

*Abstract*

The paper looks critically at formal education in Israel in so far as it is conceived as a measure for advancing the welfare of the poor and for mitigating socio-economic gaps. Four major arguments which provide rationales for government's support of formal education are presented and policy implications of these arguments are discussed in terms of the prospects they hold for children and youth from poor families in Israel. Evidence for the actual consequences of implemented policies is searched for in official data and in findings of relevant studies.

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## **Formal Education in Israel: A Social Welfare Perspective**

### *1. Introduction*

The purpose of this paper is to examine some prevailing assumptions and selected evidence regarding the role of formal education in advancing social welfare in Israel. This examination rests on the conviction that formal education, like any other major social institution, even if not conventionally viewed as a "welfare service", can and should be scrutinized for its contribution to welfare objectives. We view social welfare as a set of institutionalized principles which to a greater or lesser extent permeate various social settings, including those which are not usually identified as welfare agencies, programs, or services.<sup>1</sup> In terms of its repercussions for general welfare, a study of formal education is therefore no less relevant than a study of any other service sector. In fact, education may even merit special investigative attention insofar as in Israel and possibly elsewhere, it is accorded a particularly high priority among alternative organized solutions for a wide array of social problems and concerns.

This high priority is manifested in Israel by the diversity of goals commonly supposed to be achieved through formal education. Education is often seen as a tool leading to: cultural and social integration of immigrant sub-groups, prevention of delinquency and deviant behavior, reduction in poverty, bridging of income gaps, increases in economic production and acceleration of economic growth, advancement of scientific development, maintenance of high public morale and a high level of political participation, and the enhancement of military strength.<sup>2</sup>

National expenditure on formal education has been rising in Israel over the past thirty years, and its rate of increase has been higher than in other social service areas. The past thirty years have also witnessed an impressive structural expansion of the Israeli school system: in number and type of schools on all levels; in number and ratio of students; in

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differentiation and specialization of schools in response to specific needs; in investment in educational research; and in compensatory programs. On a superficial level this expansion can be seen in statistics on expenditure. Compare for example, national expenditure on education and health as a percentage of GNP in selected years during the 1960's and early 1970's.

	1962/63	1965/66	1970/71	1971/72	1973/74	1974/75
Education	6.0	7.6	7.7	8.3	8.6	8.6
Health	5.5	5.9	5.6	5.4	6.0	6.1

(Source for Education: Israel CBS *Monthly Bulletin of Statistics*, Supplement July 1977. Table 1, p. 27.

Source for Health: CBS *Monthly Bulletin of Statistics*, Supplement January 1978. Table 1, p. 67.)

Another source<sup>3</sup> informs us that public expenditure on education (as calculated on the basis of 1968/69 data) amounted on the average to 82 percent of the overall cost of education, compared to an average public expenditure of 59 percent of overall cost of health for the same years. Educational subsidy, which is the difference between the cost (which depends on grade level, geographical location, type of curriculum, etc.) and the tuition fees paid by students or parents, amounted to an average of 9.8 percent of a family's disposable income. Comparative subsidies to health services constituted only 6.3 percent of a family's disposable income.

It is of course true that the use of expenditure statistics as an instance of input data involves familiar methodological problems, and that these data have quite a limited significance as indicators of the relative rating accorded to a given policy issue or area of public concern. More indicative perhaps are "soft" data, such as attitudes expressed in the media, or better, some administrative practices or arrangements in certain institutional areas. A few examples will suffice.

Government intervention through educational institutions seem to gain the favour of the public even when the measures resorted to do not significantly differ from the measures of less popular public agencies such as social welfare agencies. Thus, welfare programs administered by the Ministry of Education are usually presented in the media by official and unofficial spokesmen as solutions designed to eliminate problems. Similar programs administered by the Welfare Ministry<sup>4</sup> carry the hand-out stigma, and are referred to not as solutions but rather as concerns which are expected to persist in spite of remedies applied. Children and youth who fail to be serviced by educational agencies (i.e. do not attend schools) are seen as "problem children". The self-same label is attached to those children and youth who *do receive* services from a proper social welfare agency.

Apart from official and media rhetoric, the priority position of formal education in Israel is also reflected in the weight educational credentials carry within the social reward system. A number of recent U.S. studies have found that educational attainment (as measured by number of school years completed) affects individuals' occupational status more than any other measurable factor.<sup>5</sup> This finding has been subject to different interpretations and led to conflicting policy implications. Yet it has become a widely accepted descriptive feature of contemporary free market systems. In Israel educational credentials seem to be more than merely a valuable asset in a competitive market. In usual administrative practice, formal educational attainment serves as a criterion for determining eligibility for all kinds of publicly allocated benefits: whether goods, services, rights or privileges. An instructive example in this regard is the use of the category of "academician" (which includes anyone with educational credentials above high school level) in the procedures of immigrant

absorption. New immigrants to Israel are classified upon arrival into "academicians" and "non-academicians"; each category having different rights in regard to the location of settlement, the quality of housing, the type of language instruction provided, the size of grants and loans, referral to a different placement agency, and the like.

