

Introduction

Following intensive and comprehensive work, we present to you this year, for the first time, Sikkuy's *Equality Index*.

This is a different Sikkuy Report than in past years. Placed before you this time is a precise tool for analyzing the reality of governmental discrimination against the Arab citizens of Israel, on one hand, and a stable basis for planning how to reduce the disparities, on the other hand. But this will not be its only contribution. During the coming year, we will prepare policy papers based on the Equality Index in the areas it addresses. These papers will be submitted to government bodies with the aim of changing the discriminatory patterns of allocation.

The past year was a stormy one in the relations between the state and the Arab-Palestinian minority in Israel. The general elections at the beginning of the year raised a troubling, racist stream in Jewish public consciousness in the form of the Yisrael Beiteinu party's candidacy for the Knesset. This party failed in its initial attempt to be included in the coalition when the government was formed in April 2006. Through a media campaign, we succeeded in embedding the concept of "revoking the citizenship" of the Arab citizens in the "Triangle" in place of the deliberately deceptive term "territorial exchanges" that the Yisrael Beiteinu party used in its election propaganda. However, toward the end of the year, the party's head, Avigdor Lieberman, succeeded in joining the government. This fact in itself endangers the government's ability to fulfill its role in providing services and budgets to Jews and Arabs in an equal way.

The Second Lebanon War in the summer of 2006 turned the spotlight onto the Galilee and Haifa, a region whose overall population is comprised of about 60% Jews and 40% Arabs.¹ The war posed a far-reaching challenge to the relations between the Arab minority, the state and the Jews, in two respects:

1 In the Galilee itself, half of the population is Arab and half is Jewish.



Allocation of resources

What has been known for years became obvious: While the Jewish communities are provided with shelters, equipment and civil defense frameworks, the Arab communities are exposed to danger without means of protection – including a dearth of shelters and a lack of emergency instructions in the Arabic language. The assistance extended to the Galilee communities by the Prime Minister's Office reflected the “disconnect” between the government and Arab municipalities. Thus, for example, about ten former senior civil servants were mobilized for the government's administrative center in the Galilee. During the difficult period, these officials each received responsibility for a cluster of communities, serving as a liaison with government agencies and channeling government assistance to these communities. Only one of them was assigned to serve all of the Arab communities, which comprise about half of the Galilee's population. This is only one aspect of a complex picture of the central administration's relations with the Arab communities during the war, but it demonstrates part of the problem.

Subsequently, the Prime Minister's Office decided to change the situation. It adopted the goal of effectively coordinating between the government ministries and the Arab municipalities in order to allocate state resources without discrimination against Arab citizens – and not only during wartime.

The public discourse

The second challenge was in the area of public discourse. In general, the Arab public opposed the war, while the Jewish public supported it. The Arab public's opposition underscored its connection to the Palestinian people and Arab nation, and was fortified in part by exposure to Arab television channels that broadcast real-time images of the destruction in Lebanon. This positioned the Arabs in Israel as the mouthpiece of the Arab world in the Israeli media and elicited a media offensive against spokesmen for the Arab public in Israel, portraying them as supporters of the enemy. An aggressive and confrontational public discourse greatly reduces the possibility of the government instituting a policy of equality. According to a survey conducted in May 2006 by the Israel Democracy Institute, 62% of Jews in Israel believe that the government should encourage the emigration of Arab citizens. This is an undesirable and dangerous situation for Arabs and Jews alike. In collaboration with civil society organizations, the government must act to eradicate racism and to foster a shared civic culture.



Nonetheless, it seemed during the summer of 2006 that these two tracks were running in parallel, and in the short term the public discourse had no discernible impact on the officials we dealt with in terms of their readiness to re-examine their conduct. Thus, in practice, during the course of the war, Sikkuy maintained its contacts with government officials, focusing on ensuring the equal share of the Arab communities in the anticipated post-war development of the Galilee. We found an attentive ear in the Prime Minister's Office and in other ministries.

In September, we convened a meeting of the director-general of the Prime Minister's Office, who supported this issue, and the Council of Arab Mayors in Nazareth. At this meeting, which was also attended by the director-general of the Ministry of Education, the director-general of the Ministry of Social Welfare and senior representatives of the ministries of Interior, Housing and Industry, Trade and Employment, government officials presented their plans for developing the Galilee, emphasizing that the allocation of resources would be equal between the Jewish and Arab communities. At this meeting, the director-general of the Prime Minister's Office promised to return to Nazareth and present a progress report after six months. The next meeting is scheduled for June 2007.

However, even if there is indeed an equal and fair allocation of the budget for developing the north in 2007, this would not be enough. The code of equality must become obligatory in all government branches in the allocation of state resources between its Jewish and Arab citizens. It is a shared interest of all citizens, Jewish and Arab alike, that the government ministries commit to conducting government in an equal and fair manner.

