

Introduction

Toward substantive change

Four years have passed since the traumatic, violent and bloody events of October 2000 (marking the outbreak of the Al-Aksa Intifada) during which thirteen Arab demonstrators in Israel were killed by police; a year has gone by since the Or Commission of Inquiry, established in the wake of those events, published its findings.

Beyond its recommendations concerning specific individuals and its endorsement of continued efforts by the police investigations division to identify those responsible for the killings, the Or Commission also concluded that the grave civil unrest in the Arab community in Israel was the result of deeply rooted causes that led to an “explosive situation”. The Commission added further that the state and successive governments since the founding of Israel had failed to cope in any comprehensive or in-depth way with the acute problems besetting the Arab minority in Israel.

In evaluating the state’s approach to these problems and making its institutional-level recommendations, the Commission defined this issue as one of the most serious and sensitive on the nation’s domestic agenda. As such, it requires the personal involvement, attention and leadership of the prime minister. The Commission emphasized that a central aim of the state’s activity must be the attainment of complete equality for the Arab citizens of Israel.

The Or Commission recommended that the government initiate, develop, and implement programs to eliminate existing disparities, focusing particularly on the budget and addressing, in the broadest possible terms, education, housing, industrial development, employment, and services. The Commission directed that special attention be given to the living conditions of the Bedouin community, where deprivation is severe. The Commission further noted that

governmental authorities must find appropriate ways to enable Arab citizens to articulate and express with dignity, their culture and identity in the public sphere. Regarding land and its allocation, the Commission found that the state must behave toward Arab citizens with due regard for fair distribution and must allocate state lands for the Arab sector equally, based on the same principles and procedures that apply to any other sector in Israel.

On August 19, 2003, ten days before the Or Commission findings were published, the government adopted several decisions to improve the situation of Israel's Arab citizens. More than a year has now passed since the Or Commission's report was issued and the government has yet to take any practical or meaningful steps to redress the historic injustice wrought on the Arab citizens. Immediately following publication of the Or Commission recommendations, the government adopted them, and charged a special ministerial committee headed by Justice Minister and Deputy Prime Minister Joseph (Tommy) Lapid with the task of recommending how best to move ahead with implementation. The Lapid Committee reviewed the government's own decisions which for the most part have not been implemented, but did not offer the government any effective tools to implement equality.

Sikkuy has undertaken to monitor the implementation of the Or Commission's recommendations while working to bring public pressure to bear on the government to move ahead and implement them. We harbored no expectation that this or any other Israeli government would undertake immediate implementation of the spirit and substance of the recommendations; we deem it only reasonable to assume that significant pressure by civil society will be necessary to encourage the government to make a start at real implementation.

For the task of active monitoring and oversight we have assembled a team of volunteers, Jews and Arabs, who are determined not to desist from active oversight of the government's progress until there is complete equality between Jewish and Arab citizens in Israel. They have volunteered for this mission because, like all of us at Sikkuy, they see equality between Jews and Arabs in

Israel as being of supreme importance to all concerned. The team includes renowned Arab public figures who are experts in their fields, like Dr. Khaled Abu Asba (education), Dr. Hanna Swaid (land use and planning), Aida Touma-Sliman (social services), Dr. Adel Manna (cultural affairs), Dr. Thabet Abu Ras (local government), and Dr. Ramzi Halabi (economics); and Jews who have served in senior public positions like Professor Itzhak Galnoor (former civil service commissioner), Attorney Shlomo Gur (former director-general of the Ministry of Justice), Yossi Kucik (former director-general of the Prime Minister's Office), Alon Liel (former director-general of the Foreign Ministry), jurist Yehudit Karp (former deputy attorney general), and Arye Amit (retired Jerusalem police commander).

