

Part I. Theoretical and Methodological Background

Chapter 1: Theoretical Background

“A primary goal of the state’s activity should be to attain true equality for the Arab citizens of the state” (Or Commission Report, page 767).

1. Equality

A. What is Equality?

The value of equality derives from the basic assumption that men and women share a common denominator that entitles them to live in dignity.

The right to human dignity is identical for all human beings, regardless of differences in wealth, ethnic origin, nationality, religious belief, gender, sexual orientation, genetic heredity, health, culture and more. But the recognition of diversity, in all its components, also derives from this same basic human right to live in dignity. Human beings are born into different circumstances of life, with various levels of control over the course of their lives. Therefore, the implementation of basic rights requires addressing the entire range of resources available to a society and the way these resources are allocated between its members (Zalta, 1998).

The principle of equality finds expression in two central aspects: formal equality, which means equal treatment for equals – that is, people with the same relevant characteristics receive equal treatment or equal allocation of socio-economic resources; and substantive equality, which mandates different treatment for different people. Substantive equality emphasizes the outcomes: In order to provide equal opportunities to people, despite their different characteristics, the society should provide them with the necessary tools and means to develop and fulfill their abilities, sometimes by instituting affirmative action that encourages equality as a final result.

B. Why equality?

The centrality of equality as a human value derives from both ethical and



utilitarian motives. From the ethical-moral aspect, equality is perceived as a natural right of every individual in society. Equality constitutes a necessary condition for preserving the value of human dignity, and the identity of individuals and groups in the society. Moreover, equality is necessary for the very existence of democracy as a system of government. In Israeli judicial rulings, equality is defined as a basic value in a democratic society and as one of the pillars of the democratic regime. As such, equality constitutes the anti-thesis of government arbitrariness (Or Commission Report, pages 43-53; HDR, 2005).

From the utilitarian perspective, equality is emphasized in the professional literature as an essential means of promoting the level of human ability and performance in the various fields of life, such as economics, education and health. Many studies have shown that discrimination and substantial socio-economic gaps are detrimental to achievements in all fields (HDR, 2005).

Equality is essential for coalescing and maintaining societal consensus. On the other hand, a feeling of discrimination erodes social stability and solidarity (Or Commission Report, page 43; HDR, 2005).

C. The State of Israel's commitment to equality between its Jewish and Arab citizens

"According to the principle of equality, a public authority in the State of Israel is prohibited from discriminating. That is, it is prohibited for it to adopt a different attitude to equal [I don't have the Hebrew in front of me, but not sure where you got "equal" – maybe: disparate attitude toward different people] people without a justified reason for doing so. This prohibition applies to every action of the government, including the distribution of budgets, the allocation of other resources, appointments to positions, and any other action. The public authority is regarded as the trustee of the entire public" (Or Commission Report, page 35).

Ethnic-cultural-national divisions inherently tend to pose challenges for liberal-democratic- governments. Ignoring these challenges is liable to threaten the solidarity, stability and even the very existence of the democratic regime (Dahl,



1998). Undoubtedly, this is even truer in the case of Israel, which defines itself as a Jewish democratic state.

There are those who believe that there is a basic contradiction between the two components of this definition (Jewish and democratic). The argument is also made that ethnocentric considerations often serve to harm the level of equality between citizens of state and the extent of its democracy (Smooha, 2004; Yiftachel, 2005). Despite these disagreements, it can be said that in light of the fact that equality is a seminal value in any democratic regime, the State of Israel, by virtue of defining itself as a democratic state, is committed to equality between all of its citizens, Jews and Arabs alike.

The principle of equality derives its validity from founding and constitutional documents, from Knesset legislation and from rulings by the High Court of Justice. During the years of the state's existence, equality has become established as a powerful moral principle that serves as the basis for court oversight of government institutions. In many cases, government actions have been overturned when they were determined to be discriminatory (Or Commission Report, 2003).

The principle of equality is also anchored in many international declarations and conventions to which the State of Israel is a signatory: for example, the Universal Declaration of Human Rights, the UN Covenant on Civil and Political Rights, the UN Covenant on Economic, Social and Cultural Rights, the UN Convention on the Elimination of All Forms of Racial Discrimination, and the covenant of the International Labor Organization.

