

The Education System

1. Preface

The main indicators for the education system were marked by stability in the past year: enrollment, class size, and the number and profiles of teachers did not change significantly. On the other hand, the system underwent two important developments with unclear implications for the future: the continued implementation of the Shoshani Committee Report on changes in the budgeting method of primary schools; and the publication of the Dovrat Commission Report, which conducted a comprehensive examination of the education system and presented proposals for change and improvement.

It is absolutely clear by now that the implementation of the Shoshani Committee Report has led to the redistribution of budget resources among schools and segments of the primary education system. In the main, the Arab sector received extra resources and sectors that had previously enjoyed preferential treatment suffered substantial cutbacks. (The issue is discussed at greater length below). It is still premature, however, to point to the full effect of the reform. Firstly, the report is being phased in, over five years. Secondly, additional budget cutting continued last year, too. Thirdly, some school principals and directors of education departments in the local authorities are not yet fully aware of the significance of the changes in the budgeting method. Thus, some of the changes, such as the closure of small schools and the reorganization of school level resources, have not become fully evident for the time being. Just the same, the report has had the demonstrable result of

enhancing equity in resource allocation at the primary school level.

The recommendations of the Dovrat Commission, although adopted by the Government, have met with appreciable difficulties and even their partial implementation now seems problematic, if not doubtful. It is certain, though, that the report has established a basis for all future public debate about the education system by combining much of previous reports on the education system into an inclusive overarching plan. Therefore, its recommendations constitute an adequate point of departure for a discussion of the country's main education issues.

The discussion that follows is dedicated to the two main actors in the education system: pupils and teachers. Regarding pupils, the focus is on the phenomenon of "horizontal" movement between segments of the education system, i.e., transfers between the State and the State-Religious systems, between the official systems and the non-official recognized system, and between public and private schools (Part 2). As for teachers, the main issue is whether Israel is facing a shortage of teachers in the near future and, if so, what is to be done (Part 3).

The budget discussion focuses on the initial results of the change in the budgeting method of primary schools and examines in detail the need to expand the method to preschools and the education system that serves special needs youngsters (Part 4).

Part 5 tackles education policy by probing the origins of the current feeling of crisis in the education system and proposing ways to cope with the relevant issues. The analysis focuses on the polarization that typifies Israel's education system and on population groups that are unable to realize their potential. Lastly, there are proposals in three main fields: quality of personnel, curricula and core curriculum, and changes in school budgeting.

2. The Pupil Population

The important demographic changes that Israel has experienced in recent years are mirrored in changes that have occurred in the ratios among, and the overall size of, the segments of the country's education system. Most significant are increases in the share of the Arab and *haredi* ("ultra-Orthodox") sectors at the expense of the (Jewish) State and State-Religious sector.

The Arab education system is continuing to grow at substantially higher rates than the Jewish sector. In recent years, growth of the Arab education system has been accelerating at all age levels. The main reason is natural increase, although rising enrollment rates are a contributory factor at the preschool and post-primary levels. Neither phenomenon is new but both are joined by a new phenomenon: the enrollment of children not born in Israel in the Arab education system.

Each year since 1998, about 5,000 non-native pupils –1.5–2.0 percent of total system enrollment – have been enrolled in the Arab education system. Their share of enrollment in the non-Jewish education system peaked in 2002–2003 at slightly over 2 percent and has been declining since then. The number of foreign-born pupils in first grade fell from 356 in 2000 to 169 in 2004. The decrease in the number of "immigrants" in the Arab system can be traced to two processes: the resumption of the *intifada* and a toughening of the family unification policy.

The second population group that shows a steeply rising proportion in overall enrollment is the *haredi* sector, which accounted for one-fourth of total enrollment in the Jewish system in 2005. This rising trend affects every aspect of the education system in long-term strategic ways, from achievements in scholastic subjects to the profile of teaching

personnel and budgeting and building needs.¹ This development is especially sensitive in respect to the issue of the transfer of pupils from the official Jewish system (State and State-Religious) to the *haredi* systems.