For the next three years this team will actively monitor implementation of the Or Commission recommendations, particularly with respect to achievement of full and complete equality in allocation of resources between Jews and Arabs across the entire spectrum of state services to citizens. The team will scrutinize progress, suggest alternatives and insure that the issue remains on the government's agenda until the Or Commission's recommendations are implemented in the spirit intended by the Commission.

Beyond that, some comment is called for here regarding the civil-social relations between the Jewish majority and the Palestinian minority in Israel. Recurring and overt expressions of racism toward Palestinian citizens are cause for alarm; hostility toward the minority seems to be an increasingly entrenched, almost permanent phenomenon. Public opinion polls during 2003-2004 show growing support by Jews for discrimination against Arabs in various realms. This atmosphere also has an impact on the government which finds it harder to initiate and implement a policy of equality between Jews and Arabs. The government and the institutions of civil society must act vigorously and urgently to change this negative trend. Over the next few years, as part of the program to monitor implementation of the Or Commission recommendations, a special Sikkuy team will be working to craft a conceptual approach to effectively persuade the Jewish and the Arab public to enlist in the quest for civic equality for all.

Introduction

The Sikkuy Report
2003-2004

As the findings of this report will make dismally clear, the core factors that caused the deterioration of the demonstrations later termed “the events of October 2000” are still with us - namely, the government’s negative attitude toward the Arab minority and the resulting anger on the part of that minority at the official discrimination still directed against them. If the government does not make profound and substantive changes, there is no guarantee that the same sort of events, or worse, will not happen again.

The report before you documents a picture of discrimination and inequality between Jews and Arabs in 2003-2004, particularly in social and economic terms, and outlines ways in which the situation can be redressed. We offer this report as a tool for the team that will actively monitor implementation of the Or Commission recommendations and to everyone else working toward equality, in whatever sphere of effort they are active: civil society, the media, academia, politics, as well as government officials. We welcome your comments and will be happy to hear how our report has been useful to your work.

We wish to thank Michal Belikoff for her unstinting efforts in the compilation and production of this report.

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Foreword

Citizenship, resources, and equality

Four years after the events of October 2000 and a year after publication of the Or Commission's report, discrimination and inequality continue to cast a dark shadow over the future of relations between Jewish and Arab citizens of Israel and over the future internal stability of Israeli society.

The manner in which a country's resources are distributed among its citizens is one of the most obvious expressions of citizenship. Like a shareholder in a publicly held company, a citizen has the right to enjoy the fruits of the state as an enterprise. Equality in resource allocation is an expression of the equal value accorded each person and the equality inherent in citizenship itself. Two types of resources are involved:

Material resources include those distributed to citizens in a collective manner, like transportation, electricity and water infrastructure and those distributed individually based on the citizen's needs, through national insurance allowances, unemployment compensation and various other allocations.

Intangible resources of the state include its official calendar, the road sign system, the use of the official languages and the names given to mountains, valleys and streets. These are also distributed, one way or another, by the state to its citizenry - but are harder to quantify and measure.

The direct outcome of a fair distribution of resources is a feeling of belonging to the state and a sense that citizenship in the state is worthwhile. Discrimination that differentially distributes state resources among various groups creates tension between the groups themselves and between the discriminated-against groups and the state. Our point of departure, as we set out to examine equality

of resource allocation is the notion that a substantial portion of the (positive) feeling of citizenship lies in the equal enjoyment of the country's resources. Thus, equality of resource allocation is the standard of measurement in this report.

Until now, this report has always examined material resources but we hope to find a suitable way of conducting an informed examination of the allocation of the less tangible resources in a future report.

Executive Summary

The Or Commission found that the anger among Arab citizens of Israel is in large measure, if not entirely - a response to the state's attitude toward them, as it is articulated in official discrimination that treats them unfavorably as compared with Jews. At the same time there are deficiencies in providing for the unique needs of the Arab community.