Before concluding, we would like to convey our warm appreciation and thanks to the Sikkuy staff, because the index presented here is the product of the work of many talented people. Thank you also to the members of the steering committee for developing the index: Professor Mohammed Haj Yihye, Dr. Rasseem Hamaisy, Professor David Nahmias and Professor Yosef Yahav. Thank you to the staff at Sikkuy who worked on the index for many long days and nights: Yaser Awad, Michal Belikoff, Uri Gopher, Dr. Joubran Joubran, Manar Mahmoud, Nada Matta and Rachela Yanay.



Thank you to the public council that has accompanied us for three years in the Or Watch project, including: Dr. Khaled Abu Asbah, Dr. Thabet Abu Ras, Professor Itzhak Galnoor, attorney Shlomo Gur, Dr. Ramzi Halabi, attorney Judith Karp, Yossi Kucik, Dr. Alon Liel, Dr. Adel Mana, Sheikh Kamal Rian and Aida Touma-Sliman. This council initiated the index and encouraged us to raise the funds, recruit the experts and find the courage to embark on this pioneering project.

The Equality Index presented to you is intended to assist us in our actions vis-à-vis the government to advance full equality between Jews and Arabs in the state. It will also help government agencies to advance this goal by providing a dynamic and practical yardstick for setting an appropriate government norm of equal allocation for the benefit of all the citizens. This index will also assist journalists, writers and public opinion shapers to present an accurate picture of the current reality as the basis for charting the reality of equality that we all deserve. We will broaden this assessment tool next year and hope that we can report on improvement and not regression.

Sincerely,

Shalom (Shuli) Dichter and Ali Haider, Adv.
Co-Executive Directors
Sikkuy



Executive Summary

Background

The Or Commission stated in its conclusions that the state has failed to institute equality between Jewish and Arab citizens, and that the state is obligated to set the highest priority on rectifying this situation. The government of Israel accepted the commission of inquiry's recommendations and pledged to implement them. The implementation of the recommendations entails a substantial change in the attitude toward the Arab population, its rights and needs. The true measure of such substantial change is the test of results, as noted by retired judge Theodor Or in a speech he delivered at Tel Aviv University a year after the publication of the Or Commission's report: "...declarations or decisions by officials in the executive branch, including the government, about the need to grant equal and fair rights to the Arabs of Israel are not enough. **The true test of equality is the test of actions and results.**"²

Upon publication of the commission's findings, Sikkuy – which works to advance civic equality between Jews and Arabs in Israel – initiated a program to monitor the implementation of the Or Commission's recommendations. Within this framework, Sikkuy actively monitors the extent of implementation of the Or Commission's institutional recommendations and pressures the government to implement them. While engaged in this work, the need arose to develop a reliable, quantitative index that would systematically present a comprehensive overview of the disparities between Jewish and Arab citizens in the main areas of life.

How do you measure equality?

During the past year, Sikkuy labored diligently on developing the Equality Index, published here for the first time. In order to develop the index, a steering committee was formed that includes **Professor Mohammed Haj Yihye, Dr. Rassem Hamaisy, Professor David Nahmias and Professor Yossi Yahav**. The committee worked to develop the index in close collaboration with a leading expert from Sikkuy's staff, Yaser Awad, together with the NGO's research and advocacy personnel. In addition, the teams consulted with many other experts. Some of them were interviewed and

² All of the emphases in the quoted sources were made by the authors of this document unless otherwise indicated.



some wrote working papers on specific fields, until the final version of the Equality Index was formulated.³

The Equality Index presented here is unique in that it is the first comprehensive index in Israel to systematically analyze the disparities between the Jewish and Arab citizens of the state in socio-economic areas, based on off-the-shelf quantitative data officially published by state agencies. While Sikkuy's Equality Index is unique in Israel, it is based on existing approaches of international models for measuring equality, such as the *Total Equality Index* that measures the gaps between whites and Afro-American and Hispanic minorities in the United States, the *Ginni* index for assessing socio-economic disparities, and indexes for measuring gender gaps in various areas of society (*GDI*, *GEM*, *HDI*) that are used in the OECD (Organization for Economic Co-operation and Development) countries and by the United Nations Development Program.

The level of equality between Jews and Arabs in Israel can be examined according to various aspects that derive from citizenship. In the current Equality Index, we chose to address the socio-economic aspect; in the future, we will examine how to expand the index to address other aspects, such as equality before the law and political equality.

The index focuses this year on five central areas of life: education, health, employment, social welfare and housing. The Equality Index is, in fact, a weighted index of aggregate indexes that are calculated for each of the five areas, based on data collected for each separate area.