Previous surveys were based on data for 1997–2003; this year the inquiry was expanded to include 2004 and 2005. The data corroborates previous findings that the State (Jewish) education system, although losing ground in terms of total enrollment, “imports” each year more pupils from the State-Religious system than it “exports” to that system. Furthermore, the State education system has never “lost” more than 100 pupils per year to the *haredi Ma’ayan Torah Education*, while its “losses” to the *haredi* Independent system have never exceeded 500 (to be exact, 478 between 1999 and 2000), and the phenomenon is steadily diminishing.

As for transfers between the State-Religious system and the *haredi* systems, again, the numbers are small. In no year did net transfers to *Ma’ayan Torah Education* exceed 200. The total number of pupils moving to the Independent system has never surpassed 400 and came to fewer than 100 in the year reported here.

The extent of school transfers between the two *haredi* systems is similar in magnitude to switching between the *haredi* systems and the State systems. Overall, only the Independent system has a positive balance *vis-à-vis* all the others and only the State-Religious system has a negative balance. The unequivocal conclusion is that the powerful rise in *haredi* system enrollment traces almost solely to natural increase; the

¹ The issue of school construction in the *haredi* sector still awaits thorough examination. On the one hand, new schools are being built, especially in towns and neighborhoods that are populated mainly by *haredim*. On the other hand, buildings formerly used by the State and State-Religious systems are being made available to pupils in the *haredi* system. The extent of the latter phenomenon is vague for the time being.

transfer of pupils from the State or State-Religious systems hardly figures in it at all. This conclusion must, however, be modified by two qualifications:

First, the data report on school age transfers. It is possible that the *haredi* education system manages to recruit children before school age and does so at the expense of the State system. If this is the case, the tendency not to switch education systems would act to the benefit of the *haredi* system.

Second, references to net transfers among the systems masks the fact that youngsters move from system to system and that the smaller the system is, the higher the rates of movement are in respect to it. Accordingly, the entrance and exit of about 1,500 pupils at *Ma'ayan Torah Education* represents a 5 percent turnover rate each year.

3. Teachers and Demand for Teachers

In earlier reports, the issue of the demographic structure and, in particular, the age composition of the teaching workforce and its effect on the education system were addressed. The projections of teacher demand are strongly influenced by teachers' preference for part-time employment, retirement rates, the national and religious fragmentation of the education system, decisions about the allocation of classroom hours, and other organizational and administrative decisions that relate to teachers' working conditions (classroom hours, special duty hours, enrollment districts, etc.).

These topics require further analysis and will not be dealt with here. In the context of demand for teachers, however, it is clear that to improve the teachers' salaries and quality, the teacher-pupil ratio should be reduced. This does not necessarily mean having fewer teachers on the payroll; the population of teachers may even increase. Much depends on the growth of the education system, final agreements regarding to the structure of

teaching positions, demands for classroom teaching hours, the length of the school day, and additional changes, such as the hiring of more teacher-advisors, the spreading of a "safety net" for smaller schools, etc. The reduction of the teacher-pupil ratio can be attained in several ways simultaneously and have the potential of having a very strong effect:

1. increasing the proportion of teachers who work full-time;
2. increasing the proportion of actual classroom teaching hours in a full-time position;
3. making more efficient use of teaching hours allocated to schools;
4. reducing the number of hours of study per class (not necessarily per pupil);
5. reducing the number of classes by reducing the variance in average class size (and not necessarily by increasing average class size).

These measures, some of which are acceptable to the teachers' unions, may result in the employment of fewer teachers **even without forced dismissals**.