Such policies and practices stand in sharp contrast to pre-State ideology and practice. Formal schooling and educational credentials beyond the level of primary school were considered in pre-State days to be of secondary importance, if not altogether unnecessary. The pursuit of formal education to secondary and post-secondary levels was looked down upon as a careerist choice stemming from selfish considerations. In contrast, a proper career for youth and young adults presumed affiliation with a group whose members were to fulfill roles assigned to them on the basis of collective interest (e.g. agriculture pioneering, underground defense, political party activity).

A double change seems to have taken place: Not only has the value of formal education been elevated, but also individual interest has tended to be increasingly equated with collective interest. The current attitude seems to be that pursuit of formal education constitutes a legitimate advancement of both self-interest and national interest. As such, educational credentials seem to have replaced some of the pre-state criteria for social reward allocation. The change which took place does not designate a shift from ascription to achievement. It designates rather a transformation in the social approval attached to different types of personal achievements, and in the relative prestige of social institutions within which the preferential achievements are acquired. As an evaluative yardstick, credentials of formal education are far more comprehensive than the pre-State criteria for reward allocation. Their acquisition is less bounded by group affiliation, and they better suit the purpose of evaluating independent individuals by allegedly objective and expertise-derived norms (educators' and psychologists'). Above all, since formal education is believed to yield higher productivity, the new criteria for reward allocation serve well the state's objectives of economic development. The discussion of the impact of education in terms of economic development and social inequality will be resumed later in this paper.

In the following pages an attempt will be made to evaluate the soundness of the "educational solution" to welfare problems in Israel. We shall look into four different rationales for the support of formal education by government and public bodies. In so far as these rationales may guide policies, they are bound to have different policy implications and different consequences of policy implementation. Both will be discussed in terms of the promises they hold for children and youth from lower social strata, in particular from poor families.

Concerned scholars and professionals tend to conceive of poverty as either a) a problem of deficiency in material standard of living (primarily income), or b) a problem of inequality in opportunities for personal and social advancement (upward mobility), or c) as social deviance generating problems and concerns for the community and society at large (urban quality of life, economic development), or d) as a problem of a subgroup's marginality, lack of social participation and powerlessness (culture of poverty). These concepts of poverty have counterparts in four different arguments which advocate government's responsibility for providing formal education as a social service. Listed in the order of correspondence, these arguments are: a) formal education as a consumer good provided outside the market primarily as a means to raise living standards of poor families, b) formal education as an investment in human capital expected to yield returns to individuals in future time, c) formal education as an investment in some individuals primarily for the benefit of others: the public at large, d) formal education as a socialization channel intended primarily to integrate marginal sub-groups into the dominant culture and power structure.

The four perspectives on poverty, as well as the corresponding rationales for formal

education vary in sophistication. As will be clarified in the forthcoming pages, some are popular beliefs, while others are assumptions of professionals, practitioners or administrators which may or may not be sanctioned by scientific notions. The categories are clearly not mutually exclusive. But regardless of how much they may overlap, they imply competing and sometimes even contradictory policy options. It therefore seems justified for the purpose of this paper to treat each of the listed viewpoints separately.

## II *Formal education as a consumer good, provided publicly in support of families' standard of living*

Government supported public schooling, like other government-provided in-kind services, is often perceived as a means of maintaining an adequate standard of living for all. This approach conceives of formal education as a consumption good, devised to equalize current standards of living in two ways: First, in modern society school attendance is a way of life and a significant aspect of the standard of living of a young person. Put simply, a juvenile who attends school is considered to be better off than the one who works, let alone the one who neither studies nor works. By providing schooling, government strives to guarantee the consumption of that good by poor as well as rich, and thereby reduce some of the existing inequalities of juvenile living standards. The success in this task depends not only on mere access to schools but also on the differential experience of poor and well-off children within the school system. The extent to which poor and non-poor children in Israel are exposed to similar school experiences will be discussed below in section III.

