

# The Not-So-Strange Death of Israel's Labor Party

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After a year of three elections, it appears that Israel will now finally have a government. Former Israel Defense Forces chief of staff Benny Gantz, who had run a yearlong campaign to supplant Benjamin Netanyahu, found himself out of options in April 2020. With the coronavirus as pretext, Gantz announced that he would join Netanyahu in a government of national unity. According to the stated terms, Netanyahu is to serve as prime minister for the first eighteen months; Gantz, the foreign minister, will be slated to go next. Strange as it may seem from an American perspective, this situation is not without precedent in Israel. In the elections of 1984, the “Alignment” coalition of labor parties, led by Shimon Peres, and the Likud Party, led by

Yitzhak Shamir, each won forty seats, resulting in a grand coalition with the prime minister's office passing from one to the other in a planned succession. Whether the current agreement between Gantz and Netanyahu will hold up for the scheduled eighteen months, however, is anybody's guess.

Whereas the Peres-Shamir unity government reflected a balanced "Left-Right" split in Israel, the current government-to-be, whatever its final composition, will lean decisively to the Right. At the time of this writing, Amir Peretz, a former defense minister and previously the leader of the Histadrut labor union—once Israel's national labor union—has been angling to bring the Labor Party he leads into the national unity government. But his decision has no immediate relevance. The once mighty Labor Party controls a meager three seats in the 120-seat Knesset. In fact, had Labor not joined up with a small post-nationalist progressive party called Meretz, Labor may very well have been kept out of the Knesset altogether.

Moreover, although the (now broken) bloc of parties that Gantz had assembled, called Blue and White, was sometimes described as centrist or even center-left in the foreign media, Gantz's opposition to Netanyahu has been anything but ideological. Indeed, anywhere else in the world, Blue and White would have been thought of as a classic right-wing party. Gantz's platform consisted of calling Netanyahu "soft" for insufficiently bombarding or invading Gaza; he enlisted two other generals of the same persuasion as running mates to show he was serious. At campaign rallies and on TV, Blue and White leaders literally and figuratively draped themselves in Israel's blue and white flag. The not particularly eloquent generals repeated the slogan "Israel before everything" and offered little else. Gantz defended the "independent judiciary" and public services: he was an advocate of the civil servants and, so to speak, Israel's "deep state" of prosecutors, judges, military officers, etc. His lone social issue was the country's comparatively impressive health care system, which, because of population growth, has shown signs of strain in recent years; Gantz wanted to spend a bit more money on it. But there was no class warfare at all in the Blue and White campaign. Most surprisingly, the attacks on the industrial families that control Israel's major enterprises—the typical targets of left-of-center reformists—were nowhere to be heard. Instead, Gantz castigated Netanyahu for alleged (and likely exaggerated) corruption. He mainly sought to benefit from voters' growing dislike of Netanyahu or at least fatigue—Netanyahu has now been prime minister for eleven years straight, after an earlier stint in that office from 1996 to 1999.

In short, the recent elections, and the national unity government now in formation, have confirmed the collapse of the Left—and its principal instrument, the Labor Party—in Israeli political life. For longtime Israel watchers, this collapse seems nothing short of astonishing—and not without ironies for personally, since Labor Zionism was the educational movement in which I grew up. My Hebrew day school in Toronto in the 1990s was affiliated with Labor Zionism. Like our peers in other Anglo-Canadian schools, we learned in history class about British North America and the evils suffered by the United Empire Loyalists. But we were additionally given, in Hebrew, an extensive Labor Zionist curriculum. We had to memorize the name and date of founding of the major agricultural settlements. We were drilled on the trials and travails of Eliezer Ben-Yehuda, the revitalizer of Hebrew for modern usage. Meanwhile, our Jewish religious education was rather scant. To the extent we studied the Bible, it was often its more political books, such as Kings. Out of deference to the large contingent of Holocaust survivors among the grandparents of the school's students, we also had to complete a rudimentary program in Yiddish—a language which many Zionists, both Labor

and not, had dismissed as “jargon.”<sup>1</sup> But otherwise, it was exactly the kind of curriculum that could have been devised for future members of a Labor Zionist state. By the 1990s, this was already something of an anachronism. More recently, the school quietly dropped its Labor Zionist affiliation.