For example, in the introduction to the UN Convention on the Elimination of All Forms of Racial Discrimination, to which Israel is a signatory, it is written:

*"The States Parties to this Convention,
Considering that the Charter of the United Nations is based on the principles of the dignity and equality inherent in all human beings, and that all Member States have pledged themselves to take joint and separate action, in cooperation with the Organization, for the achievement of one of the purposes of the United Nations which is to promote and encourage universal respect*



for and observance of human rights and fundamental freedoms for all, without distinction as to race, sex, language or religion,

Considering that the Universal Declaration of Human Rights proclaims that all human beings are born free and equal in dignity and rights and that everyone is entitled to all the rights and freedoms set out therein, without distinction of any kind, in particular as to race, color or national origin,

Considering that all human beings are equal before the law and are entitled to equal protection of the law against any discrimination and against any incitement to discrimination..."

2. The problem of inequality between Jews and Arabs in Israel

"The Arab citizens of the state live in a reality in which they are discriminated against as Arabs, The lack of equality has been documented in a large number of surveys and professional studies, affirmed in court rulings and government decisions, and expressed in reports by the state comptroller and in other official documents" (Or Commission Report, page 33).

Some argue that the situation of the Arab citizens is very good relative to their situation in the past and compared to the situation of Arabs in neighboring countries. We reject this argument because the resources the state allocates should be divided equally between all of the citizenry, regardless of the standard of living in neighboring Arab countries; and the disparities between Jewish and Arab citizens should be duly erased by right and not as an act of benevolence (see the Or Commission Report, page 95).

Despite various public initiatives that have led to the narrowing of the gaps in certain areas, especially during the period of 1992-1996, the disparities between the populations are still large. The discrimination between Jews and Arabs is reflected in the level of income, education, accessibility of municipal services, representation in the public and business sectors, and the lack of fair representation in the elected bodies and centers of power in the state (Smoocha, 2004).

In reviewing the inequality between Jews and Arabs in Israel, we will focus on three main aspects of citizenship: equality before the law, equality in the political arena, and socio-economic equality. Many researchers emphasize the reciprocal



relations between these three aspects (Dahl, 1998; Ben David, 2003; Shye, Dahan, Dvir and Mironichev, 2000; HDR, 2005). This interdependence creates a series of vicious circles that can only be broken by a public policy that promotes equality. Inequality before the law increases socio-economic and political inequality; the level of equality on the socio-economic scale has direct and indirect ramifications on the level of equality in the political systems, and so on.

A. Discrimination before the law

Equality before the law includes two aspects: equality in the language of the law, and equality in enforcement of the law (Gavison, 1999). The Arabs in Israel are discriminated against in both categories, as made evident below:

Discrimination by force of law: Discriminatory legislation can be expressed explicitly or implicitly. Overt discrimination proclaims that a clear and unequivocal advantage is to be given to the interests of one group over another group. This type of discrimination exists in the Law of Return, the Law of Jewish National Institutions, and in the articles stating the objectives of the State Education Law and the Broadcasting Authority Law.

In addition, there are laws or regulations that are ostensibly egalitarian, but actually foster discrimination, when the outcomes of the law are examined. One of the salient examples of this hidden discrimination is the practice of making various benefits conditional upon military service. Participation in military service is used as an instrument of discrimination between Jews and Arabs in crucial areas such as education, housing and employment. For example, the Mifal Hapayis national lottery grants scholarships to students who served in the IDF; those serving in the IDF receive loan benefits when purchasing an apartment; and IDF veterans receive priority in the allocation of university dormitories. Another example of hidden discrimination is in the declaration of “national priority zones,” which are entitled to a series of significant benefits and discounts while excluding Arab communities from this category (Gavison and Abu-Rih, 1999).

Discrimination in law enforcement: Arab citizens accused of security offenses are tried in military courts. Jewish citizens accused of the same type of offenses are tried in civilian courts. In addition, studies show that there are clear differences



in the sentencing policy for Jews and Arabs, in all types of offenses (Gavison and Abu-Rih, 1999).