One possible way of avoiding forced layoffs is expanding the range of voluntary early retirement options. This measure is believed to avoid unnecessary friction with teachers and is more efficient both in educational and budgetary terms. Generally speaking, the advantages are the following:

1. A teacher who retires costs almost twice as much as a new teacher who enters the system.
2. Since young teachers do not qualify for reduced teaching hours due to tenure the replacement of older teachers with young ones could reduce the demand for teachers by 15 percent.
3. Some of the saving could be invested in increasing the salaries of young teachers.
4. The large-scale induced retirement of elderly teachers would eliminate burned-out and inefficient personnel.

5. If necessary it is possible to bring good teachers out of retirement on an hourly basis, without making contributions to pension and advanced-training funds and without prejudice to their entitlement to full pension.
6. Early retirement makes it possible to reduce the teaching workforce by consent and not by force.

Assume, for example, that every teacher who is interested in early retirement at age 55 and over (for female) or 58 and over (for male) takes up the option. Costs can be calculated on the basis of existing age and tenure data of teachers for 2003, and wage data for 2002. In 2003 there were 31,896 teachers aged 50 and over (addressing only those who belong to the 55-60 year old cohort).² Assuming further that two-thirds are female and one-third are men and that half of them will wish to take early retirement, each retiree will receive a pension for two years more than their current entitlement. Under these assumptions, some 720 (female) teachers aged 55 and 630 teachers aged 56 will retire, as will 360 teachers aged 58 and another 260 teachers aged 59. The average pension for these teachers will be 60 percent of their last wage.

The monthly cost to the employer of a teacher who has an average tenure of thirty years is estimated at about NIS 12,000 and his or her pension cost, assuming a 60 percent pension, is NIS 4,400.³ In contrast, the cost of a young teacher is only NIS 5,600. Hence, the state saves NIS 2,000 from the veteran teacher's retirement: the veteran's wage minus his/her pension cost plus the wage of the new employee. Admittedly, the cost of a young teacher rises rather quickly in the first years.

² The older age groups (60+) are disregarded because female teachers may retire at age 57 without restrictions and male teachers may do so at age 60. Thus, female teachers aged 57 and over and male teachers aged 60 and over who continued to work do so by choice and should not be included among the population of teachers interested in early retirement.

³ This is because not all components of wage are included in the calculation of the pension.

Nevertheless, it would seem that this proposal deserves serious attention due to its educational and professional advantages and the fact that it can be achieved at no financial cost and may even result in some saving. (See calculations in Tables 1 and 2 below.)

Table 1. Cost of Veteran Teachers' Early Retirement

	Teachers who accept early retirement		
	Total	Primary	Post-primary
Number of teachers (average seniority 30 years)	2,000	800	1,200
Current cost per month (NIS)	12,000	12,000	12,000
Monthly pension cost ⁴ (NIS)	4,400	4,400	4,400
Monthly saving (NIS)	7,600	7,600	7,600
Monthly cost of new teacher (NIS)	5,600	5,600	5,600
Total monthly saving per teacher (NIS)	2,000	2,000	2,000
Number of teachers needed	1,693	693	1,000
Reduction in the number of teachers	307	107	200

Table 2. Annual Saving Due to Teachers' Early Retirement (NIS millions)

Annual wage cost of veteran teachers	288.0
Annual pension cost for veteran teachers	105.6
Annual wage cost of new teachers	113.8
Annual saving in first year ⁵	68.6

⁴ 89% of the total wages plus 2% increase per year of tenure.

⁵ The saving is smaller in the second year because new teachers' wages rise more quickly and some may be entitled to a homeroom teacher bonus.

4. Budgeting

School budgeting is a complex issue that has many ramifications. Even today, two years after implementation of the Shoshani Committee Report began and almost a year after the publication of the Dovrat Commission Report, the education system uses different budgeting methods for each educational level. The main difficulties in applying the recommendation concerning a differential standard per pupil are neither educational nor organizational but economic and political.⁶ In the absence of a real budget increase – and all the more so during a period of actual budget cuts – implementing the changeover to a budgeting system with differential allocations on the basis of the socio-economic background of the pupils is not a simple thing to carry out. Under such circumstances, implementing a plan that strives to do away with historical distortions (in terms of equitable allocation) will have to transfer resources from previously favored population groups to groups that until now have been disadvantaged in terms of per-pupil allocation. In practical terms, budgets will have to be shifted from the State-Religious and *haredi* systems to the Arab system. Furthermore, the goal of equity should be attained not by giving weak population groups a larger per-pupil allocation but rather, and mainly, by cutting back the per-pupil allocation for groups that have received preferential treatment thus far.