But Labor Zionism was the founding ideology of the state of Israel. While it had some competitors in its early years, by the time of the Jewish resettlement of Palestine in the first decade of the twentieth century, it brooked little competition. That remained the case through to the founding of the state in 1948, and then through the first three decades of Israel’s existence. Labor Parties ruled Israel without interruption from 1948 until 1977. And when Menachem Begin brought Likud to power for the first time in 1977, Labor still remained dominant among the “establishment.” The judges, generals, civil servants, and captains of industry were all card-carrying party members through the 1990s. And despite his fierce denunciations of the red flag, in practice Begin did little to shift laborite political, economic, or cultural currents.

This began to change in the late 1980s, and accelerated dramatically in the 1990s. In the Israeli case, the Left’s decline is attributable to both local and broader geopolitical factors. The single most important factor in the decline of Israel’s Labor Party (as opposed, perhaps, to the labor movement) was the failure of the Oslo Accords in the 1990s. Initiated under the aging and somewhat checked-out Yitzhak Rabin, through Oslo Israel accepted some international oversight of peace negotiations with the Palestinians, acquiesced to the return of Yasir Arafat from his exile in Tunisia, and agreed to a process that ultimately led to Palestinian semi-autonomy in the West Bank and Gaza. Israelis widely believe that the decision to elevate Yasir Arafat in Ramallah—providing him with a political base, international legitimacy, money, and a private army—led directly to the Second Intifada of the 2000s. Over the period from 2000 to 2005, 1,137 Israelis were killed and almost 8,500 were wounded. The Labor Party never recovered, and has not been in power since Ehud Barak left office in 2001. Scarred by the violence of the Second Intifada, many Israelis who were by no means politically on the right began at that time to look for other options and never returned.

At the same time, the decline of the Left has been a worldwide phenomenon since the late 1990s. British Labour became New Labour; Bill Clinton pursued his Third Way. This happened in Israel, as well, and so the decline of the Israeli Left needs to be understood in the context of macroeconomic trends, in addition to particular Israeli circumstances like the peace process. A narrow ideological debate, however, fails to do justice to Israeli history and indeed the ideas and practices of the Israeli Left. The argument I advance here is that the decline of the Israeli Left is much less surprising the more one studies its history and ideological tendencies from *its very origins*.<sup>2</sup>

A close study of these origins raises a fundamental question: how “leftist,” really, was the Israeli labor movement? To be sure, there was a small “internationalist” rump in Zionism, and Israeli culture and society were thick with labor rhetoric and symbols. As late as the 1950s, portraits of Stalin could still be found in many dining halls of the cooperative agricultural settlements, the kibbutzim. (It also didn’t hurt that Stalin had been an occasional ally of Israel over the state’s first few years.)

But this misses the point. The Israeli Left was both “labor” and “Zionist”; it sought to promote labor but also Zion—i.e., the founding and development of a nation of Jews, or even a Jewish nation. For a while, and at various junctures in the history of the Jewish settlement in Palestine and later the state of Israel, its leaders

were able to balance tensions between their pro-worker and allegedly anti-capitalist agenda and the national development of the state. But whenever conflicts emerged, the agenda of national revival would always prevail. Labor served Zionism, and not the other way around, a fact that was, astonishingly, as true in theory as it would prove to be in practice. And so when labor movement doctrines and ideology were restricting the national development of the state, they melted into air much faster than most observers then, and now, expected.

## The Intellectual Foundations of Labour Zionism

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Labor Zionism arose during the late nineteenth and early twentieth centuries. Within Zionism, its main competitor was the Political Zionism of Theodore Herzl (1860–1904). Herzl envisioned a much more bourgeois Jewish state with some aristocratic components and roundly rejected socialism: “It is folly for Jews to be connected to socialism,” he wrote in his diary. “[Socialism] will soon eject the Jew from its midst. . . . Certain matters we might organize better [in a future Jewish state] than we did in the old society, but in general, everything will remain the same.”<sup>3</sup> Labor Zionists, on the other hand, sought to bring about more ambitious changes for the Jews and for mankind at large.

