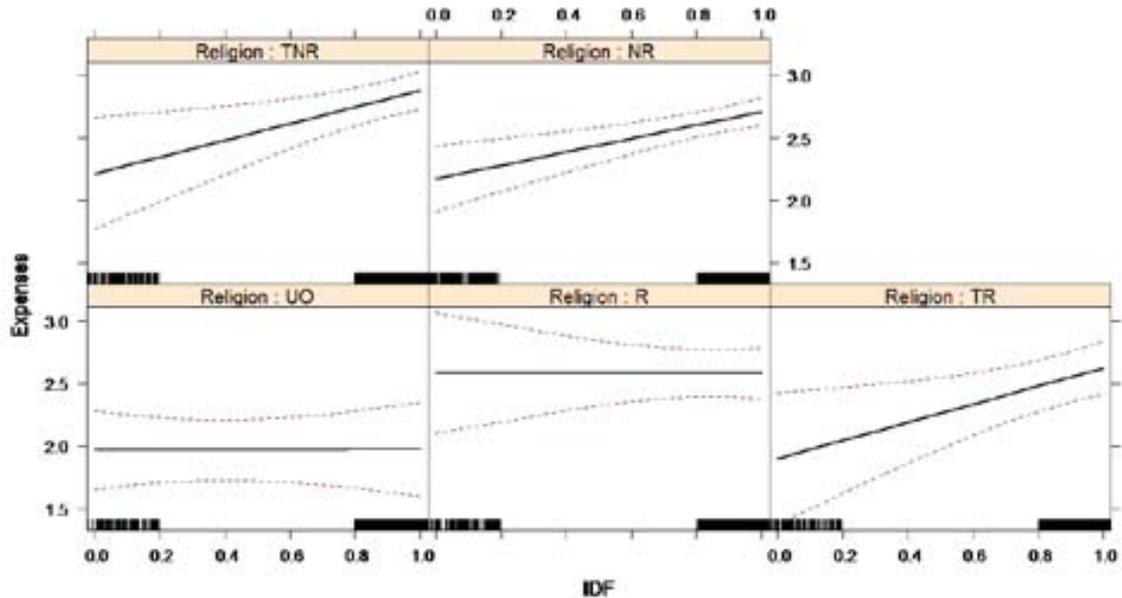
**Table 1.** Monthly Household Expenses (outcome)

Covariates	Model I (all Jews)	Model II (all Jews)	Model III (men)	Model IV (men)	Model V (men >44 years old)
<i>b (unstandardized coefficient), (SE)</i>					
Academic degree (1=yes)	.5898*** (.0639)	.5814*** (.0639)	.6495*** (.0755)	<b>.5972***</b> (.0755)	<b>.7322***</b> (.1079)
Age	-.0039* (.00189)	-.0044* (.0019)	.0011 (.0021)	.0014 (.0021)	-.0204*** (.0064)
Origin: Eastern Europe	-.1514 (.1061)	-.15512 (.1063)	-.1878 (.1461)	-.1668 (.1302)	-.1573 (.1552)