When examining the budgeting of primary schooling in 2003–2005 (one year before the implementation of the Shoshani Committee Report began and two years since its

⁶ The main recommendation in the Shoshani Committee Report was to budget primary schooling on the basis of a sliding per-pupil scale (2002). It is noteworthy that in years preceding the work of the committee, the Taub Center repeatedly recommended the adoption of this method. After the Shoshani Committee Report presented the issue and adopted the sliding scale method, the Dovrat Commission Report did the same.

implementation), this is exactly what has happened. The budget increase that was earmarked for the implementation of the Shoshani Committee Report was almost totally offset by the across-the-board cutbacks in the Ministry of Education budget and by natural increase. As a result, budgeting for the Arab sector hardly changed (except for a significant increase of more than 10 percent for the Bedouin sector) while budgeting for *Ma'ayan Torah Education* and non-official recognized institutions, as well as the exempt institutions, decreased considerably. The State systems lost a little of their funding (about 1.5 percent) and the State-Religious and Independent systems were largely unaffected.

These figures do not tell the whole story, though. Some schools gained much larger budget increases and others suffered decreases. It is important to bear in mind that the data pertained to only two years out of a process that is intended to take five years and will almost certainly continue for another year or two at least. Be this as it may, the influence of the Shoshani Committee Report is heading in very clear directions.

These directions have generated powerful resistance to the consolidation of the differential budgeting method. The resistance focuses on corrections in the budgeting method for primary schooling and the expansion of the method to the post-primary level. The purpose of the corrective measures is to shift further resources to the Arab sector and to extend the method to post-primary schooling. In the current political and social realities, though establishing a budget preference for the non-Jewish education systems which may come at times at the expense of entire segments of the Jewish systems, some of which are also typified by poor socio-economic and environmental conditions, will be almost impossible.

One possible way – recently adopted in Great Britain and Australia, which have revised their budgeting practices along the lines discussed here – is to give assurances that no school

will have its budget level hurt during the budgeting changeover. This is a more expensive policy, of course, but it could be applied gradually over several years, accompanied by measures such as, encouraging very small schools to merge with larger schools since smaller schools are normally more expensive in terms of per-pupil cost. However, relative to the economic advantage, the educational and social cost of such changeovers is quite large.

It is quite easy to implement the sliding scale at the primary and post-primary levels, but difficulties arise in regard to two important population groups: preschoolers and those in special education.

The problem in regard to preschools is that to apply the per-pupil sliding scale it will be necessary to reduce the standard number of children per preschool. (There is a precedent for this budgeting method today, but the extent of the differentiation is very small and it relies on a profile of the locality and not of the preschoolers.) It may also be necessary to increase the preschool staff positions. In the budgeting of special education pupils, the most meaningful factor should be the pupil's functional-scholastic-educational profile (in contrast to the current rule, in which the most influential factors in the level of budgeting are pupil's medical profile and educational setting). Be this as it may, it is clear that much work lies ahead before a practical proposal for these two important groups of pupils will emerge.

5. Remarks on Education Policy

For the past two years, vagueness has been the rule in education policy. During this time, the Dovrat Commission was appointed and proposed a policy meant to improve the performance of the education system in general and scholastic achievements in particular. Not much has happened since the drafting of the

committee report, especially with respect to the implementation of a policy to enhance pupils' achievements meaningfully.

In order to enact policy measures that will bring about a change in the functioning of a large share of the pupil population, it seems necessary to focus on the root of the problem: why do so many feel that the education system is in crisis?