B. Inequality in the political arena

The question of equality in the political arena addresses two main dimensions: the right to vote and equality of political power.

The equal right to vote: Every person has the right to vote and each person's vote is of equal value (Dahl, 1998; HDR, 2005). In this respect, equality exists between Jews and Arabs.

Political power: The government should do its utmost to encourage the ability of individuals and groups to effectively participate in the decision-making process. Pursuant to this goal, it should ensure access to information and decision-making on issues that are on the political agenda, or enable the possibility of making changes to the agenda itself (Dahl, 1998; HDR, 2005).

Fair representation in the institutions of government is likely to promote both access to information and the opportunity to make an impact at various junctions of decision-making. The proportion of Arabs among civil servants and employees of government companies is not commensurate with their share in the population, and their representation is even lower in the senior ranks. Similarly, the proportion of Arabs on the boards of directors of government companies is very low (Haider, 2005).

C. Socio-economic inequality

Socio-economic equality places the emphasis on the attempt to reduce the material inequality existing in the society. The disagreements on the issue of socio-economic equality focus mainly on the extent and method of intervention by government institutions in the economy and society, aimed at reducing disparities through various political measures such as: reallocation of income and property, tax reform, instituting an egalitarian system of education, social security, and so on. We will review below a number of expressions of inequality in the socio-economic field.



1. Inequality in employment, income and poverty

Employment figures in Israel show a clear and significant disparity between Jews and Arabs. The rate of participation in the workforce by Arabs (especially Arab women) is lower; the unemployment rate is higher; and Arab workers tend to work in lower level jobs – both in terms of the professional level and salary (Ben David, Ahituv, Levin-Epstein and Stier, 2004).

Disparities in income and family size, along with the ongoing cutbacks in various social welfare benefits, have generated a process of increasing gaps between Jews and Arabs in the incidence of poverty. Data from the National Insurance Institute also indicates a disparity between the two sectors in the number of people escaping from poverty after taking into account transfer payments and taxes. (Achdut, Cohen and Endblad, 2006).

2. Disparities in social welfare services in the community

Social welfare services are provided through the social welfare departments in local municipal authorities. Discrimination in government allocations to local authorities and the limited capability of Arab localities to collect local taxes and generate revenues in other ways leads to a shortage of professional personnel and monetary resources available for the social welfare departments.

3. Discrimination in allocation for education and gaps in the level of education

Disparities in the array of educational inputs: The school system for the Arab population suffers from discrimination in all of the resources provided to it. Arab schools are discriminated against in the allocation of teaching hours in all stages of education. There is a disparity in the quality of teaching personnel and the quality of support services such as tutoring lessons, special education, educational and psychological counseling. In addition, there are disparities in the quality of the learning environment: classrooms that meet standards, sports facilities, laboratories, computers and libraries.

The resources invested in Arab education are sparse, and the policy that shapes the learning content is determined without almost any participation of the Arab citizens. This is reflected in the low output of the system in terms of achievement and low level of satisfaction with this system on the part of the Arab public.(Abu Asbah, 2004).



The Ministry of Education extends special assistance to students in communities that are socio-economically weak by categorizing these communities as “national priority.” The Arab communities are not included in this category, though most of them meet the criteria. (Abu Asba, 2004). The High Court of Justice ruling 11163/03 (February 27, 2006) stated: *The government decision regarding the definition of national priority zones is inconsistent with the principle of equality, because its results lead to unacceptable discrimination against members of the Arab sector in fulfilling their right to education, thus making it illegal.*”

Dropout rates: There is a disparity in the dropout rates from the education system, from kindergarten through high school, including special education frameworks, tutoring, enrichment programs and vocational education.

Achievements in education: Disparities in this field can also be found in every possible area, including disparities in results on international and national exams, in the percentage of students taking matriculation exams and in the rate of success on these exams. In addition, there is a wide gap in the percentage of those with matriculation certificates that meet the entrance requirements of the universities, in the proportion pursuing higher education, in the rate of acceptance for studies and in the percentage completing academic degrees.