Covariates	Model I (all Jews)	Model II (all Jews)	Model III (men)	Model IV (men)	Model V (men >44 years old)
<i>b (unstandardized coefficient), (SE)</i>					
Western	-.1488 (.1249)	-.1557 (.1249)	-.1518 (.1744)	-.0619 (.1546)	.0474 (.1864)
Born in Israel	.0666 (.0932)	.0702 (.0933)	.0732 (.1316)	.09843 (.1144)	.27537 (.1343)
Army Service (1=yes)	.2647*** (.0743)	.2257* (.1122)	.3566*** (.1034)	.45931** (.1511)	.4771** (.2175)
Ultra-Orthodox (1=yes)	-.4728*** (.1158)	-.5171*** (.1546)	-.4193*** (.1438)	-.1754 (.2146)	.1208 (.6123)
Religious (1=yes)	-.0759 (.0981)	.1527 (.1719)	-.0143 (.1104)	.4887 (.3034)	.1424 (.4534)
Traditional-religious (1=yes)	.0967 (.0959)	-.0410 (.1699)	.0329 (.1216)	-.1271 (.3562)	-.2245 (.5584)
Traditional non-religious (1=yes)	.1352 (.0783)	.0369 (.1508)	.2472** (.0924)	.1227 (.2734)	-.0566 (.3594)
Ideology	.0089 (.0238)	.0067 (.0239)	.0162 (.0319)	.0131 (.0319)	-.0256 (.0482)
Gender (2=female)	-.1183 (.0639)	-.1255* (.0641)			
Ultra-Orthodox x IDF		.1043 (.2384)		<b>-.4704*</b> (.1919)	-.7590 (.6902)
Religious x IDF		-.3607* (.2013)		<b>-.5799*</b> (.3258)	-.0241 (.4808)
Traditional religious x IDF		.2066 (.2023)		.1765 (.3772)	.3155 (.5849)
Traditional non-religious x IDF		.1360 (.1743)		.1349 (.2899)	.2914 (.3831)
Intercept	2.518*** (.338)	2.562*** (.231)	2.039*** (.1698)	1.965** (.2061)	1.944** (.2338)
F-statistic	14.31***	11.16***	13.59***	9.234****	6.325***
R <sup>2</sup> adj.	.09	.09	.09	.09	.12
Total N	1693	1689	836	805	519

\*p<.05; \*\*p<.005; \*\*\*p<.000

The estimates were calculated on the basis of OLS regression model.



**Figure 1. Effects of Army Service on Household Expenses by Religious Sector for Jewish Men**

**Legend:** 0 – no service, 1– IDF veterans. NR – non-Religious; TNR – traditional non-religious; TR – traditional religious; R – modern Orthodox (religious); UO – ultra-Orthodox.

Several conclusions follow from the analysis. First, when policymakers develop the idea of economic integration of the ultra-Orthodox through military service, they presumably derive their policies from prior experiences with traditional and non-religious groups (figure 1, top line of graphs and the bottom line, graph on the right). Indeed, non-religious and traditional veterans are better off compared to non-veterans from their respective groups.

However, the economic position of the ultra-Orthodox and the modern Orthodox (religious) does not improve dramatically as a result of their service in the IDF. Military experience for the ultra-Orthodox associates with lower household expenses later in life (compared to other groups of veterans), and they are slightly better off compared to men from their own sector. Furthermore, model V, which analyzes men recruited before the mid-1980s, reports no influence of the army on economic position of these religious veterans.

What is the overall conclusion? Military experience in its present form (including a widespread network of the special programs for the religious)

does not have consistent positive influence on the economic position of the ultra-Orthodox. At the same time, higher education has a direct positive influence on economic performance for all groups. If the purpose is to increase upward economic mobility among the ultra-Orthodox, the decision makers may need to consider a “detour” policy that would allow this group to acquire productive skills while bypassing the military service.

## Conclusion

This paper suggests that massive mobilization of the ultra-Orthodox may have two implications. Contrary to the expectations, the data does not indicate improvement in the economic position of ultra-Orthodox veterans. However, military service may still increase social cohesion of the Jewish Israeli public, but on a different plane. Shared military experience raises the legitimacy of the ultra-Orthodox lifestyle for the general Jewish Israeli public. This social integration already occurred between the national religious sector and the general public in the 1970-1990s.

Thus, participation in the “national burden” will strengthen the political position of the ultra-Orthodox community in Israel without necessarily improving its economic performance.