Any discussion of Israel's education system should credit it with the impressive achievement of successfully integrating millions of immigrants since the state was established. The system integrated the newcomers in the midst of long-term demographic growth the likes of which no other modern country has known. Access to the education system is universal and is set in the Compulsory Education Law and other statutes that have helped to regularize education services. By and large, there is no shortage of teachers. However, this background itself raises questions about how one can reconcile several facts. On the one hand, Israel's children do not fall short, and in many cases surpass, their counterparts in other countries in the extent and quality of the resources devoted to their education. Enrollment rates in post-secondary settings (academic and other) are among the world's highest. On the other hand, international achievement tests in recent years, as well as other indicators of the level and quality of education, consistently point to unsatisfactory achievements. Specifically, scholastic achievements are on a level similar to that of some of the developing countries, and Israeli students' levels of alienation from schools, their rates of truancy, absenteeism, and tardiness, are among the highest in the world.

The explanation, evidently, is that slightly over half of Israel's pupils achieve at a high level and, in some cases a very high level, such as one ordinarily finds in the most advanced Western countries. At the same time, a very large proportion of

Israeli pupils (about 40 percent) underachieve, often at a level typical of some developing countries.

The international indicators corroborate this by ranking Israel among the world's leaders in the inequality of achievements on international examinations. In other words, Israel is a leader among the world's countries in the achievement gap and scholastic polarization between its students.

There can be no doubt that this situation carries with it the seeds of social disunity and schism since success and failure in the educational system are not equally divided. That is, success typifies certain social groups and sectors and failure typifies others. This is a social problem that lies at the root of society's existence and constitutes a problem of the highest order. The groups that do not achieve satisfactorily in the education system certainly include a rather large share of boys and girls whose potential talents are not being realized. Thus, beyond the social injustice and the human damage that the situation causes, the nation at large is harmed due to loss of talent (human capital) and with it, perhaps, the perpetuation of poverty and scholastic failure.

Attending school is a primary condition for scholastic achievements, although it alone does not suffice. An essential condition for the functioning of any education system is for each class to have a teacher, and yet, this too is not enough. Most alumni of Israel's education system are literate, able to read the nation's map and newspaper headlines, and proficient enough in basic arithmetic to understand the receipt that the cash register in the shopping mall prints out. And yet, much higher intellectual gains are required for graduates of the system to stand up to international competition in the global market and for today's young people to be able to create for themselves and their offspring, a more progressive, tolerant, cultured, and educated society in the years to come.

So that today's youth may become aware and active citizens and successful parents who can stimulate the imagination and curiosity of the next generation, a strong proficiency in a foreign language, the basics of physics and biology to understand the reality in which they live and function, fluency in oral and written self-expression, and the basics of the humanities must be emphasized.

Thus, for rather large segments of Israel's population (immigrants and non-immigrants alike), the education system has done its share by imparting the language skills, basic skills, and basic knowledge with which these young people have integrated successfully into the higher education system and various service industries. For other segments of society, however, the initial success – the very act of participating in the education system itself – has not conferred the education and skills needed for successful functioning in a modern society. For these sectors, an additional step in advancement and development is needed. These are primarily three sectors: the Arab sector, the Jewish periphery in some of the urban neighborhoods and in the development towns, and the *haredim*.

The Arab sector is the largest of the three. Arabs account for 20 percent of school enrollment and 27.5 percent of first-graders. It is important to note that many young Arabs reach impressive achievements, in particular the Christian Arab minority whose average achievement surpass those of the Jewish youths. However, there is no escaping the fact that the average achievement level of Arab boys and girls, on both the aforementioned international tests and on national matriculation examinations, is lower than that of their counterparts in the Jewish sector.

There is no doubt that the participation of Israeli Arabs in the country's production processes, liberal professions, trade and business, higher education, and science is essential for Israel to raise its national income and reach a standard of living and level

of social services like those in the developed Western countries. Therefore, education in the Arab sector should be upgraded.