Some of the intellectual founders of Labor Zionism had been Western Europeans—one, Moses Hess, had been close to Marx and Engels. But quickly it became a movement of Eastern Europeans and for Eastern Europeans. Prominent figures in the early days of the movement included the Russian Zionist writer and activist Leon Pinsker, the Marxian economist Ber Borochov, and the union boss Berl Katznelson. They all still have their street names in Israel, although these figures are, with each passing year, fading into greater obscurity.

The essence of Labor Zionism was that the redemption of the land of Israel would occur through a massive influx of Jewish workers who would drain the swamps, build settlements—principally agricultural ones—and govern in a more or less collectivist way. This was not only for the sake of building a homeland but for the transformation of the Jewish people. According to Labor Zionist mythos, the settlement and cultivation of the land would create a “new Jew” who would be reconnected to the “vital life forces” from which he had been alienated over nearly two millennia of diaspora. In his catalytic 1881 pamphlet *Auto-Emancipation*, Pinsker called the Jews “ghosts” among the nations of the world.<sup>4</sup> He called for them to leave their dusty Yeshivas and their obscurantist legal debates. Through Zionism, individual Jews, and the nation as a collective, would become whole again in a way that they hadn’t been since the days of the Second Temple.

As Ze’ev Sternhell has shown in his study, however, nearly all of the central figures of “Labor Zionism” would ultimately—if not from the outset—reject doctrinaire socialism, and often quite forcefully. They did so either because of their theoretical views on the importance of nationalism, or else they simply yielded to the practical demands of building a nation-state.

Consider, for example, the poet A. D. Gordon (1856–1922)—a Walt Whitman–like hero to the labor movement. Gordon was always far more Nietzschean in his view of labor than he ever was Marxian. Marx, it might be recalled, had written eloquently of the crude “Bonapartist” conservatism of agricultural laborers. To

Gordon, however, it was precisely these sunburnt rural laborers who would engineer the creation of a homeland of liberated Jews, and who would, in this Nietzschean framework, pursue “creativity” unbound by tradition and the strictures of the past. Socialism was “mechanical,” whereas working the land was “natural.”<sup>5</sup>

On the other hand, Ber Borochov (1881–1917), the founder of Po’alei Zion (the workers of Zion), a movement which was eventually commandeered by David Ben-Gurion, never abandoned the idea of class struggle. He saw the achievement of a Jewish homeland as a preparatory stage to a global class struggle. Yet Borochov’s movement only gained influence when it recognized a nation-state for the Jews as the necessary vehicle for that struggle.<sup>6</sup> On strict Marxist terms, the theorists of Labor Zionism were from the outset compromised by that alleged bourgeois master trap, the nation-state.

## **Labor Zionism Conquers the Yishuv**

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Because of its ideological flexibility, Labor Zionism could be incorporated into the range of state institutions that the Jews built up in Palestine. The purest expression of the socialist side of labor ideology was perhaps the rural kibbutzim, the famous cooperative agricultural communities where private property was strictly limited and whose residents called one another comrade. But very quickly, urban workers, from shopkeepers and bakers to grocery and clothing cooperatives, as well as workers in the very primitive manufacturing sector, were integrated into a highly nationalized system of wages and work.

After the British conquest of Ottoman Palestine in 1917, the Jews, who had been promised an eventual “national home” by the Balfour Declaration, began to set up self-governing institutions—to which, in the first few years of British rule, the colonial masters gave very helpful support. Yet the most important pre-state institution was *not* the proto-parliament “Assembly of Representatives” but the Histadrut labor union. Founded in 1920 with less than five thousand members, by 1927 the Histadrut boasted around twenty-five thousand members—estimated to be about 75 percent of the Jewish workforce in Palestine. The Histadrut had its own bank, operated the dominant health insurance company, and managed public works programs that tied it integrally to the recently created political Zionist executive bodies.

