

JERUSALEM LETTER

Jerusalem Center for Public Affairs

JL:116 26 Tishrei 5751 / 15 October 1990

OPERATION EXODUS: SOVIET JEWRY COMES HOME

David Clayman

The 100,000th New Immigrant / Reasons for Delay in the Exodus / Two Million Visa Requests / Impact on Israeli Society / Too Many Doctors and Other Such / Emergency Housing / Enthusiastic New-comers / Warming Soviet-Israel Relations / At Least \$30 Billion Needed for Resettlement

The 100,000th New Immigrant

Last month, amid much fanfare, Israel welcomed its 100,000th new immigrant of 1990. Arriving on Polish Lot Airlines via Warsaw with 140 other Soviet olim, he was welcomed personally at a festive ceremony by the Minister of Absorption, Rabbi Yitzhak Peretz, and other senior government officials. Peretz presented him with a special flag along with his introduction to Israeli bureaucracy, his new immigrant identity card (teudat oleh). This milestone provides an opportunity to give an interim report on the current state of Operation Exodus -- the emigration and arrival in Israel of the unprecedented wave of Soviet Jews since the gates opened wide in 1989.

Beginning with statistics on arrivals, the numbers are simply staggering, beyond anything this country has seen since its very first years. Some days

have witnessed the arrival of over 1,000 people. By way of comparison, from 1948 through 1989 a total of 214,000 Soviet Jews came to Israel. The current prediction is that some 150,000 Soviet Jews will arrive in Israel by the close of 1990.

Reasons for Delay in the Exodus

Earlier projections for 1990 had predicted 200,000 arrivals, but the monthly figures over the summer were lower than expected. This is attributed to a combination of several factors, primarily related to the amount of time it takes to make the necessary arrangements to leave. First, many olim are being held up by having to clear personal belongings through Soviet customs and because of the time it takes to process shipping. As an incentive not to ship personal belongings, as of mid-August those who do not ship any

Daniel J. Elazar, Editor and Publisher; Zvi R. Marom, Associate Editor; Mark Ami-El, Managing Editor
21 Arlozorov St. Jerusalem, 92181, Israel; Tel. 02-639281. © Copyright. All rights reserved. ISSN:0334-4096

freight are compensated in the amount of \$600 per adult and \$300 per child. Meanwhile, an average of 1,700 freight containers are arriving in Israel every month from the USSR. The second reason for the somewhat reduced rate of aliyah has been the failure to institute direct flights from the Soviet Union to Israel, much discussed but never realized. At present the olim are getting to Israel via three major transit points: Budapest, Bucharest, and Warsaw. In the very near future additional points will be opened in Eastern Europe, including Yugoslavia and Czechoslovakia. A third factor is the preference of the Israeli authorities for air transportation due to security considerations, rather than alternatives such as bus, train or boat as have been suggested to speed up the process.

Two Million Visa Requests

While it may be taking longer than anticipated, there is no doubt that the flood of Soviet aliyah is well underway and gaining speed. One sign is the number of invitations being issued to Soviet Jews. The Jewish Agency reported in mid-September that it had issued two million invitations for visas to Israel to potential Soviet olim since the beginning of 1989.

As to the actual number of Jews in the Soviet Union, the debate continues. Virtually all demographers and other would-be experts now agree that there are far more than the once assumed Soviet Jewish population of 1.5 to 1.8 million persons. This figure was based on Soviet census figures, but it is of course now realized that many Jews chose to hide the fact of their Jewishness. Revised estimates put the actual number as high as three million persons, which, when combined with non-Jewish spouses and other first degree relatives who are eligible for aliyah under the Law of Return, could mean a pool of five million potential olim.

For 1991, the latest projection predicts the arrival of some 400,000 newcomers. There is every reason to believe that this rate of immigration over the next few

years will bring approximately one million Jews to Israel. This will represent an increase of somewhat more than 25 percent over the existing Jewish population. Again, to appreciate the impact on this small country, this is comparable to the arrival of 60 million new immigrants to the United States over a period of three to five years. This gives some idea of the scope and magnitude of this immigration.

Impact on Israeli Society

Who are these new immigrants? In terms of age, 25 percent are under the age of 15, 49 percent are age 15-55, 12 percent are age 55-65, and 13 percent are over the age of 65. One major implication of these statistics is that there will be a heavy burden on Israel's social service infrastructure in that there is a disproportionate number of elderly -- 13 percent over 65 as compared to just under 9 percent of the Israeli population. Furthermore, under the Law of Return, Israel accepts all Jews whatever their age or physical condition. Even the United States in its Ellis Island heyday did not go that far, rejecting the tubercular, the blind, and others with a variety of diseases and disabilities. Thus, many others in addition to the elderly require health and social services upon arrival, a percentage that the Jewish Agency estimates at 35-40 percent of all Soviet immigrants.