Information sources, data collection and methodology

As noted, the Equality Index is based on existing data that is collected by government ministries, the National Insurance Institute and the Central Bureau of Statistics. The advantages of using this database include the relative availability of this data and the fact that government institutions do not doubt the reliability of this data, since they were the ones responsible for collecting it.⁴ Thus, we hope that this will make

3 A complete list of the experts can be found on page 2.

4 Our decision to use the data collected by state authorities does not express complete agreement with the methods of collection the authorities use, the assumptions that guide them or their attitude toward the Arab population in Israel.



our work easier vis-à-vis the various government institutions and that we can make effective use of our personnel to periodically reassess the variables.

In cases in which the data available to us was based on an individual municipality and not an average of all of the municipalities, we used a sample of 11 pairs of communities, with each pair comprised of an Arab community comparable to a Jewish community in the same region with a population of similar size.⁵ The data was selected upon the advice of the experts who designated indicators through which it is possible to reflect the disparities between Jews and Arabs, monitor the government activity in each area, and identify trends and changes over time⁶

In order to reinforce the validity and credibility of the Equality Index, the current analysis only includes indicators for which there were at least five observations between the years 2000-2005. At the stage of calculating the aggregate indexes, an equal weight was given to each indicator since it is not possible to absolutely determine the relative importance of each indicator.

In its presentation of disparities, the Equality Index follows the relative approach to assessing equality. According to this approach, the gaps in equality should be measured by examining the share of the pie of resources each group in the general population receives relative to its size. Thus, the Equality Index examines the relative gap between the percentage of Arabs in the population (19.6%)⁷ and their actual share in the indicators in the analysis. Similarly, the relative gap between the percentage of Jews in the general population and their share in these indicators was examined. By comparing these two values, it is possible to learn whether there is a disparity in favor of one of the population groups. This disparity, for each indicator, was statistically processed via a standardization method that enables comparison of data that is measured in different units.

From a numerical perspective, a statistical function delimits the index values to numbers ranging from -1 to 1, as is customary in various indexes in the world. The

5 The complete list of sample communities can be found on page 34.

6 The complete list of indicators and indexes can be found on page 84.

7 This figure includes the Palestinian residents of East Jerusalem. While they are not citizens of the state but only residents (they do not hold Israeli passports), they are included in the index because most of the data from the Central Bureau of Statistics includes them, and it is not possible to separate them when analyzing the data.

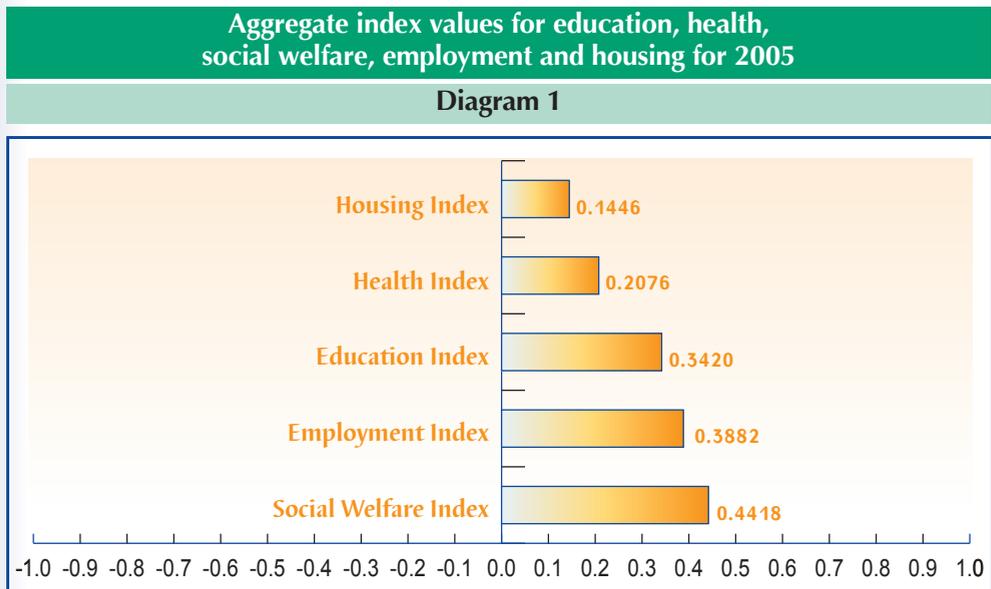


numerical significance of the index values is as follows: the value 0 represents the point of absolute equality, in which there is full equality between Jews and Arabs. The closer the index value is to 1, the greater the inequality in favor of the Jewish population, and the closer the index value is toward -1, the greater the inequality in favor of the Arab population.

It is important to emphasize that the index values are **not** measured in percentages, but rather in standardized units of the disparity between the relative proportions of the two populations. This means that in a specific area an index value of 0.111, for example, is likely to reflect disparities of tens of percentage points in certain indicators and only several percentage points in other indicators. Thus, while the index provides clear information about the existence and direction of a disparity, the full significance of the index values is revealed when compared to the values of other indicators or to previous periods, and on the basis of interpretation by those familiar with the data used and the fields surveyed.