From that point onward, the main path to power within the Yishuv lay through control of union business, as evidenced by the career of David Ben-Gurion.<sup>7</sup> When he arrived in Palestine in 1906 with few prospects, Ben-Gurion found that Po’alei Zion, with which he had been involved in Poland, had only a few hundred members who were actually in Palestine. In very short order, he was able to commandeer this group (and ultimately others), which led to his election as chairman of the Histadrut in 1921. Ben-Gurion adroitly combined political and union business, allowing him to become the principal leader of the Yishuv as well as of the Zionist movement as a whole, and thus established Labor Zionism’s political dominance.

The cause of Zionism had for many decades been led by men who were based abroad, such as the British-born chemist Chaim Weizmann, who led the World Zionist Organization through the 1920s and much of the 1930s. But Ben-Gurion successfully muscled out the competition through his leadership in Mandate Palestine. In 1946, Ben-Gurion had gained control of the World Zionist Organization as well. By the time of Israeli independence in May 1948, Labor Zionism had captured all of the central institutions of the nation—

including the armed forces. When Israel would have its first elections after the War of Independence, in 1949, Labor and Labor-adjacent parties would outnumber their only real rival, the Revisionist Party led by Menachem Begin, by a margin of greater than three to one.

## The Political Economy of Labor Zionist Israel

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The political economy that the Labor Zionists set up and managed in the early years of the state was certainly socialist in important ways. Long after the war of independence, price controls remained on many essential items. The Histadrut's control of the labor market essentially meant that salaries were nationally set. The state also controlled large portions of land and would offer ninety-nine-year leases rather than sell it. The few banks in operation were essentially national instruments hewing to the policy directions of politicians and bureaucrats.

Along with this institutional structure came Eastern European-style corruption. Woe it was to be a seeker of work in early Israel if one did not have a little red Histadrut union membership card. The Russian-derived Hebrew word *protekzia* (favoritism) speaks to the economic reality of the early state, where one's prospects for advancement were often contingent on knowing well-connected people. When the Jews expelled from Arab lands began to come to the state in large numbers after 1948, they found their prospects circumscribed by the nepotism and favoritism practiced by the Ashkenazi union bosses.

Economic life was far closer to "state socialism" than it ever was to "democratic socialism," whatever the international reputation of the kibbutz. Individual kibbutzim had slightly different rules about income levels, varied in the extent of their quasi-Platonic rules about childhood rearing, and so on. But from the 1930s, the kibbutzim were integrated into a national association and, after independence, quickly fell into national coordination schemes. Thus the experience of life on the kibbutz, well documented in the novels of the late Amos Oz, was remarkably homogeneous, even as nearly every kibbutz claimed to pioneer a novel and democratic experiment in collective living.

Israeli state socialism was often mildly repressive, petty, and intellectually and culturally stultifying. Yet the coordinated national planning that went with it (and which it ultimately expressed) was vital for the country's survival in its first decades. It even laid the groundwork for the country's much more recent experience with prosperity.

During the 1948 War of Independence, Israel had no ability to produce its own weapons. Embargoed by the United States, it had great difficulty purchasing them on the international market. Weapons were either smuggled in or, finally, supplied from Czechoslovakia—i.e., from Stalin. The immediate priority after the war, and really a priority of the state ever since, was the creation, as far as possible, of the means of military autarky, led by state-owned or substantially state-supported enterprises. And the country succeeded in achieving this in remarkably short order (except in the crucial realms of missiles and airplanes).<sup>8</sup> State-directed or state-planned enterprises saw successes in other domains as well, such as pharmaceuticals, food, and agricultural products and technologies.

Of course, the state-directed approach to national security and economic advance also led to some serious failures. Buoyed by success in weaponry, Ben-Gurion's Labor government in the fifties tried to force the creation of a viable domestic car manufacturing industry—even as very few private individuals in the country could afford cars. Haifa-based Autocars sputtered along until 1970. A full review of Israel's political economy through its first four decades would show a decidedly mixed record. But it succeeded in the most important respect—building up the conditions for national survival. In general, Israeli central planning built a functioning state with the capacity and ability to defend itself on its own when necessary.