Another sector in which pupils do not seem to be maximizing their innate abilities is the Jewish periphery or, to be more precise, parts of it. The group at issue here is composed of many children living in development towns, a rather large share of children in impoverished urban neighborhoods, and some children of immigrants who arrived *en masse* over the past twenty years. Here, too, it stands to reason to address the scholastic performance of boys and girls in this sector in terms of justice and equity according to the basic premises of nation-building. However, even those who refuse to discuss the issue in terms of distributive justice must agree that this group is simply too large. In order to meet the modern challenges of security and competition with countries abroad (specifically those in the developed West) and to afford an approximation of Western social services, standard of living, and quality of life, full participation at a higher occupational level, based on education, is essential.

The third sector that is noteworthy for the change that is needed in its educational patterns is the *haredi* sector. Some *haredi* children do not achieve at the average level because they do not participate in the regular educational areas of study. In many cases, the curricula of their educational institutions offer nothing, or next to nothing, in foreign languages, mathematics, science, history, and civics. Obviously, the graduates of such schools underachieve relative to the national average on international exams, if they take them at all. Again, Israeli society cannot simply write off the potential contribution of *haredi* youngsters to the national structure, the economy, civic life, and the social services. It is important to emphasize that this population group accounts for about one-fourth of Jewish school enrollment.

In sum, a considerable proportion of pupils who function poorly and achieve unsatisfactorily are poor, Arab or *haredi*, or live in the older Jewish periphery localities. Therefore, unless Israel intends to write-off some 40 percent of its potential human resources, it and its governing institutions should make the necessary investment in these population groups so that they may reach a higher level of functioning. This would also create conditions under which these groups may break out of the cycle of poverty.

This discussion leads to several main conclusions about the desired education policy, which would require reorganization in terms of teachers, curricula, and budgets.

In regard to teachers: they should spend more hours actually teaching than they do today and be better paid for their work. This would be the most effective way of attracting higher quality personnel to teaching and elevating teachers' professional status.

In regard to curriculum: a core curriculum should be developed within the curriculum at large. It should be compulsory throughout the system and would include all subjects that are crucial to the continued sound development of graduates of the education system. Beyond the core, additional elective subjects and cultural, social, and sports activities should be offered in schools, as an integral part of the school day. The required budgetary and physical resources should be insured. Both elements – the core curriculum and the other activities – should be enforced, by a direct and immediate linkage between implementation of the curriculum and school budgeting, as is done in all countries that allow public and private education systems to coexist.

In regard to budgeting: sufficient financing should be assured to allow both of the aforementioned tasks to be implemented. Apart from being large enough to meet the needs,

the budget must be apportioned in an equitable, fair, and efficient manner.

a. Improving the Quality of Teaching Personnel

Teachers are undoubtedly the central and most important actors in the education system. Their quality, their commitment to the education system and its values, and their professionalism are prime and essential conditions for success. No meaningful change in the system can take place without their full cooperation.

In recent times, this lesson seems to have been learned well. The teachers' desires to improve their working conditions and wages should not be viewed negatively. These demands are natural and legitimate for any collective of workers and should be treated with consideration and respect. It is clear, however, that the most basic and essential demand that is proposed for teachers – to reduce their numbers and extend their work hours – clashes with what their unions demand. Accordingly, patience is needed as the correct path is plotted, in cooperation with the teachers, toward a full working school day in which teachers will spend 23–26 hours per week (depending on pupils' age) in the classroom and earn at least 30 percent more than they earn today (and even 50 percent more in the first working years). Compromises in this sensitive area are attainable if the ministries of Education and Finance and the teachers' unions show goodwill and understanding. The employers should accept the teachers' unions as parties, not enemies, and realize that consent and cooperation are preferable to "twisting arms." By the same token, the teachers' unions should accept the fact that the existing situation is untenable and that meaningful concessions on working hours and paths of professional advancement are needed.

