WHAT HAPPENED TO US?

How did Israel become a country impossible to live in with dignity?

Mutual responsibility. Equality. Justice. These values make up the core principle that connects all the various struggles for social rights. For the last two decades, the Israeli government has cut budgets and enacted a policy of extreme privatization. Over this period, the state has dramatically withdrawn from its responsibility to provide housing, healthcare, education, employment, and social welfare. “Responsibility” was handed over to the private sector, without offering the citizens of Israel any alternatives or means for coping with the erosion of social rights. The result: social services have dried up, equality has been trampled, and our common goals as a society have been dashed. We offer some frightening and painful statistics.
**Education**

Over the last decade, the Housing Assistance budget of the Housing Ministry has been slashed by 56%.

In 2003, the amount of rent assistance for those ruled eligible was cut in half, and since then it has been reduced by a further 30%.

Despite provisions of the law, not a single apartment in any of the ILA’s public tenders was designated as “affordable housing” or “public housing.” The state continues to sell land to developers without any guiding policy for what should be built on it. Rather than intervening in market trends, the state often encourages them.

**Result**

The rate of people living in their own apartments declined (from 73% in 1995 to 66% in 2008).

Social polarization has increased, as those eligible for rent assistance can only live in disadvantaged areas or impoverished neighborhoods at the edge of cities.

Many strata of society remain without affordable housing. Instead of heterogeneous neighborhoods with housing for all, homogeneous neighborhoods are being built solely for the wealthy, leading to deepening social polarization.

**Healthcare**

Since the late nineties, the real budget for services in the public healthcare sector has declined by 40%. Israel today ranks 25th among developed countries in healthcare investment.

In concert with government cuts in financing the healthcare system, has been a steady increase in the rate of private expenditure for healthcare services.

The number of per capita hospital beds decreased between 1990 and 2010 from 2.3 beds per thousand people to 1.9 hospital beds.

The number of doctors per capita fell from 3.7 per thousand people in 1995 to 3.4 in 2010. These figures are significantly lower than the average for OECD countries.

**Result**

The disparities in health have deepened—with widening gaps between various population groups, between the periphery and the center, between the poor and the upper-middle class.

The middle class has been pressured into paying heavy expenditures for private health insurance, dental care, etc.

Among the weaker classes, especially the elderly, many are forced to forgo essential medical services, including medicine, due to their high cost.

One third of the population forgoes dental care, and the percentage of the elderly missing all their teeth is estimated at more than 50%.

**Employment**

The unemployment rate in Israel is relatively low. The problem lies in low workers’ wages and in exploitative employment conditions.

In 2008, 80% of employees earned less than $22,500 a year (which is 75% of the average wage) 40% of employees earned less than half of the national average.

The average salary of working women is 66% that of male workers.

Independent contract workers make up between 5-10% of the workforce, and an estimated 20% of public services, while the average rate of contract workers in developed countries stands at 1.6%.

**Result**

The supervision over privatized services is weak, and even some of the oversight of these services has been placed in private hands. The result has been a plethora of complaints, including cases where individuals were hurt by deficient services.

There are vast inequalities between the social services provided by various cities and municipalities, and the services provided to various population groups.

**Education**

Over the last decade, 250,000 hours of classroom instruction were cut, with only 100,000 hours returned over the last two years. Expenditure per pupil is lower than the average in developed countries.

Private funding in education has already reached 25% of the national expenditure on education, compared to 15% in OECD countries and 10% in Europe. Expenditure per pupil in the highest quintile was 1.7 times higher than the lowest quintile.

More than half of the local authorities have introduced special courses of study in public schools that involve admissions procedures and/or enrollment fees.

**Result**

Budget cuts in education are expressed in teachers’ salaries, dramatically low for the Western world, the dwindling status of the teaching profession, as well as marked reduction in student achievement. Student scores are below average for the international PISA tests.

Within the framework of public education, two separate systems have been created: one for the rich and one for the poor—sometimes within the same school itself. This reinforces the existing socio-economic stratification, rather than fighting it to give each child equal opportunity for education and development.

**The Social Safety Net**

Over the past decade, eligibility criteria for unemployment benefits have tightened. The period of receiving benefits and the benefits themselves have been reduced.

Income support benefits were cut drastically in 2003 by an average of 30% per family. Other benefits, e.g., property tax reductions and public transportation and rental assistance were either cut or slashed.

The Employment Services budget was cut to a level which is 20 times lower than the average OECD country. Its authority, along with government resources, was transferred to private companies. Many other services (such as job search workshops) were canceled.

**Result**

Today, most of the unemployed are ineligible for unemployment benefits. The rate of benefit recipients among the unemployed fell from 50% in 2003 to 27% in 2010.

One in 4 people in Israel, and one in 3 children, live below the poverty line.

Israel’s Wisconsin Plan failed. 30% of participants withdrew or dropped out and had to survive without income on benefits or work. Only 28% were employed when the program closed. Participants complained of humiliation, harassment, threats and intimidation. Though the Knesset scrapped the plan in 2010, its budget was not returned to the Employment Services budget.
Our social vision is one where education, health, housing, employment and social welfare are not considered consumer goods but basic, inalienable rights to which we are all entitled. Various economic forces can lead to the realization of this vision but the relinquishing of our human rights to the whims of market forces is not one of them. The state must assume responsibility and ensure that every person can adequately exercise their social rights. This will require new government policies to promote social justice, close social gaps and which will devote all the necessary public resources to provide worthy public services to all.