## Notes

- 1 Nahal Haredi, the IDF unit for the ultra-Orthodox population, was founded in 1999.
- 2 Recent advances in complexity theory have empirically confirmed this statement. See for example, John Padgett, “From Chemical to Social Networks,” in *The Emergence of Organizations and Market*, eds. John F. Padgett and Walter Powell (Princeton: University Press, 2012), pp. 92-113.
- 3 The ultra-Orthodox sector manages considerable budgets that come from both the Israeli government and Diaspora philanthropists. According to OECD data, net private transfers from abroad to Israel in 2008 amounted to 1.5 percent of GDP and were largely addressed to ultra-Orthodox institutions. “Poverty and Employment Issues for Minority Groups” (OECD, 2010), p. 169.
- 4 The ultra-Orthodox community sees its values and lifestyle as superior over the values and lifestyle of others. Nachman Ben Yehuda, *Theocratic Democracy: The Social Construction of Religious and Secular Extremism* (Oxford: Oxford University Press, 2010).
- 5 The ultra-Orthodox tend to live in distinct areas, and Israeli planning authorities accommodate and maintain this reality by subsidizing the construction of low-cost neighborhoods for this fast-growing group. One recent example is the construction of a new city in Katzir-Harish in the Wadi Ara area.

- 6 In the last ten years, official statistics have shown an increase in the labor force participation of ultra-Orthodox men, with a share of employed reaching 38 percent in 2011. However, the Bank of Israel makes its estimates on the basis of the Labor Force Survey, which does not permit the identification of ultra-Orthodox respondents. The estimates are biased upward because they are based on the “last academic institution” attended by the respondents, where yeshiva graduates are counted as ultra-Orthodox. This conflates the ultra-Orthodox and national religious sectors into a single category. Using this technique (of the National Economic Council), 39 percent of ultra-Orthodox men were employed in 2009, and the proportion rose to about 45 percent in 2011. Another, more conservative technique, which still overestimates the working ultra-Orthodox, counts yeshiva graduates who reported studies at yeshiva for two consecutive years; according to this estimate, 31 percent were employed in 2009 and some 38 percent in 2011.
- 7 See Meir Elran and Yehuda Ben-Meir, eds., *Drafting the Ultra-Orthodox into the IDF: Renewal of the Tal Law*, Memorandum No. 119 (Tel Aviv: Institute for National Security Studies, June 2012), pp. 41-42.
- 8 Guy Ben Porat, *Between State and Synagogue: The Secularization of Modern Israel* (Cambridge: Cambridge University Press, 2013); Guy Ben Porat and Omri Shamir, “Days of (un)Rest: Political Consumerism and the Struggle over the Sabbath,” *Politics and Religion* 5 (2012): 161-86.
- 9 OECD, “Poverty and Employment Issues for Minority Groups,” in *OECD Reviews of Labour Market and Social Policies: Israel* (2010) <http://goo.gl/RNdzhH>.
- 10 Elran and Ben Meir, *Drafting the Ultra-Orthodox into the IDF*, p. 30.
- 11 Yagil Levy, “Is the IDF Becoming Theocratic?” Working paper series N20, The Open University of Israel 2012, Source: <http://www.openu.ac.il/policy/download/maamar-20.pdf>.
- 12 Pooling data allows the comparison of groups whose proportion in the population is small (e.g. ultra-Orthodox who served in the IDF). Year fixed effects were insignificant.
- 13 From the state’s point of view, the economic position of ultra-Orthodox women and their mobilization in the IDF are not an issue, because they are employed at only slightly lower rates than non-Orthodox Jewish women. Most are employed in low-paid or part-time jobs, but this topic deserves a separate discussion, which exceeds the scope of the present paper. OECD, “Poverty and Employment Issues for Minority Groups,” (2010).
- 14 The model contains a series of potential weaknesses. First, the outcome variable is a self-reported level of household expenses, whereas individual wages in NIS and types of employment would be preferred estimators of the effect. Second, the explanatory power of models is relatively weak, and many individual characteristics that may have influenced earnings/expenses, such as number of children, locality, occupation, number of hours worked per week, and sector of employment are not available.