A great many of the comparisons drawn in this report and in prior Sikkuy reports take into account the relative proportion of overall population in Israel that is Arab (19%) as compared with Jewish (81%), but this is not always the relevant yardstick. For government to act in consonance with the principle of equality does not necessarily imply allocation based on straightforward, mechanical parity. There are many places and cases wherein vast disparities necessitate corrective action by government. This requires preferential governmental allocations for Arab citizens until such time as the standard of living in the Arab community reaches parity with the standard of living in the Jewish community. This principle is evident in some of our recommendations both as highlighted in this summary and in the complete report that follows.

The goal of this report is to provide a comprehensive, if not complete, picture of the situation of Arab citizens of Israel as compared with Jewish citizens and to examine to what extent the special needs of Arab citizens as a group are met. The report is intended for all who are interested in, and working for, change in this sphere - be they in official positions in government or in civil society organizations committed to accelerating this process of change.

The data in the report is based on information from the Central Bureau of Statistics (CBS), mostly from 2001 and 2002. We also made use of official reports of various government ministries and agencies, e.g., the Ministry of Education, Culture and Sport, the Ministry of Health and the National

Insurance Institute (NII), as published during the last two years with data for the late 1990's through 2003. We gleaned useful information for 2003 and the first half of 2004 from protocols of meetings and other material from Internet sites of the various ministries and public institutions.

Defining population groups: The comparative data for population groups is presented as supplied by the sources at our disposal, mainly the CBS and the NII. Comparative data on different population groups appears in these reports in three ways: Jews as compared with Arabs; Jews as compared with non-Jews (i.e., Arabs and other non-Jews); and Arabs as compared with Jews and others.

Structure of the report: This year's report focuses on major spheres of life wherein the government provides services to its citizens and is divided into three sections: education, including higher education; health; and employment, income and poverty.

We present data on the current situation in these three spheres along with data on the services received by citizens. Each section ends with our general recommendations. These confine themselves to suggested policy directions without going into detail about implementation; that is best left to the experts in each field.

Education

This year, we surveyed two areas: The new system of budgeting for elementary education and the admissions process for entrance to academic institutions of higher learning.

Division of resources in elementary education. Finance Ministry publications show that the allocation of weekly study time in the Arab education system in Israel is 1.51 class hours per student compared with the situation of a youngster in the Jewish system, for which the figure is 1.87 hours. The 2003-2004 school year was the first to implement a new budgeting system based on recommendations of the government-appointed Shoshani Commission. The Shoshani Commission recommended six criteria for budgeting class hours for a student: education level of the parents, number of siblings, distance from the center of the country, the community's status as a designated priority location, new-immigrant status of the student (defined as having arrived in Israel in 1984 or thereafter), and emigration to Israel from a disadvantaged country.

The Shoshani Commission recommended that the method used to determine the allocation of study hours in elementary education should be based on the individual profile of the student. In practice, aside from the student's characteristics, criteria relating to the student's area of residence were also adopted (meaning the district's distance from the center of the country and status as a designated priority area) along with criteria relating to the population group to which the student belongs (new immigrants).

While the immigrant student group received special consideration in the Shoshani Report, there is no special mention of Arab students as a group with different and unique needs of its own. Based on the criteria set by the Shoshani Commission, Arab students can benefit from only 60 to 70 percent of the

available educational services. This will not be sufficient to achieve budget parity. A review of the data on implementation for the 2003-2004 school year in the budget of the Ministry of Education shows that within the framework of implementation of the Shoshani Report the supplemental hours allocated to the Arab education system were cut by about 47 percent, whereas there was no cut whatever in such hours in the Jewish education system.

University admissions requirements. Non-Jewish students comprise about 10 percent of the population studying for a bachelor's degree in Israel, five percent of those studying for a master's degree and only about three percent of those studying for a doctoral degree. The disparities in scholastic achievement at all stages are reflected, in the final analysis, in the lower proportion of Arab students who go on to higher education. In January 2002, a commission headed by Haifa University sociologist Professor Majid Al-Haj recommended a series of steps to promote academic achievement among Arab students and improve their prospects of attaining higher education. Although all the recommendations were unanimously adopted by the Council on Higher Education, no way has yet been found to implement them.