With respect to teachers training the education system needs to be reorganized. Teachers who train for work at the primary

school level need major strengthening in subjects of instruction and broader general knowledge. For the most part, their pedagogical training seems adequate. Teachers who train for the secondary school level are knowledgeable and proficient in the subject matters they teach but need to strengthen their pedagogical tools. It is possible to make the necessary changes within the existing teacher-training system by offering the training institutions appropriate incentives (or by reducing enrollment in institutions that do not reorganize accordingly). Such measures may be more fruitful than revamping the entire teacher-training system.

In addition, the teacher-training process should adopt educational techniques that are recognized today as able to help in teaching pupils from peripheral social groups. The overriding concern is to facilitate the imparting of basic proficiency in language, mathematics, spatial skills, and oral and written self-expression.

b. Curriculum and Teaching Methods

The idea of a core curriculum has long been discussed. The difficulty lies not in acknowledging its importance but in building social consent regarding its contents and implementation. The level of the budget that a school receives should be conditional on implementation of the core curriculum (as stated in the Shoshani Committee Report and restated in the Dovrat Commission Report). As for the policy that should be adopted *vis-à-vis* the *haredi* school systems, what is needed is the political talent and courage to find the most appropriate formulas and arrangements that this sector may accept and that will obtain the desired results. If this is done, true progress toward the goal may be made.

The rise in the proportion of students eligible for matriculation certificates seems to be related to various educational strengthening techniques for peripheral population

groups – small study groups and even one-on-one study arrangements. A similar support system should be developed for children in preschools and early primary grades who exhibit difficulties in acquiring basic skills – Hebrew literacy, basic arithmetic, proficiency in the Latin alphabet, etc.

Every schoolchild, and especially those from a social background in which study was not a widespread norm, should be paired with a “significant adult” who can establish a personal relationship with the pupil and his family. Most schoolteachers may play the “significant adult” role, of course, but there are others within the school system who can do so as well (including some older school children *vis-à-vis* younger ones). The “significant adult” should meet with the group of pupils being counseled (no more than ten, if possible) for one hour every day, either for educational support and assistance in understanding subject matter or for discussion of questions that trouble a particular pupil. At the secondary school level, too, things should be organized so that all students, especially those from the sort of social background at issue here, will have a relationship with such an adult.

Schools that serve mainly children from peripheral population groups, must have a mechanism that allows them to communicate with pupils’ parents, for outreach in educational matters and as a way to help parents cope with their children’s learning difficulties. In such schools, the teacher’s position should include several weekly hours to maintain this form of interaction with parents.

Schools will also need tools and resources for suitable summer activities whether it be to help pupils complete required scholastic material or to anticipate and deal with problems that might arise in the coming school year. To prevent experiences of failure that may sow despair and undermine motivation, pupils should be offered activities to prepare them for the next level of study. An example is summer school for pupils advancing from

primary school to junior high schools (seventh grade). Such programs would combine sports and play with studies to bridge the gaps that often exist between the subject matter taught in primary school and the material that pupils need as a basis for junior high school studies.

c. Budgeting of Schools

The improvements discussed cannot be introduced without a significant increase in the education budget. Obviously, the education system, the second-largest public system in Israel, has quite a bit of waste and inefficiency. Nevertheless, the education system is probably no less efficient than any other public system. Thus, streamlining alone will not free up enough resources to pay for all the recommended changes.

There are two main goals with respect to the budget. First, an estimation of the required increase to raise the scholastic and educational achievements and to enhance equity and narrow disparities is needed. Second, the quality of life of students and teachers in schools has to be improved. This is not the place to discuss how large the budget increase needs to be, but the following are some indications of the steps necessary, above all with regard to changing the method of allocating the education budgets among the various sectors of the system.