There is a second way in which public provision of formal education is seen as a possible contribution to raising living standards: The value of free or subsidized schooling can be treated as an added, or an imputed, income accruing to families of recipients. Through expenditures on formal education, the government can in principle regulate subsidies to families, presumably change the income distribution, decrease income inequality, and thereby reduce poverty.<sup>6</sup> In reality, however, the extent to which the income redistribution carried out through public schooling will actually benefit the poor depends upon, in H. Lasswell's apt phrase: "Who gets what, when, how".<sup>7</sup>

Compulsory education in Israel covers 10 years of school: from age 5 (kindergarten) to age 15 (ordinarily through 9th grade but extending to individuals above age 15 who did not complete primary school). This level of schooling which is tuition-free, is financed by central and local government. Pre-school (for children age 3 and 4), high-school (tuition-free by now), and post high-school education - not falling under the compulsory education law - are heavily and increasingly subsidized by public bodies (central and local government, the Jewish Agency, non-profit public organizations). Prior to the recent legislation on free high-school education (to be discussed below), a system of graded tuition fees for high-school was administered by the ministry of education. This system made secondary school education free in fact for children of low income families who sought to pursue their instruction beyond the 10 compulsory years. On the basis of the 1975/76 survey of household expenditure, Achdut<sup>8</sup> found that only 12.2% of all students in 3 top grades of high-school paid full tuition fees; 45% of all students in these grades were fully exempted and paid no tuition at all.<sup>9</sup> Among the latter over 90% belonged to the six bottom income deciles. Analyses of relevant data show, however, that income imputed to families through public educational subsidies is not necessarily an effective measure in reducing inequality in income distribution. Avnimelech found that educational subsidy calculated as a rate from family's income decreased with increase in family's income. It also increased with increase in number of children in a family. Nevertheless, the education subsidy *per child* was regressive: It decreased with increase in number of children.<sup>10</sup>

The same study found that whereas in pre-school and primary school (and to a lesser

extent even in high-school) the size of public subsidy and the level of consumption of education (utilization) increased with number of children in a family, in the higher educational level the public subsidy was regressive: It increased with increase in family's income and decreased with increase in number of children. The size of educational subsidy was found to depend in the last analysis on rates of school attendance in different grade levels. Such rates in turn depend on the number and the age of children in the family, and on country of origin of the family head. Rates of non-compulsory school attendance are lowest in Israel for children whose fathers were born in Asia or Africa. Because of the relatively low rate of school attendance, these families, who constitute the bulk of low-income families, received lower educational subsidies than did families of the same size and same income, but of European or American extraction.<sup>11</sup>

Avnimelech's study examined 3 types of social services: Education, health, and welfare assistance. She found that public subsidies in these three sectors had the combined effect of reducing income inequality by 7.5% (Lorenz index), as compared to 10.5% reduction achieved by direct taxes.

Although enacted under the banner of "equal opportunity", the 1978 law of free secondary education is likely to further diminish the anyway limited impact of public educational subsidies upon the reduction of income inequality. The share of parents in the cost of secondary education through graded tuition fees is replaced in the new law by contributions made to the National Insurance Administration by all earners throughout their working lives irrespective of utilization of services (i.e. rates of high-school attendance).<sup>12</sup> The combination of a regressive base of contribution to the National Insurance, and the relatively low rates of utilization among low income groups, is bound to turn secondary education into a mechanism which is conducive to the widening of income gaps.<sup>13</sup> L. Achdut (see note 8) calculated that families in the lowest income decile will pay under the new law 9.5 times more than they did under the graded tuition fee system; families in the second income decile will pay 3.7 times more, while families of the 7th, 8th and 9th income decile, by contrast, will pay less than they did under the graded tuition fee system.

### III *Formal education as an investment in human capital*

Some advocates of extending the government support of formal education have the notion of schooling as an investment in human capital which is expected to yield future higher incomes, as well as other pay-offs, to the educated individual.<sup>14</sup>

The appeal of this argument for public support of formal education rests on ideological considerations no less than on economic ones. The notion of education as an investment in human capital seems to attenuate somewhat the fundamental ideological conflict of modern welfare-state: the conflict between an egalitarian commitment on the one hand, and the differential reward system based on one's marketable value, on the other hand. This conflict seems to be particularly salient in Israel, where socialist ideas of equality coexist with ideas (or prerequisites, depending on one's view) of a modern market economy. The notion of formal education as a human investment implies that the initial ascriptive inequality in the distribution can be mitigated. Moreover, since returns on investment in the human factor may under certain circumstances exceed pay-offs on investment in other resources, human capital can be regarded as a potential substitute for other resources, and compensate for the latter's absence.

The expectation is that schooling will increase individual chances for higher incomes, higher employment security, more flexibility and adaptability as regards technological change and fluctuations in the labor market, and higher levels of satisfaction with the jobs in particular, and with the way of life in general.<sup>15</sup> By providing formal education of equal quality and quantity to all, irrespective of socio-economic origin, opportunities for the

betterment of life are to be equalized, without affecting the model of an open competitive market in which individuals are said to be rewarded according to their economic value (which in turn is determined by supply and demand). Through equalizing educational opportunities, the starting point for the competitive struggle for differential rewards is being moved from birth to the time of entry to the labor market. At that point, status advantages and disadvantages are to be regarded as the consequences of differential achievement rather than of any ascriptive characteristics, like family socio-economic status, person's genotype etc. The acquisition of formal education is then seen both as an expression of one's investment (private expenditures including opportunity cost, effort, time, delay of psychological and material independence, etc.) and as a reflection of one's market value. On both grounds, the formally educated individual is considered to deserve higher rewards than the one lacking education. In this way, unequal rewards gain moral acceptability: they are taken to have been achieved rather than ascribed. They also gain social desirability as they create incentives for acquiring formal education which is considered essential for economic advancement in the interest of society at large.