Sikkuy Report recommendations:

- ❖ The Ministry of Education should re-examine the criteria proposed by the Shoshani Commission and make sure that all the criteria for affirmative action in children's education in the State of Israel are applied equally to both Arab and Jewish children.
- ❖ The Ministry of Education should draft new ways to facilitate access to higher education for graduates of the Arab school system.

Health

The quality, availability and accessibility of health services have multiple impacts on the health status of a population. The data presented in this section reveal gaps between Jews and Arabs in almost every sphere of health.

Health status

Infant mortality among Arabs in Israel in 2003 was 8.4 deaths per thousand live births compared with 3.5 among the Jewish population. The main cause of death among Arab infants throughout the country was birth defects but this factor explains only about 40 percent of the difference in infant mortality between Jews and Arabs. Thus the larger share of the gap is attributable to social and economic factors together with variation in the quality, accessibility and availability of health services.

There are marked disparities between Jews and Arabs on parameters that serve as indices to both the current and the future health status of a population group. Arabs have a higher incidence of overweight, diet less and get less physical exercise. The gap is particularly wide between Arab women and Jewish women.

The smoking rate among Arabs is about 50 percent higher than among Jews. Respiratory tract, pulmonary and lung cancer incidence is 1.5 times more frequent among Arabs than among Jews. Data on smoking in Israel was first gathered in 1972, but the survey monitored the Jewish population exclusively until 1998 when the Arab population was finally included.

Health services in the community

We looked at health service providers in ten Arab cities as compared with ten Jewish cities of similar population size. The review encompassed services provided by Clalit Health Services, the organization serving most of the Arab

population. Based on the existing inventory of clinics in the twenty towns reviewed, we found that the variety of medical specialties and the access to medical specialists in Arab communities are substantially lower than in Jewish communities.

Primary care clinics: In the Arab towns reviewed, there was an average of one clinic **for 11,800 residents** while in the Jewish towns the comparable figure was **one clinic for 8,600 residents**.

Specialty Clinics: In Jewish towns reviewed, clinics offering care in medical specialties averaged one per 15,500 residents whereas in the Arab towns the comparable availability was only about half - with one such clinic for 29,500 residents.

Sikkuy Report recommendations:

- ❖ The Ministry of Health must insure that the Clalit Health Services organization takes steps to provide equal health services to Jews and to Arabs and that the various clinics and medical services are located in accordance with this principle.
- ❖ The Ministry of Health should examine the extent to which health services are provided equally to all citizens by every HMO in the country and enforce equal distribution of health services to all.
- ❖ The Ministry of Health should insure that the Arab population in Israel participates in every aspect of preventive health programming whether through effective monitoring and public education or early detection of illnesses and maintenance of suitable public sanitation levels in residential areas.

Employment, income and poverty

Employment

- ❖ The rate of participation in the workforce among Arabs in Israel in 2002 was 39 percent compared with 57 percent among Jews. This gap is mainly due to a much lower rate of participation on the part of Arab women: 17.1 percent compared with 54 percent among Jewish women.
- ❖ Among men aged 45-54, 37 percent of Arabs are not in the workforce at all compared with 13 percent of Jews.
- ❖ Likewise, unemployment rates among Jews compared with Arabs show a continually increasing disparity beginning in the late 1990s. Among Arab men, the unemployment rate in 2002 was 14.1 percent compared with 9.1 percent among Jewish men.
- ❖ Nearly half of employed Arabs work in construction (37.2 percent) or as unskilled laborers (14.7 percent) compared with a fifth of employed Jews who work in these sectors. The academic, professional and management fields, all of which require more extensive higher education and greater professional skills, employ some 20 percent of working Arabs compared with 38 percent of working Jews. Even when educational levels are comparable, there is a disparity in employment among professionals and the higher income earners.