Even through the years of peak state socialism, however, Israel never waged an all-out war on capital, economically or culturally, as other socialist states did during a similar period. Capital gains and income taxes were extremely high by Western standards, but there was never any mass wealth confiscation. All through Ben-Gurion's leadership of the Yishuv and the state, which lasted essentially from the 1930s until 1963, a more urban bourgeois culture grew up alongside the rural settlement life favored by Ben-Gurion himself. And though Ben-Gurion sought the assimilation of new immigrants into the developing sabra culture, he self-consciously refused to wage war on the religious, cultural, and economic practices of the generations of immigrants which followed his, and who had not been inspired by visions of the "new Jew."

To be sure, many institutions of state, culture, politics, and economics maintained an ethos thick with socialist motifs. Even by the time I arrived in Israel to study in the mid-2000s, the works of mostly forgotten socialist heroes like Rosa Luxemburg still retained a surprising intellectual cachet. The cultural pages of the highbrow newspaper, *Haaretz*, displayed the same heavy, cynical, pessimistic tone characterizing the cultural products of other Eastern European socialist states.

By and large, though, the leaders that followed Ben-Gurion mostly stuck with the policy of accommodation that he had instituted, which was by no means certain at the time. Many of the men and women who came with Ben-Gurion to Palestine in the first two decades of the twentieth century saw Judaism as another opiate of the masses or a curse the Jews had to bear over the centuries of a diaspora. At best, it was a crutch that could be dispensed with now that the Jews had regained their political freedom. But Judaism was soon to flourish again in the land of Israel. In the first few decades after the founding of the state, ultra-Orthodoxy spread from its pre-state ancient base in Jerusalem to other "islands" around the country. The traditionalism of the newer immigrants from Arab lands grew and matured. Menachem Begin's election in 1977, which owed its victory in large measure to these Jewish voters of Arab origin, brought Jewish themes and language back into the public sphere beyond the "islands" to which they had been confined. By the 2000s, Judaism began to permeate the general cultural atmosphere of the state.

## **Post-Socialist Labor Israel**

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The severe economic crisis that came to Israel after the Yom Kippur War (1973) spelled the beginning of the end for the Israeli model of political economy. After the war, the state found it impossible to control expenditures—not only the expenses of weapon replenishment after an unbelievably costly battle but also the transfer payments of an ever more generous welfare state and ever higher public sector wages. Under

Menachem Begin, who had been a successful and dignified leader of the opposition—but had a shaky time as premier (1977–83)—the country’s economy was beaten down by bank collapses and catastrophic inflation. By 1984, inflation had reached 450 percent per annum.

In 1985, the desperate but more canny administration of Shimon Peres introduced what might be called a post-socialism Labor government. Peres had been among Israel’s greatest civil servants up to that point. His résumé included key roles in building Israel’s nuclear program and Israel’s high-technology weapons industries. As prime minister, Peres turned to Stanley Fischer, an MIT economist who would later play key leadership roles at the IMF, the Federal Reserve, and the Bank of Israel, to lead an “economic stabilization plan.” Fischer’s plan, which presaged the IMF playbook of the 1990s, worked wonders in Israel: the banks were privatized, state expenditures were cut, state sponsorship of industry was reduced, the Histadrut’s desire for wage increases was dampened, and the Bank of Israel adopted a more orthodox stance towards exchange rates and monetary policy. This was a major blow to the Laborite economy. Further blows were coming in the mid-1990s, as more Histadrut assets were sold off. The National Health Insurance Law, which allowed Israelis to choose between four different health insurance funds, meant that many fewer Israelis were now dependent on the Histadrut for health care.

The crisis of the 1980s, however, never produced a “crisis of faith” in socialism in Israel as it did (to a certain degree) in other social democracies (and of course even more so in the Eastern Bloc). The economic hardship was real. But Israel was able to pivot away from union rule and capital controls because, ultimately, these were never highly ideological commitments for the rulers of the state. Certainly there were vested interests seeking to maintain the power of Histadrut and other labor institutions. But the state could pivot rather seamlessly to a new model since these original institutions ultimately only had instrumental value: furthering the national development of the state of Israel.