Economically and culturally disadvantaged children<sup>16</sup> in Israel seldom have access to the same quantity and quality of schooling as middle class children. Concretely, inequalities persist in terms of material inputs invested in schools (i.e. expenditure per child, equipment, facilities, and extra-curricular services), the quality of teachers (i.e. level of training, academic degrees, turnover), as well as the make up of the classroom environment in terms of economic and socio-cultural background of classmates (i.e. the degree of social and ethnic integration).<sup>17</sup> Despite persistent efforts (in the form of compensatory education, headstart and enrichment programs, enlarged budgets, experimentation with teaching methods and extracurricular development, etc.) the gap between the educational achievement of easterners (Asian and African origin) and westerners (European and American origin) is closing at a slower pace than was expected in the early days of the State. The persistence of this gap has been attributed by Israeli observers and social analysts both to structural features of the educational system, and to the alleged stubbornness of the sub-culture of poverty, fostered and transferred to the young within their families. The explanations of the latter type have the whole range of emphasis, beginning with situational deprivations (such as poor housing conditions or lack of sufficient income), through the emphasis on socio-cultural traits (such as lack of drive for social mobility, low aspirations and motivation), up to the search for a genetic basis for intellectual handicaps. The structural explanations, by contrast, refer mostly either to the geographical concentration of disadvantaged children in rural development areas, in new towns, and run-down neighborhoods in the cities (where primary schools are neighborhood bound and where technical means of social integration, such as busing, are unavailable especially at the primary school level), or to the official (legally prescribed) separation of religious and non-religious schools, or finally to the relative independence of kibbutz schools. All three factors are seen as contributing to the relative segregation of disadvantaged children.<sup>18</sup> On the secondary school level, curricular differentiation (i.e. the academic, vocational, agricultural, and military specializations) backed by financial incentives offered to youngsters attending non-academic secondary schools - initially designed to recruit more youngsters and prevent their dropping out - actually leads to the perpetuation of inequalities which the school system was supposed to eliminate.<sup>19</sup>

In light of this inevitably cursory presentation, can schooling be regarded as a good investment for an Israeli disadvantaged youngster?

In an analysis of Israeli employees' income from work, Amir<sup>20</sup> found that the average effect of formal education (as measured by number of years spent at school) on incomes, tends to grow with transition to higher levels of schooling: Within the interval of 4 to 9 school years (elementary school) an additional year at school was found to result in an

average weekly-earning increase of 3.9 percent. Within the interval of 9 to 12.5 school years, the average increase in weekly income accountable for by an additional year at school was found to be 4.5 percent, and within the 12.5 to 17.3 school years interval 6 percent. The finding thus shows that on the average schooling is a relatively powerful factor of income increase only if pursued up to high levels of formal education.<sup>21</sup> A somewhat different conclusion can be inferred from the findings of earlier studies<sup>22</sup> dealing with rates of return from investments in education. Klinov-Malul, Halevi, Fishelson found that despite the positive relationship between levels of education and income, individual returns from education were only partially profitable in Israel in the periods covered by these studies. Primary education (8 years of school) was found to yield low economic returns on the investments; secondary education was found to yield no more than low returns when completed, and no returns whatsoever when not completed. Some areas of specialization in higher education were found to bring high returns, but on the average investment in higher education was not found to be a good economic investment when measured by prospective individual incomes.

These equivocal conclusions cast doubt upon the validity of the concept of formal schooling as a simple remedy to poverty and to income inequality in Israel.<sup>23</sup> That doubt is aggravated by more recent studies which explored the relationship between socio-economic status and ethnic origin.

The average income of Israeli employees of eastern extraction (i.e. those who themselves immigrated from Asian or African countries or were born in Israel to immigrants from those countries) is lower by some 24% than the average income of Israeli employees of western (i.e. European or American) extraction.<sup>24</sup> Furthermore, the majority of Israeli poor are of eastern extraction, and the incidence of poverty among families of eastern extraction is far higher than among families of western extraction. This difference shows particularly among families whose heads are employed. Thus in 1969 the incidence of poverty among eastern and western families of this type was 17.7 percent and 4.4 percent respectively. Among children from eastern and western origin the gap is even more pronounced: 30 percent and 4.2 percent respectively.<sup>25</sup> These disparities reflect more than differences in levels of formal education alone. Amir found an average difference of 20 percent between income of employees of the two extractions who had an equal level of education and were of the same age.<sup>26</sup>