Income

- ❖ Among families headed by a salaried worker, 56% of Arab households in Israel are at the lower one-fifth of the salary scale, compared with 16 percent of Jewish households. Only 3 percent of Arab households are found in the upper one-fifth, compared with 22 percent of Jewish households.

- ❖ The average available income for an Arab family is 67.8 percent that of a Jewish family.
- ❖ National Insurance Institute allowances represented about a fourth of the average family income for Arabs and only about a tenth for Jews i.e., as of 2002, an Arab family's average dependence on NII allowances is twice that of a Jewish family. Hence the impact of NII cutbacks made (or scheduled) for 2003-2006 have a disproportionate negative impact on Arab families as compared with Jewish families.

Poverty

- ❖ An Arab family's chances of living in poverty in Israel are three times higher than a Jewish family's. Some 45 percent of the country's Arab families are poor, even after supplementary payments and progressive income taxes are taken into account, compared with about 15 percent of Jewish families in the country.
- ❖ Supplementary payments and progressive income tax rates lift about half of Israel's poor Jewish families above the poverty line, but only about a fifth of the nation's poor Arab families.
- ❖ The rate of poor Arab families that rose above the poverty line after supplementary payments but fell beneath it again after payment of income taxes is about 40 percent compared with about 15 percent for Jewish families. The contribution of supplementary payments and progressive income taxes to narrowing the extent of poverty among Arab citizens is extremely small. This trend is liable to intensify due to cutbacks in various allowances, the impact of which was not yet evident in the data for 2002.

Sikkuy Report recommendations:

- ❖ A broad employment base needs to be developed in Arab towns, underpinned by the establishment of active industrial zones and by encouraging entrepreneurship along with research and development.
- ❖ Greater precedence should be accorded implementation of the government's decision of August 19, 2003 that Arab towns should share fairly in the benefits of nearby regional industrial zones.
- ❖ Arab infants and toddlers aged 0-4 years represent some 30% of those age groups in Israel. Yet only 7.4% of infants and toddlers enrolled in Israel's daycare facilities, whether institutional or home-based, are Arab youngsters. Greater availability of daycare enables more women to find employment outside the home. The Ministry of Housing should insure that, under its work plan for new daycare facilities, the allocations for Arab communities exceed their proportion in the general population.
- ❖ Already-adopted government decisions mandate affirmative action for Arab applicants to the civil service and increasing the number of Arab directors of government companies by naming at least one Arab to every such board; these policy decisions should now be implemented.
- ❖ The government must intervene in the private-sector job market to facilitate the integration of Arab citizens. This should be done both through incentives for employers and by the establishment of data bases and information centers for employers and employees similar to the initiatives implemented over the last ten years to assist new immigrants and single mothers. Meanwhile, the laws already in place concerning equal employment opportunity should be enforced.

Summary / Looking ahead

As clearly stated by the Or Commission, the nation must make the elimination of discrimination a priority national goal. Wiping out institutionalized discrimination against Arab citizens is a vital need for the country. The data in this report make it very clear that the government's conduct is the problem and that the main change required is to end discriminatory patterns of government funding for Arab citizens. The Lapid Committee, charged with formulating recommendations following publication of the Or Commission report, fell back on prior recommendations based on old patterns of short-term funding for Arab towns and recommended setting up a **“Government Authority for the Advancement of Minority Sectors.”**

Instead, what is really needed is an **“Equality Authority”** that will direct its activities at the government ministries. Its task: to instill egalitarian modes of thinking and budgeting within the government ministries and among the civil servants. If we examine the experience of absorbing one million new citizens from the former Soviet Union and the changes that were instituted in compensatory grants to municipalities from the Interior Ministry, the time frame to implement any real change in state funding patterns is no less than a decade. This must be taken into account when planning the steps toward change.