Results of calculating the aggregate indexes

Diagram 1 (below) presents the five aggregate indexes, calculated from a study of the fields of education, health, social welfare, employment and housing.



As evident in Diagram 1, all of the aggregate indexes show inequality in favor of the Jewish population. In the fields of social welfare, employment and education, the gaps are extremely wide, while in the fields of health and housing the values of the aggregate indexes are lower. However, it is important to emphasize that all of the values of the aggregate indexes represent substantial disparities in equality. In this context, it is fitting to address the aggregate index value in the area of housing, which is relatively low. This is partly attributable to the lack of availability of complete data (such as the size of the home in square meters, the standard of development in the residential area, the use of land in the relevant years, and so on). But, due to various internal and external factors, there is also inequality in favor of the Arabs in some of the indicators – though this does not reflect a higher standard of living in the area of housing. For these reasons, the third chapter of the report engages in a more in-depth review of the housing situation, including the use of land, in order to provide a comprehensive interpretation of the index findings.

The weighted Equality Index

The overall Equality Index was calculated by assigning a weight to the five aggregate indexes in the fields of education, health, social welfare, employment and housing. The weight of each of the aggregate indexes in the Equality Index was determined by the national outlay (the sum of public and private expenditure) in each of the fields. This is because both the public expenditure and private expenditure in these areas reflect the allocation policy in accordance with budget constraints and the scale of priorities, and thus express the importance assigned to each field in the everyday practice of the general population. Table 1 (p.18) displays the method of calculating the weighted index, while the illustration that follows it graphically portrays the value of the Equality Index for 2006.

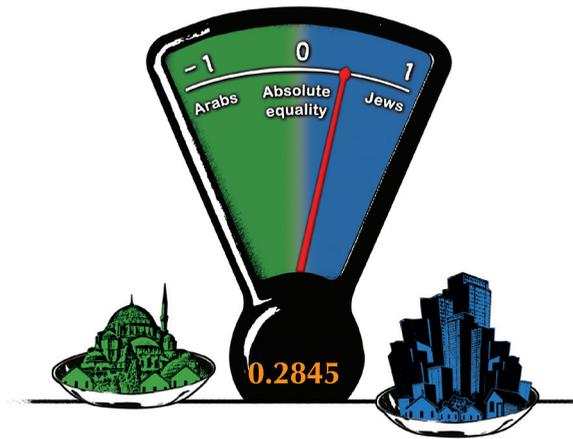


Table 1: Calculating the weighted index, Equality Index 2006*

Area	Aggregate index value	National outlay (million NIS)**	% of national outlay	% of weighted index	Weighted share
Education	0.3420	45,293	20.6%	24.7%	0.0704
Health	0.2076	44,090	20.0%	14.6%	0.0416
Housing	0.1446	64,583	29.3%	14.9%	0.0424
Employment	0.3882	10,901	5.0%	6.8%	0.0192
Social welfare	0.4418	55,290	25.1%	39.0%	0.1110
Total		220,157	100.0%	100.0%	0.2845

*The 2006 Equality Index relates to data collected between the years 2000-2005.

**Approximately NIS 4.3 = \$1



As shown in Diagram 1 and in the illustration, the weighted Equality Index points to a clear and salient gap in favor of the Jewish public. The Arab public is at a distance of 0.2845 from its relative position according to its weight in the population, if there were equality between Jews and Arabs.



At this stage, we are unable to compare this figure to the situation in the past because this is the first year of the Equality Index. However, a periodic review of the index fields will enable active monitoring of the various changes and trends in the overall situation.

The Equality Index – What do we do with it?

Even before its publication, the index was presented to the relevant government offices that deal with the fields studied in the index. Based upon the responses from these offices, and supported by in-depth research in each of the fields and the findings of the Equality Index, Sikkuy will submit to the various government ministries during the coming year policy plans for eliminating the disparities that are supported by the findings of the Equality Index. The Equality Index is also presented as a service to the public at large, to the media and to civil society organizations in order to increase awareness of the disparities that exist and to strengthen the public discourse on this issue.

The Sikkuy Report for 2006 is entirely devoted to presenting the Equality Index – its rationale, its structure and its various findings. The report is divided into three parts: **The first** deals with the essence of equality and specifically with the Equality Index of Jewish and Arab citizens in Israel.

The second part is comprised of five chapters describing the formulation of the aggregate indexes and the data used in the fields of housing, health, education, employment and social welfare, respectively. The order of the chapters is by aggregate index value, from the lowest to the highest.

The third part presents the weighted Equality Index. At this stage, the report does not include recommendations for programs aimed at eliminating the current situation. Such programs will be detailed separately, for each field, as a follow-up to publication of the Equality Index.