The income gap between easterners and westerners does not even seem to be affected by the length of residence in the country. Among employees born in Israel, who are of the same age and have a similar educational level, the disparity in average income of easterners and westerners was found to be about the same as the income disparity among the two ethnic groups in the parent generation among which new immigrants were a majority.<sup>27</sup> Hartman<sup>28</sup>, who studied the effect of country-of-origin on occupational status in Israel concluded that between 1961 and 1971 there has been an *increase* in the influence of the former upon the latter. This was found to hold true both among this period's new immigrants and among the second generation, born in Israel.<sup>29</sup>

#### IV *External effects of formal education as a rationale for its public provision*

Apart from returns to the formally educated individual, benefits from formal education as well as costs incurred by failure to acquire it, spill over to a public wider than the actual or potential clients of schools. Thus, for instance, school attendance can be assumed to keep youngsters out of the labor force and off the streets, which means that benefits accrue respectively to adult job-seekers and to residents of neighborhoods unaffected by delinquency.<sup>30</sup> In other cases, benefits derive not from school attendance, but rather from real or presumed acquisition of knowledge or skills through schooling. Thus, specific

employers as well as the economy as a whole presumably stand to gain, from the growth of production attributable to higher educational standards of the available manpower. Society as a whole is believed to gain in social stability and in the strength of its democratic commitment by having a well-educated citizenry.<sup>31</sup>

All these and other possible bodies affected by the externalities of education cannot be always identified for the purpose of either charging them for the costs of the benefits they received, or compensating them for costs borne. This situation may result in what economists describe as a failure of the free market to produce efficiently, since the supply and demand mechanism does not capture all the costs and benefits of education. Under such conditions the provision of education by the government, much like provision of public goods, is justified on grounds of economic efficiency. In plain words, the widespread belief that society as a whole stands to gain from the formal education acquired by some, provides an additional rationale for the growing public expenditure on education in Israel as well as in other western countries.<sup>32</sup>

There is quite a lot of evidence to the effect that a higher level of a country's economic productivity is associated with higher proportion of its population attending schools at all levels: primary, secondary, and post-secondary. Nevertheless, a causal relationship between these two variables is in doubt: a survey of pertinent evidence by R. Collins concludes that the "main contribution [of formal education] to economic productivity appears to occur at the level of transition to mass literacy, and not significantly beyond this level".<sup>33</sup> Collins discusses the difficulties in measuring the relationship between aggregate level of education and overall economic productivity in a given country, and sees the casual attribution of the latter to the former as a fallacy. Cross-national examination of this relationship indicates that there are considerable differences among countries of roughly the same level of economic development, in their school enrollment, in the patterns of economic participation of their formally educated citizens, and in their allocation of capital and labor. Fishelson<sup>34</sup> notes that as a result of high rates of capital growth and increase in size of manpower<sup>35</sup>, the contribution of formal education to economic growth in Israel has been smaller than in the US and Northern European countries. Klinov-Malul<sup>36</sup> argues that under conditions of inflow of capital into the country, the relatively low level of formal education which characterized the majority of new immigrants to Israel in the nineteen-fifties was in a sense an asset for the Israeli economy in those years. In her view, the difference in level of education between new immigrants and veteran Israelis resulted in a complementary relationship between the two manpower groups: The large number of unskilled jobs filled by less educated new immigrants necessitated the establishment of complementary positions of management, supervision, and control in production. The latter were filled primarily by the veteran Israelis who despite being relatively better educated were economically of little value in the absence of the uneducated, unskilled new immigrants.

The relationship between the level of education of the labor force and economic productivity is therefore far from being simple or certain; and examples of pertinent complexities and uncertainties abound, both in Israel and elsewhere.<sup>37</sup> The same is true in respect to another presumed spill over of formal education to society at large. It is popularly believed that low rates of schooling (as measured by percent of children and youth attending school, number of school years completed) bear for the society a cost in the form of crime and delinquency, economic dependency, urban deterioration, psychiatric disorder, alienation and lack of political participation. High rates of schooling, by contrast, are widely accepted as a panacea for a civilized, law-abiding citizenry who practice democratic ideals.

If the correlation between democracy and education really held, recent political history (particularly in Europe) would have assumed a totally different course. As it is, divergences

from democratic ideals and practices have occurred in societies with relatively high level of education, and it was sometimes the well-educated whose divergence was most extreme (i.e. Nazi Germany). By the same token it would be futile to limit our search for the causes of deviance to the ranks of less educated members of society. Studies which point to the correlation between low educational attainment and delinquency or other social ills, do not discriminate between education itself and other attributes such as economic deprivation or ethnic handicap which often go together with poor educational attainment. The fact that in Israel the mentioned correlation has repeatedly been established is no proof that actual causative impact is to be accounted for by education rather than by those other factors.