The arrival of immigrants from the former Soviet Union in the 1990s also created new realities. Even as the institutions of state-socialism had originally been created by Russians, the one million or so post-Soviet immigrants were implacably hostile to state socialism. And this immigrant group was highly skilled. Of these, according to Reuven Brenner’s calculation, “55 percent had post-secondary education; 15 percent were engineers and architects; 7 percent were physicians; 18 percent were technicians and other professionals. By 1998, Israel had 140 scientists and engineers per 10,000 in its labor force, becoming the world leader in these terms, followed by the United States with 80, and Germany with 55.”<sup>9</sup>

Furthermore, the Russian migration of the 1990s, which increased the population of the state by 20 percent, happened to coincide with the dawn of cheap telecommunications and the internet. Suddenly, though living in Israel, these engineers could work via telephone and internet in Silicon Valley and pay taxes in Luxembourg. Moreover, they could also bring that expertise to bear in the privatized or privatizing (or otherwise reorganizing) industrial ventures that were reinventing themselves after crashing in the 1980s. Israel in the 1990s was thus able to build the foundation of a parallel economy that soon lapped the decaying industrial economy of the early state.



In many ways, then, Israel was an outlier when it came to the effects of the neoliberal turn of the 1990s, when many advanced economies offshored manufacturing capacities. Over the 1990s and 2000s, Israeli scientists and engineers—many having benefited from Soviet emphasis on these disciplines—found either brick-and-mortar engineering jobs or else took on research and development value-added work, which was in the process of being abandoned elsewhere. For these two decades, Israel thus benefited from the neoliberal turn without suffering its worst unintended consequences.

## **Whither Start-Up Nation?**

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Israel today continues to live off some of the successes that date from previous decades, including its strong culture of research and development. And, under Benjamin Netanyahu's governments through the 2010s, the country realized solid economic growth across Jewish and Arab sectors.

But some troubling signs now also appear. Israel's vaunted high-tech sector was, from the 1990s through the 2010s, much less of a pure software sector than is widely believed. To this day, Israel's largest start-up success is Mobileye—a company that builds sensors for cars. And Israel's biggest tech industries are in avionics, chip design, and chip fabrication.

In recent years, however, Israeli high tech has begun to mirror some of the more recent, and more questionable, practices of Silicon Valley. Before the 2010s, Israel did not have much experience with the “get rich quick” character so prevalent in the American popular imagination—because, simply speaking, it was almost impossible to get rich quick in Israel. Indeed, from the founding of the state through most of the 2000s, it was very difficult to get rich in the state at all. A very old joke still applied: “How do you make a small fortune in Israel? Come with a large one.”

The “start-up nation” ethos popularized by Dan Senor and Saul Singer in their widely praised book *Start Up Nation* represents the entrance of the get-rich-quick mentality to Israel—with ambiguous results.<sup>10</sup> Whereas the previous generation of Israeli technology enterprise aimed to leverage (often Russian) engineering expertise in order to sell a local company to a bigger multinational, the current generation of high tech more and more looks like salesmanship driven by foreign VC money. Just as in New York and San Francisco, “app developers” praying for a quick windfall have proliferated. It's unclear how durable this ecosystem will be.

## **A Left without Labor?**

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Out of power since 2001, and now reduced to an extremely small rump in parliament, the Labor Party has mostly been a bystander to these developments in Israeli economics and politics over the last two decades. Nevertheless, it is instructive to see how the Labor Party, or indeed the Israeli Left in general, has reacted to these developments in recent years. During the 2000s, as the Intifada and its aftermath raged, the Labor Party in opposition still tried to portray itself as the party of peace, to diminishing electoral returns. In the first elections during Benjamin Netanyahu's eleven years in office, beginning in 2009, the Labor Party employed a strategy now very familiar elsewhere—a certain combination of economic welfarism featuring themes like “times are tough, the rent's too high, we can't afford what we once did,” some vague but highly abstract—and certainly not ambitious—gestures towards the peace process, and the Israeli equivalent of a woke cultural