Regarding occupation and training, 66 percent of these new olim are university graduates or technologically trained, as compared to 23 percent of the Israeli population. Engineers and architects comprise 30 percent of this aliyah. If projections of one million olim over the next few years are correct, this means that jobs will have to be found for approximately 130,000 engineers in a country that currently employs 30,000 engineers. Similarly, based on current statistics, these estimates mean that there will be 10,000 musicians and 5,000 artists looking for work. Needless to say, the challenges are enormous. In the meantime, of the 100,000 olim in 1990, of which about 60 percent are of

employment age, only 8,000 have thus far found employment and entered the work force. While most of the others are still busy learning Hebrew and finding a place to live, they too will shortly be seeking employment.

The impact on social services and employment were specifically addressed in a recent report issued by the Ministry of Health, and indeed the area of health care in Israel provides a microcosm in which to comprehend the overwhelming nature of this aliyah's impact on the entire society. It has been generally recognized that perhaps the greatest strain will be placed on Israel's health services delivery system. Certainly there will be the increased need for services, a problem that other public service institutions share. According to the Health Ministry report, for every 100,000 persons there is a need for an additional 270 hospital beds as well as 280 nursing home beds.

Too Many Doctors and Other Such

Regarding employment, there is particular concern over the inordinate numbers of olim who are doctors or other health care professionals. Israel already has the highest proportion of doctors to general population in the world -- 290 doctors per 100,000 population. But the Jewish doctor syndrome strikes with even more of a vengeance when we look at this new aliyah: of the 100,000 olim who have arrived thus far from January to August 1990, 2,900 are physicians -- ten times the already high doctor/population ratio. Over 1,000 physicians arrived in July and August alone, and it is projected that by the end of the year some 5,000 doctors will have arrived. This means an increase in Israel's physician population by over 40 percent. Moreover, in many cases their specializations and level of training may not be suitable to the needs of Israel society.

Last year the health care system was able to absorb over 700 new olim in the various health services, including 270 physicians. The Ministry report predicts that many doctors will have to retrain for

other paramedical professions such as physiotherapy and physical rehabilitation, and perhaps even become science teachers.

The situation is somewhat better in the field of dental care. Israel has long suffered from a lack of dentists, and this aliyah will be helpful especially in providing dentists for the outlying areas in the Galilee and the Negev, as well as in kibbutzim. The number of dentists in Israel is approximately 95 per 100,000 population, while the proportion of dentists in this year's arrivals is 500 out of 100,000. Similarly, the severe shortage of nurses in Israel will provide several thousand positions. The system can readily absorb some 2,000 nurses, and there is also a demand for technical workers such as x-ray technicians.

The cost to the Health Ministry of absorbing the 1990 arrivals is estimated at \$64 million, according to the Ministry's report. This sum does not reflect the full cost of the burden these olim will place on the health system in Israel inasmuch as the Jewish Agency assumes a significant proportion of health costs. Over half of this sum will be needed to expand existing health services to provide for these new immigrants. The other half is needed for training and retraining programs for those olim who want to enter the health care field.

There is currently an argument between the Ministry of Finance and the Ministry of Health over the issue of funding the retraining of doctors. The Ministry of Finance is holding up some \$2 million for courses to prepare physicians for the Israeli licensing exam. The Finance Ministry claims that this will put pressure on new immigrant doctors to seek out other fields of endeavor rather than perhaps waste their time in preparing for the licensing exam. The Finance Ministry sees no logic in investing in courses to prepare physicians to be licensed when there will be no jobs for them. The Ministry of Health disagrees, saying that it is somewhat unfair, if not immoral, to use this method to force individuals to give up their chosen

career. The Health Ministry argues that it should be up to the individual physician to decide whether he or she wants to try competing for the relatively few positions available.

Emergency Housing

Together with employment, the need to house the newcomers presents a formidable challenge. Last month, Minister of Housing Ariel Sharon took a novel approach, going to Moscow to suggest that Israel and the Soviet Union enter into a barter deal whereby Israel will provide the Soviet Union with much needed fresh vegetables and fruit in return for prefabricated housing. Indeed, prefabs will comprise a significant portion of the housing to be constructed within the next few years. According to the Jewish Agency, the Israeli government has already decided on the import of 9,000 prefabricated houses and 5,000 caravans (mobile homes), and is paving the way for the private import of another 6,000 units. Nevertheless, it is estimated that a total of 45,000 housing units will be needed for the 1990 arrivals, and that 60,000 units will have to be constructed annually over the next four years.

Enthusiastic Newcomers

Demoralizing as these statistics are, the olim themselves are remarkably upbeat. They have all heard about the problems with housing and the lack of jobs, but nevertheless they seem to be optimistic and confident that they will build a new life for themselves in Israel. They have no doubt that their future in the Soviet Union would be much grimmer than even the frightening prospect of living through a war in the Middle East. Their enthusiasm is like that of those turn-of-the-century immigrants to America who wanted to become full Americans, new citizens, to be part and parcel of the society. And like those immigrants of yore, they willingly take jobs as house cleaners, night guards, and construction workers while they attend courses and learn Hebrew. They are ambitious. They are

eager to enter into the Israeli mainstream and to do so as Jews and as Israelis.