There is a further difficulty which mars the use of the concept of positive and negative externalities of education, and the resort to this concept in advocating public support of education. Whatever negative effects spillover to society at large from its less educated and uneducated members, such effects are not produced as a result of benefits or gains which accrue to those same individuals. In this case, then, the agent causing damage is entirely different from the paradigmatic industrialist or motorist who inflicts costs on others in the form of air and water pollution. The latter agents cause negative spillover, or public loss, as a consequence of their private gain. The uneducated individual, on the other hand, hardly draws any advantage from his situation. Indeed, if there is any gain in investing in one's human capital, those individuals who failed to acquire formal education are by definition the losers.

#### V. *Public support of formal education rationalized on grounds of national concern for cultural integration*

The fourth and last argument to be examined in this paper as a rationale for government-sponsored formal education focuses on what is traditionally seen as a major social function of schools: the inter-generational transmission of knowledge, skills, habits, attitudes, values, cultural symbols, status expectations, etc. to ensure a measure of structural and cultural continuity and sense of national unity.<sup>38</sup> Certainly, nothing about the socializing function of formal education is unique to Israel. But the problem carries particular weight in a state whose establishment marked the culmination of a movement for national revival, whose immigrants outnumbered its indigenous population, and in which many of the newcomers have undergone a transition from a traditional society to a modern one. It has often been argued that under these circumstances, the acquisition of formal education should not be left to the families themselves, because many families may fail to appreciate the significance of schooling for their children and for society. Other families, even if aware of the significance of formal education, may be too disoriented to be able to help their children, financially or otherwise, to persist and succeed in school. Therefore, the argument goes, out of national concern for the quality of the society which is evolving, the schools, assisted by other social agencies, are to assume priority over families as agencies of socialization and acculturation of the young. This line of thinking is manifested not only in the institution of compulsory education, but also in heavy public support of levels of schooling above and below (i.e. reaching under age five) the compulsory one, and finally, in the high degree of centralization of the Israeli formal education system.

In the capacity of an assimilant of the incoming immigrants, the indigenous minority in Israel in the early fifties (both native-born and old-time immigrants), took upon themselves the authority of defining what integration into Israeli society means, and of prescribing the legitimate means of achieving that goal. Thus, integration was defined to mean, by and large, a one-way adaptation, or adjustment, to the values and standard of the absorbing minority. For the young, schooling was the prescribed vehicle for social adaptation in the new society. It should be noted that the authority to define goals and means for others did not accrue to the indigenous minority automatically on the basis of the length of their

residence in the country. Among the oldtimers or indigenous population, non-Jews<sup>39</sup>, as well as the then minority of Jews born in Asian or African countries, were with some exceptions not admitted to the position of the situation-defining elite. In order to be included in that elite, one had to belong (or be considered as belonging) to the ranks of pursuers of collectivistic ideas of Zionism, and perhaps no less significantly, one had to have ties and affinities with western culture.

The premise that western cultural orientation is an essential prerequisite for developing a modern economy and a democratic social order served to legitimize at one and the same time the dominant position of old timers with roots in western culture and the subordinate position of both old-timers and new comers who lacked such roots. Through this mechanism, socio-economic differences and disparities became routinely translated into cultural terms. Economic poverty and social marginality came to be seen largely as a reflection of a cultural deficiency. In order to advance economically and socially, the poor had to renounce their subcultures which stood in the way of development of qualities deemed prerequisite for success in a modern society. They had to develop aspirations for self-advancement, capacity for deferring gratification, a positive self-image, etc.<sup>40</sup> Conformity to the values, habits, standards of behavior, and in general to the cultural orientation represented by the Israeli western middle class subgroup has thus become a precondition for upward mobility.

An interesting comment on this pattern of acculturation was made by J. Coleman. While discussing school integration in Israel, Coleman reflects on the consequences of keeping the rate of upward mobility of lower class individuals conditional upon their cultural merger into the dominant subgroup. By this requirement, Coleman suggests, cultural subgroups are effectively prevented from forming separate but parallel economic and political structures. The Power position of a single subgroup which dominates the arena is, thus, maintained. In the face of the great heterogeneity of cultures in Israel, the predominance of one subculture functions therefore as a crucial unifying factor.<sup>41</sup>

Within this frame of reference, the schools designed after western models, constitute at all levels a major arena of conversion from the frowned-upon to the preferential subculture. All the curricula and all extra-curricular activities are devised on the assumption that there exists a single homogeneous national culture and that the affinity with the nation as a whole takes precedence over the affinity with one's subgroup.

The Israeli schools have had only a limited success in integrating the culturally disadvantaged youth. This is evidenced by scholastic achievement data, drop-out rates, proportions of children of eastern origin graduating from high-schools and continuing at universities as well as by findings of studies on intergroup interactions, attitudes and relations within ethnically homogeneous and heterogeneous classes.<sup>42</sup> In an article on ethnic integration in the junior school, Chen, Levi and Kfir conclude that neither the achievement gap nor the gap with respect to continued schooling between the two ethnic groups has been diminished in integrated classes. Nevertheless the authors judge the experience in school integration as a success since they find...