First and foremost, it is important to implement in full the recommendations of the Dovrat Commission Report regarding differential budgeting. Emphasis should be focused on especially rapid implementation in sectors that have been neglected thus far – the Arab sector in general and the Bedouin in particular. Due to political and social pressures, it is probably not feasible to do this by taking all the funds from the existing budget in the Jewish sector, i.e., simply by transferring resources from the latter to the former. Other countries that have carried out budget reforms usually accompany them with “upward equalization.” Thus, the education budget should be

increased significantly and a differential calculation should be made, where schools that have been under funded until now should receive budget increases and a gradual and very limited reduction in funding should be carried out where necessary. It bears emphasis that such a policy can succeed only if a **special allocation** for this purpose is made. A massive shift of resources among social sectors, particularly between the Jewish sector and the Arab sector, would run into predictable opposition from parts of the Jewish public and may also impair the normative scholastic and educational achievements of some members of this sector.

In this context, it is important to stress that the notion of equalizing the budgeting of various sectors is not limited to teaching budgets. The Dovrat Commission also put together a “basket” of services for the student, and it, too, must be apportioned equitably. Furthermore, there is a very severe gap in physical infrastructure. For the Bedouin in the south alone, some 1,500 new classrooms will be needed in the next few years, at a cost of NIS 750 million, in order to make up for deficits and replace uninhabitable and rented premises. For the Arab sector at large, the sum at issue is at least twice as large.

It is also important to expand the domain of differential budgeting to preschools and special needs students (as explained at the beginning of the chapter). Differential budgeting for these two groups obviously requires different thinking. In preschools, for example, it may be implemented by reducing the number of children and adding support. As for special education students, it seems necessary to devise a totally new budgeting method, as proposed earlier in this chapter.

An important issue in education budgeting is the direct participation of households in financing schools (co-payments). Households in Israel bear about 20 percent of national education expenditure (slightly more than NIS 8 billion). Most of this sum is spent on preschool education, higher education, and

supplemental education (activity groups, private tutoring, etc.). At the primary and the post-primary levels, parent participation is estimated at NIS 1.5 billion–NIS 2.5 billion. Presumably, the affluent carry a disproportionate share of this expenditure (both for education services at large and for those at the primary and post-primary levels). Thus, government policy should insure the continuation of this important injection of supplementary resources at its current level but should also provide pupils from weak population groups with identical services, to the extent possible, in public schools.

A possibility that should be explored is differential school charges as determined by the socio-economic status of the school population, so that the maximum amount available to each school, from public and private sources alike, will be equal.⁷ The larger sums charged to parents would result in subtraction from the public allocation for these schools, so that the sums subtracted would serve to increase the allocation for schools that serve weaker population groups. To make such a mechanism work, credible enforcement mechanisms should be established in order to regulate public payments to schools in consideration of the parental co-payment arrangements. Importantly, for such a policy to succeed, the amount available to affluent schools should be large enough to allow them to continue providing high-level education.

The goals envisioned here will entail large expenditures and the education system budget will have to be increased in order

⁷ At first glance, this would seem to rule out affirmative action for weak population groups. Without such an arrangement, however, the situation would allow affluent parents to give their children a significant edge. It is also possible to set the maximum permissible charge to parents at a differentially lower rate than the maximum that students in the weakest schools receive. For example, if a pupil in the bottom decile at the primary level receives NIS 8,000 in public allocation and one in the top decile gets NIS 6,000, the maximum allowed charge to parents would be no greater than NIS 1,000.

to attain them. It is estimated, however, that in the long run, a great deal of money will be saved: the proportion of pupils referred to special education, a more expensive setting than the mainstream system, will fall significantly; the expenditures for pupil absences, truancy, and delinquency will decline; and so, too, will the steep expenses related to attempts to “re-educate” adolescents who have already had problems within the system.

Concluding remark: If much of the incongruity between Israel’s low achievements on international tests and the steady and very perceptible growth of higher education and post-primary systems traces to the fragmentation and polarization of the education system, then policy should be focused on this aspect. An attempt to bring about a “comprehensive social revolution” in education should be set aside for now, since in all probability such a revolution cannot be implemented quickly enough to continue the growth of Israel’s education system.

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