There are those who predict that this enthusiasm will quickly sour, however, if the Israeli government and society at large do not allow for fulfillment of at least part of their ambitions. According to the conventional wisdom, these olim, unlike their brethren who came in the 1970s, are only coming to Israel in order to flee the Soviet Union and would have gone to the United States had they been able. This theory holds that if these immigrants encounter the expected difficulties and agonies of no place to live and no jobs, then the trickle of those leaving will become a hemorrhage. However, if the past is any guide, these olim will remain. Of the Soviet Jewish olim who arrived in Israel in the 1970s, less than 6 percent have left the country.

Nevertheless, there is no question that Israel must be prepared to provide these new citizens with, if not immediate housing and jobs, then at least the hope and vision of a better tomorrow. The olim themselves deny that they are in Israel by default, and despite assumptions that their Jewish ties and Zionist underpinnings are weak, if not non-existent, they display a considerable degree of knowledge about what is happening here. Much to the surprise of the Washington Post, Miami Herald and Long Island Newsday bureau chiefs with whom I observed a seminar day for 250 Soviet olim about Jewish culture and the upcoming holidays, they found a high degree of motivation, interest, and curiosity about the immigrants' identity as Jews and Israelis. The olim with whom they spoke wanted to know all about their new country and to learn Yiddishkeit. Also contrary to these journalists' assumptions, the olim were not frightened by the threat of war.

The fact is that despite the threats by Iraq to launch a chemical attack on Israel, Soviet immigrants are arriving at an ever-increasing rate. While thousands of tourists from the United States were canceling their plans to vacation or spend the

holidays in Israel, Soviet olim have been coming with their families into what is perceived by many as a war zone. Nevertheless, some commentators have observed that the effect of the Gulf crisis is yet to be felt. The crisis did not affect those who had already made their arrangements to leave. Once a person has received an exit visa and has given up an apartment and job, there is no turning back. Thus the impact of the Gulf crisis may only be seen in the next few months. Israelis and others concerned will be looking at the figures to see whether this is reflected in future numbers.

Warming Soviet-Israel Relations

Meanwhile, the traffic between the Soviet Union and Israel is not strictly one way. Besides Arik Sharon's quick visit to Moscow, Minister of Finance Yitzhak Modai and Minister of Energy Yuval Ne'eman became the first Israeli ministers to be received by President Gorbachev, who spent two and a half hours with them. Rumors are already rampant that Israel and the Soviet Union are about to cut a deal exchanging Soviet oil for Israeli produce. Another example of possible Soviet-Israel cooperation was offered recently by Israel Television. Supposedly, Armand Hammer, on a recent visit to the Soviet Union, explained to Soviet officials that the rotting of millions of tons of wheat in the fields due to lack of storage space could have been prevented by importing plastic covers manufactured by Kibbutz Ha'Ogen in Israel which can protect crops at temperatures of -40 degrees Celsius. This was cited as just one example of the Soviet-American Jewish-Israel triangle that all of Eastern Europe is trying to exploit today. Since Israel's absorption of Soviet olim depends upon a functioning, growing Israeli economy, the expansion of Israel's export market is essential. In this regard, the Soviet Union is an untapped potential resource.

At Least \$30 Billion Needed for Resettlement

Israel's economic needs cannot be underestimated. One estimate is that if some one million new olim indeed arrive in Israel over the next several years, this will translate into 400,000 jobs needed in the market as well as 250,000 apartments. New industries, new factories, new research institutes, and new businesses must be created to accommodate this demand for jobs. These will require tremendous amounts of investment capital. Assuming that the investment needed to create one job is in the vicinity of \$60,000, then Israel will need some \$24 billion in investment capital. To build 250,000 apartments will require an additional \$15 billion, which means a total requirement of \$39 billion for housing and employment. To appreciate the enormity of this sum, it is equivalent to Israel's entire gross national product for an entire year. Even if it is amortized over a period of five years, we are talking about 20 percent of Israel's GNP. A more modest estimate has been given by Professor Michael Bruno, Governor of the Bank of Israel, who claimed that the estimated total cost of absorbing one million new olim will reach only \$30 billion.

After much delay and bureaucratic infighting, the Ministry of Finance produced its long awaited fiscal policy plan, and the Ministry of Commerce and Industry is putting the final touches on its plans to encourage industrial investment and growth. The economic plan put forward by Finance Minister Modai has drawn fire from every sector affected by proposed new taxes, as well as from those who say it will contribute to the inflationary spiral. It remains to be seen how the Knesset will greet this economic plan, but it is clear that the cost of absorption will feature prominently in determining whether this plan is a good one or not.

No wonder Israelis see this massive

wave of aliyah as having the potential to be either a historic opportunity for fulfillment of the Zionist dream or a chance for the nightmare of bureaucratic ineptitude to prevail -- or perhaps a bit of both. At this milestone of 100,000 olim, a fair assessment is that so far, while hardly perfect, the arrival and initial absorption of these people have been handled well. It

should also be said, however, that it will surely get harder in the months to come.

* * *

David Clayman is Executive Director of the Israel Office of the American Jewish Congress and a Fellow of the Jerusalem Center for Public Affairs.