4. Health

Arabs are more exposed than Jews to health problems and risk factors such as smoking, obesity, heart disease and stroke. Even though Arabs have a lower incidence of cancer than Jews, the mortality rate among cancer patients is higher among Arabs. The life expectancy of Arabs is lower and the rate of infant mortality and mortality in general, is higher (Trevia, 2005).

Studies indicate that socio-economic disparities (primarily the level of education and level of income) are a major factor behind the gap in the level of health of Jews and Arabs. There are those who also point toward other possible reasons (such as culture and awareness), but when one eliminates the influence of the standard of living on mortality, no clear difference is found between Jewish communities and Arab communities (Chernichovsky, Elkana, Anson and Shemesh, 2003; Trevia, 2005).



5. Discrimination and inequality in land resources, planning and development

“In addressing the Arab sector, the great importance of the subject of land is well-known... it is difficult to ignore the strong emotional dimension accompanying this issue. However, the [emotional] baggage and national contexts do not diminish the state’s obligation to act toward its Arab citizens according to appropriate principles of distributive justice... The state is obligated to allocate land to it [the Arab sector] according to equal models and principles, as it does to other sectors” (Or Commission Report, pages 767-768).

Massive land expropriations in the past, the failure to establish new Arab settlements (with the exception of Bedouin-Arab towns in the Negev) and the restrictions on expanding existing communities – have created an ongoing sense of historic injustice. In municipal areas, there are no legal restrictions on the right of Arabs to purchase or lease land (with the exception of Keren Kayemet-JNF land), but Arabs seeking to move to Jewish cities encounter open opposition on the part of Jewish residents (Khamaisy, 2004; Yiftachel, 2000). In addition, Arab communities have never been earmarked for development. On the contrary, they are perceived as communities whose expansion should be restricted and whose numbers and geographic scope should be reduced. Thus, substantial population growth in Arab communities has led to a disorganized process of urbanization on a shrinking amount of land.

Only in the 1990s did an orderly planning process begin in Arab communities. But it has failed so far to provide suitable planning solutions for local development needs, which are growing rapidly.



Chapter 2: The Equality Index of Jewish and Arab Citizens in Israel

1. Why an index?

During the past two decades, indexes have become widely used as tools for monitoring progress and tracking policies. The United Nations initiated the Human Development Indexes, which measure the disparities in the level of human development between and within countries.

In the United States, the National Urban League initiated the Equality Index of blacks and whites. In Europe, efforts have begun to develop an index of gender equality, aimed at gradually closing the gaps between women and men in all fields. The European Inclusion Index is designed to monitor the immigration policies in the various European countries in an era when the phenomenon of labor migration is expanding.

In Israel, there are a number of indexes that monitor social and political phenomena, including: the Peace Index (of the Tami Steinmetz Center for Peace Research), the National Strength Index (of the University of Haifa's National Security Studies Center), the Democracy Index (of the Israel Democracy Institute) and the Social Strength Index (of the Social Security Council).

These four indexes are based on surveys that enable the tracking of general trends of change in Israeli society. Though they address some points related to the Jewish-Arab divide, their purpose is to provide a general picture of Israeli society.

The Central Bureau of Statistics periodically ranks the local authorities in Israel according to a socio-economic index. This index is intended to be used as an instrument to help shape the central government's policy of allocating resources to the local authorities, and also serves as a tool to define needs and expose disparities between local authorities. The index is mainly used by the Ministry of Interior in setting regular budgets, as well as development and physical planning budgets. Other ministries engaged in socio-economic fields (the Ministry of Industry, Trade and Employment, the Ministry of Education and the Ministry of Construction and Housing) also make use of the index.



In 2003, Professor Sammy Smooha of the University of Haifa launched the Index of Jewish-Arab Relations. The goals of the index are to monitor the views of Arabs and Jews regarding the state of relations between them: how they perceive their status in the state and their relations with the members of the other national group. In addition, the index tracks long-term trends in the views and mutual perceptions of Jews and Arabs (Smooha, 2004). The Index of Jewish-Arab Relations is also based on surveys and public opinion polls; it is important in providing a situation report regarding the subjective aspects of Jewish-Arab relations in Israel.

