



The Sabra Report

1 in 5 Israelis Lived Below the Poverty Line In 2021

Zachy Hennessey, Jerusalem Post, January 12th, 2023

Recap:

Israel ranked as having the second-highest poverty rate in the developed world, second only to Costa Rica.

The Context:

- ✧ Over 2,600,000 Israelis, or 27.8% of the population, live in poverty [1]. While Israel's national statistics are based on income alone, Latet's Alternative Poverty Report skews even higher when measuring families lacking essential needs such as housing, education, healthcare, food security, and the ability to cover the cost of living [2].
- ✧ The primary causes for poverty in Israel are low participation in the labor market, specifically with ultra-Orthodox Jews, as well as a relatively light-handed government welfare program. The ultra-Orthodox poverty rate is twice the general population [3] and is expected to account for 16% of the country's total by 2030 [4].
- ✧ Over the last 12 months, apartment prices in Israel increased by 20% and Israel's inflation rate rose to 5.1%, with food prices seeing the most significant surge [5]. Cost of living is often rated as a top issue for voters, trumping even security matters. Major protests have been sparked by accusations of price gouging on seemingly mundane products, such as cottage cheese and pudding cups [6].
- ✧ Notwithstanding, Israel saw a return to economic growth following the pandemic to the tune of 8.3% and ranked 9th on Gallup's World Happiness Index.

Conversation Points:

- ✧ What can governments do to assist families that have fallen into economic hardship as well as those in the labor market still living in poverty?
- ✧ How will the growing ultra-Orthodox population affect Israel's poverty numbers in the next decade?
- ✧ Why does Israel rank so high on Gallup's World Happiness Index yet so low on the poverty report?

Notes:

1. [Over 2.5 million Israelis live in poverty, among them 1.1 million kids, report finds](#), RICKY BEN-DAVID, Times of Israel, 23 December 2021
2. Ibid.
3. [Haredim set to make up 16% of Israel's population by 2030 - annual IDI report](#), JERUSALEM POST, JANUARY 2, 2023
4. [Supermarket giant offering Haredi customers cheaper prices on many items](#), Times of Israel, January 10th, 2023
5. [More than 2.6 million Israelis live in poverty - report](#), i24NEWS December 12, 2022
6. [Supermarket giant offering Haredi customers cheaper prices on many items](#), Times of Israel, January 10th, 2023

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