agenda (mostly featuring anti-religious themes). In election after election, Labor tapped promising “leader of tomorrow” types who had limited appeal *both* for workers and the urban gentry who had other, more promising centrist options. During this time, Labor also continued to bleed support from Arab voters, one of its traditional bases, who increasingly voted for exclusively Arab parties. Labor’s attempt to balance wokeness with economic leftism fell flat not only because of the limited appeal of the woke cultural agenda but also because, in Israel at least, the economic message simply did not accord with reality. During the 2010s, Israelis generally saw their economic prospects improve dramatically.

By the election of 2015, the last before the elections of this year, Labor Party leader Isaac Herzog had mostly recognized the limits of Labor’s approach. His campaign tried to accomplish what Benny Gantz has recently succeeded in forming—a centrist bloc that did not really differ that much from the Netanyahu regime but offered a “fresh start” away from Netanyahu. Herzog’s inability to break free of the welfarist economic message and the woke agenda, however, led to a massive and historic defeat. The 2015 elections may very well go down as the last time the Labor Party was a force in Israel.

Though he ultimately could not dethrone Netanyahu, Benny Gantz in 2019 and 2020 succeeded by running an old Labor Party–style campaign—but without laborers. Like earlier Labor candidates, Gantz was a general, patriotic rather than woke, and a man of few words. But unlike them, he was neither dependent on, nor constrained by, the Histadrut. As I noted previously, elsewhere in the world his efforts would be seen as a classic center-right campaign.

Looking forward, some melancholy about the fate of Israeli Labor is certainly justified—as is some trepidation about the politics of the state in the years ahead if the movement’s true animating impulse is left behind. If “start-up nation” is to crash, the country will require an organized political force that can reenergize the productivity of the state and aim to create high-paying jobs for its workers. The torch of national developmentalism—the original aim of Israel’s Labor Party—might now have to be carried by others.

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## Notes

<sup>1</sup> See Ahad Ha’am, *The Spiritual Revival*, trans. Leon Simon (London: The Zionist, 1917).

<sup>2</sup> The argument advanced here expands on Ze’ev Sternhell’s pioneering study, *The Founding Myths of Israel*, trans. David Maisel (Princeton: Princeton University Press, 1998). An exceptionally learned scholar of France and Israel, and politically an “old Enlightenment liberal,” Sternhell has been perhaps the single most perceptive analyst of the political ideas of Israel’s founding generation. To Sternhell, these founders were unforgivable hypocrites, fundamentally unserious about the ideologies they proclaimed to profess. In his own writing, however, Sternhell has never made clear how the principles of 1789 that he holds could have been transferred to Jerusalem.

<sup>3</sup> Quoted in Benzion Netanyahu, *The Founding Fathers of Zionism* (Jerusalem: Gefen, 2012), 70.

<sup>4</sup> Leon Pinsker, *Auto-Emancipation*, trans. D. S. Blondheim (New York: Maccabean Publishing, 1906), 3.

<sup>5</sup> See for instance Aaron David Gordon, “The Dream of the Aliyah,” *Selected Essays* (New York: Arno Press, 1973).

<sup>6</sup> Ber Borochov, “The National Question and the Class Struggle” (1905), Marxists.org.

<sup>7</sup> See the recent biography by Tom Segev, *A State at Any Cost*, trans. Haim Watzman (New York: Farrar Strauss Giroux, 2019).

<sup>8</sup> Israel very nearly pulled off a domestic fighter jet, the Lavi, in 1980s, but the project was mystifyingly abandoned at the last moment. For a recent, persuasive account of the failure of the Lavi, see Moshe Arens, *In Defense of Israel* (Washington: Brookings Institution Press, 2018).

<sup>9</sup> Reuven Brenner, “What’s the Venture Capital Secret Sauce?,” *Law and Liberty*, December 13, 2019.

<sup>10</sup> Dan Senor and Saul Singer, *Start Up Nation: The Story of Israel’s Economic Miracle* (New York: Hachette, 2009).

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