The current index, the Equality Index of Jews and Arabs, does not examine opinions, feelings, consciousness or moods. Instead, it focuses on material matters that can be quantitatively measured. In reality, there are complex, reciprocal relations between objective and subjective factors, but for practical reasons we are compelled to create an artificial division between the categories.

2. The objectives of the index

The discrimination between Jews and Arabs is deeply imprinted in the structure and institutions of the society. In order to eliminate it, a general mobilization of the society is needed, at all levels and in all institutions. Consequently, there are two main target audiences for the index: government institutions, on one hand, and the general public, on the other hand. In addition to monitoring and lobbying government institutions, there is a need for a process of greater public awareness of the destructive consequences of discrimination and inequality, as well as the empowerment of those who suffer from discrimination so that they can more effectively defend themselves against it.

Therefore, the Equality Index is designed to serve four main purposes:

- To serve as a tool for tracking government policies and their results.
- To set short-term and long-term objectives for closing the gaps.
- To monitor the state of disparities between Jews and Arabs at a given point in time and in the long-term.
- To influence public opinion by raising awareness and promoting support and commitment for equality



3. Characteristics of the index

There are two main approaches for measuring inequality: the absolute approach and the relative approach.

According to the absolute approach, a need or goal is defined, and the index determines how close the target groups are to achieving it.

According to the relative approach, population A is compared to population B, with one of the population groups (usually the stronger one) serving as the reference group.

We believe that the relative approach is the appropriate one for assessing the state of equality between the Jewish and Arab citizens of the State of Israel, because it focuses on the state's commitment to allocate its resources in an equal way to all of its citizens, without distinction of religion, race, nationality or gender. This approach rejects the comparison of the condition of the Arabs of Israel to that of Arabs living in other countries. Thus, in the Equality Index presented below, the Jewish population serves as the reference group, and the index examines each group's share of the pie of resources.

When formulating the components of the index, we focused on the following needs and considerations:

1. Data and indicators on which there is broad consensus.
2. Identifying trends and/or fluctuations and changes over time.
3. The index should express the extent of relative inequality among the population under study in a multidimensional way.
4. Standard statistical characteristics of indexes of this type.
5. A high positive/negative correlation with variables that comprise it and/or with additional variables that measure the same fields.
6. Characterized by an ability to predict changes in the state of equality/inequality.



4. Structure of the index and the process of developing it

A. Selected fields

Through the index, we seek to present as broad a picture as possible of the state of equality/inequality between the Jewish and Arab citizens of the State of Israel in the three main spheres of citizenship: equality before the law, equality in the political arena, and socio-economic equality. This, of course, is done within the limitations of the data available to us. The index will focus this year exclusively on the socio-economic aspect, offering a tool for comparing Jews and Arabs in the following fields: education, social welfare, health, employment, housing and land use.

B. The index population

Most of the data from the Central Bureau of Statistics (CBS) appears in three categories of population groups: 1. Arab citizens of the State of Israel and residents of East Jerusalem; 2. Jewish citizens of the State of Israel; 3. Others.

Due to these limitations in the available data, the Equality Index addresses two population groups: Arabs and Jews. The first category comprises the Arab citizens of Israel (Muslims, Christians, Bedouins and Druze), including residents of East Jerusalem. The second category comprises Jews and those of other religions who are not Arabs (non-Arab Christians, immigrants registered by the Ministry of Interior without a religious affiliation, Lebanese who have become Israeli citizens, Buddhists, Hindus and Samaritans).

C. Indicators and variables: their nature and the selection process

In order to choose indicators on which there is the broadest agreement in terms of reflecting the dimensions of the disparity and assessing the implementation of policy, Sikkuy consulted with two experts in each of the five fields of the index (education, employment, health, housing and social welfare). The experts were asked:

1. To describe the current situation, the problems, the obstacles and general trends in Israel in each field, while specifically addressing the situation of Arab citizens versus Jewish citizens.
2. To define the primary barriers to equality.
3. To note the indicators reflecting the disparities between Jews and Arabs and through which the activity of government authorities can be monitored.