"signs that students of the Asian-African group are drawing closer to the major values of the European-American group...For example, there was a reduction in the degree of ethnic group-identification, an increase in the level of aspirations, and a tendency towards a more internal locus of control. The observed lowering of self-image in the Asian-African group, which may be viewed by some as a high price to be paid for integration, might serve to reduce the crisis of future contact with the achievement oriented mainstream of Israeli society."<sup>43</sup>

Despite the fact that school integration failed to equip students from Eastern origin with what is claimed to be essential for advancement in the competitive Israeli society, they were successful in implanting in these students those principles which legitimize the domination of the western establishment: notably the ideology which asserts that formal education

and the credentials it bestows are both fair and essential prerequisites for one's social advancement; and that whatever improvement of economic condition won without a concomitant improvement of educational standing is bound to gain little social approval.<sup>44</sup> In this sense schools in Israel might be seen as performing a significant ceremonial function<sup>45</sup> of legitimizing social inequality rather than mitigating it.

Cet article examine d'une façon critique l'éducation formelle en Israël pour autant qu'elle est conçue comme un moyen d'améliorer le bien-être des pauvres et de réduire les écarts socio-économiques. Il présente quatre arguments majeurs évoqués pour obtenir le support du gouvernement et commente leurs implications politiques quant aux possibilités qu'elles permettent d'espérer pour les enfants et les adolescents issus de familles pauvres. Il tente de prouver les conséquences de la politique actuelle en se basant sur les données officielles et sur les résultats des études importantes.

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### Notes

<sup>1</sup>H. Shlonsky, *Toward a Framework for Analysis of Social Welfare Institutions*. Social Service Delivery Project Working Paper C-1 (Chicago, The University of Chicago, The Center for the Study of Welfare Policy, 1972).

<sup>2</sup>One is tempted to speculate that reliance on formal education as a solution to these diverse problems may conceal discrepancies and even conflicts between various social goals. If indeed economic growth, elimination of poverty or equalization of income, and military prowess can all be achieved by the same single means of formal education, then incompatible goals may indeed look like compatible ones. Much as such logic may be debatable, it may serve as an effective component of an official national ideology.

<sup>3</sup>M. Avnimelech, "The Influence of Public Expenditure for Social Services on Redistribution of Incomes", *Bitachon Soziali* 6-7 (1974): 64-85 [Hebrew].

<sup>4</sup>Compare for example public attitudes as well as magnitude of resources directed to the placement of adolescents from poor families in residential schools, when handled by educational agencies and by welfare agencies. M. Smilansky, S. Weintraub, M. Hanegbi, eds., *Child and Youth Welfare in Israel*. (Jerusalem: The Henrietta Szold Institute for Child and Youth Welfare, 1960), chp. 10, 11, 21.

H. Shlonsky and Z. Zisskind, *Residential Education Policy*. working paper (Jerusalem: World Institute, 1975 [Hebrew]).

<sup>5</sup>See P. M. Blau and D. D. Duncan, *The American Occupational Structure*. (New York: John Wiley, 1967). J. S. Coleman et al. *Equality of Educational Opportunity* (Washington D.C.: Government Printing Office, 1966). C. Jencks et al. *Inequality* (New York: Basic Books, 1972).

<sup>6</sup>Like other in-kind provisions by government, subsidies for education for the sake of affecting the recipients' living standards, are often preferred to cash assistance or money transfers. In-kind provisions are believed to be less of a disincentive to work, and to produce less dependency among recipients.

<sup>7</sup>H. D. Lasswell, *Politics, Who Gets What, When, How* (New York: McGraw Hill, 1936).

<sup>8</sup>L. Achdut, "The Influence of the Method of Financing Secondary Education on Income Distribution", Appendix 1, in *Report of the Committee for Examination of Financing Tuition in Secondary Education* (Jerusalem: The National Insurance Institute, 1978 [Hebrew]).

<sup>9</sup>Tuition fees paid by parents constituted about 20% of the cost of education in grades 10, 11, 12. Committee for Examination of Financing Tuition in Secondary Education, *Report to the Minister of Education and Culture* (Jerusalem: The National Insurance Institute, 1978 [Hebrew]), p. 15, table 3.

<sup>10</sup>Avnimelech, Table 3, p. 82 (see note 3 above).

<sup>11</sup>The overall high-school attendance in Israel has grown considerably over the years. For example, among Jews in age cohort 14-17, the percentage of those who attended school was in 1967: 62%, in 1970: 66.8%, in 1973: 69.2% and in 1977: 74.8%. Among children of the same age group from Asian or African origin attendance in the same years was: 51.2%, 54.9%, 59.2% and 67.9% respectively. Israel Central Bureau of Statistics, *Statistical Abstract of Israel*, 29 (1978): 677.