Referring to the expert's recommendations, the Equality Index team checked the availability and continuity of data for the proposed indicators in each field and, accordingly, the most relevant ones were selected to reflect the inequality between Jews and Arab in the present and over time.⁸ The selected indicators and variables primarily describe the output in each of the selected fields. In some cases, this also includes the system's output. Together, this provides the broadest possible picture of the components of the pie of resources and they way these resources are divided between Jews and Arabs.

D. Data sources

The index is based on official, off-the-shelf data of government ministries, the National Insurance Institute and the Central Bureau of Statistics.

E. Sample of communities

Not all of the data available to us is presented in an aggregate manner, and some of the data is published according to community. In these cases, a sample of communities is used that encompasses eleven pairs of communities (one Jewish and one Arab) that have populations of similar size and belong to the same geographic region (see Table 2, p.34).

5. Aggregate indexes⁹: education, health, employment, housing and social welfare

An aggregate index is needed in order to quantitatively assess the extent of equality/inequality between Jews and Arabs in each of the selected fields with an appropriate combination of the indicators and variables. The aggregate index gives appropriate weight to each variable and to each population group, and takes into account the differential between the two population groups in regard to each indicator and/or variable.

8 The full list of indicators and indexes appears in the Statistical Appendix on page 84.

9 The full list of indicators and indexes appears in the Statistical Appendix on page 84.



Table 2: Communities that served as a sample for part of the index's calculations

District	Jewish Communities		Arab Communities	
		Population– 2005 (thousands?)		Population– 2005 (thousands?)
Northern	Nahariya	49.8	Nazareth	64.3
	Migdal Ha'emek	24.7	Sakhnin	24.4
	Hatzor Haglilit	8.4	Ein Mahl	10.6
Haifa	Kiryat Motzkin	39.8	Umm al-Fahm	41.1
	Binyamina – Givat Ada	10.2	Jisr A-Zarqa	11.1
Tel Aviv and Central	Rosh Ha'ayin	36.9	Taibeh	33.0
	Kiryat Ono	25.4	Tira	20.7
	Yehud – Neveh Ephraim	25.2	Kalansawa	16.9
Jerusalem	Kiryat Ya'arim	3.1	Abu Ghosh	5.7
Southern	Dimona	33.5	Rahat	38.9
	Yeruham	8.6	Kseifeh	9.9

Standardization of the variables: Since the values of the variables include different units of measurements (shekels, people, years, square meters, etc.) there is a need to standardize them. Therefore, we transposed the variable values into percentages relative to the weighted average of the two populations.

The Arab population comprises 19.6% of Israel's population; thus, for there to be equality with the Jewish population, the Arab population should have 19.6% of the pie of resources at its disposal. If less than this is available to it, then it means that the Arab population is being discriminated against, and vice versa. Subsequently, standardization was implemented – this time to units of standard



deviation, thus expressing the differential between the two population groups in regard to each and every variable.

Index values: The values of the index range from 1 to -1, with the value 0 expressing absolute equality between Jews and Arabs. As the value moves toward 1, the index expresses a greater level of inequality in favor of the Jews. Conversely, as the index value moves toward the value of -1, it indicates greater inequality in favor of the Arabs.

6. The weighted index

The weighted index from the five aggregate indexes expresses the distance of the two population groups from the point of equality. Each of the aggregate indexes is weighted according to the relative share of each of the five fields in national expenditure.

The national outlay includes the total of all investments by public entities (the central government, local governments, non-profit organizations), in accordance with their policies and priorities, as well as the total of all private expenditure (households and individuals) in the various fields, in accordance with their abilities and preferences. It turns out, therefore, that the national outlay expresses the final balance between, on one hand, public and private allocations, and, on the other hand, the actual resources – that is, the test of results in each of the fields combined. Therefore, the assigning of a weight to the aggregate indexes in each field in accordance with its share of the national outlay expresses the weight of each of the various fields in public financing policies and priorities, and the preferences and capabilities of private financing.