In 1976, the rate of school attendance in the bottom income decile was 44%, in the 9th decile 94%, and in the top decile 81%. Achdut, Table 4, p. 11 (see note 8 above).

<sup>12</sup>The contributions are 0.4% of the taxable income up to a ceiling of approximately twice the average salary: 0.3% to be paid by the employee and 0.1% by the employer.

<sup>13</sup>See W. L. Hansen & B. A. Weisbrod, "The Distribution of Costs and Direct Benefits of Public Higher Education: The Case of California", *Journal of Human Resources*, 4 (Spring 1969): 176-191. These authors found that an upward redistribution from poor to rich took place with respect to the higher education system in California.

<sup>14</sup>See M. J. Bowman, "The Human Investment Revolution in Economic Thought", *Sociology of Education* 39, 2 (Spring 1966): 111-137, for the development of the concept in economic thought, and some of its repercussions for educational planning.

<sup>15</sup>See B. A. Weisbrod, "Education and Investment in Human Capital", *Journal of Political Economy* 70, 5 (1962): 106-123, for discussion of returns on formal education.

<sup>16</sup>The term "culturally disadvantaged" is used in Israel to refer to Jews of North-African or Asian extraction, who form a majority among low income families and who in school are handicapped by low scholastic achievement, and after school by low educational attainment as measured by number of school years completed.

<sup>17</sup>See A. Minkovitz et al. *Evaluation of Educational Attainment in Elementary Schools in Israel* (Jerusalem: The Hebrew University School of Education, 1977 [Hebrew]), who, under Coleman's influence (see note 5 above), have carried out an evaluative study of educational achievement of Israeli primary schools. The study examines educational achievement among elementary school children from different cultural backgrounds, focussing particularly on the disadvantaged child.

<sup>18</sup>See Israel Bureau of Statistics, *Statistical Abstract of Israel*, 29 (1978): 673, Table 22/24, for the percentage of Jewish pupils studying in ethnically homogeneous and heterogeneous classes in new and old urban state-religious supervised schools.

<sup>19</sup>E. Yuchtman (Yaar) and Y. Samuel, "Determinants of Career Plans: Institutional Versus Interpersonal Effects", *American Sociological Review* 40, 4 (1975): 521-531.

<sup>20</sup>S. Amir, *Income from Work of Employees in Israel in 1968/69*, Falk Institute for Economic Research in Israel (Research Series 42, 1975) [Hebrew]. This study analyzes data collected by the Central Bureau of Statistics' survey of families' expenditures 1968/69. The sample is confined to Jewish urban employed males.

<sup>21</sup>In the same year (1969), 82% of heads of families defined as poor on the basis of their income had no more than 8 years of school, as compared to 44.3% of heads of non-poor families. Table 5.9 in J. Habib, *Poverty in Israel Before and After Receipt of Public Transfers*, Discussion paper no. 4 (Jerusalem: The National Insurance Institute, 1974), p. 53.

<sup>22</sup>R. Klinov-Malul, *Profitability of Investment in Education in Israel*, (Jerusalem: Falk Institute for Economic Research, 1966 [Hebrew]). H. Halevi, *Income Differentials in a Group of Employees in Israel 1957/58 to 1963/69*, (Jerusalem: Bank of Israel Department of Research, 1968 [Hebrew]). G. Fishelson, "Returns on Investment in Education", *Rivon Lecalcala* 17, 65-66, (1970): 39-46 [Hebrew].

<sup>23</sup>A more exhaustive discussion of the effect of formal education on poverty should go beyond the relationship between schooling and income or occupational attainment. For example, inasmuch as decrease in birth rates is found to be associated with acquisition of formal education, the latter might be regarded as a remedy to poverty even if it does not directly affect income, but merely the number of the supported heads in the family. Nevertheless, a positive association between formal education and birthrate by itself has no clear policy implication, because there may well be a more efficient way than formal schooling to lower the birth rates.

<sup>24</sup>S. Amir, "Income Disparities of First Generation Settlers", *Rivon Lecalcala* 23,90 (1976): 210-224 [Hebrew].

<sup>25</sup>Tables 6.1 and 6.2 J. Habib (see note 21 above). Note also that in 1976, 28 percent of the Jewish families from Asian or African origin in Israel were supported by welfare assistance (relief) as compared to 9 percent of the Jewish families from European or American extraction (Misrad HaSaad, *Pirsumim Statistiim*, 10 (1977): 3, table 5.) [Hebrew].

<sup>26</sup>S. Amir (see note 20 above), shows that when the factors of "length of stay in the country" and "type of occupation" are controlled, the difference between the groups is reduced by 8 percent. The remaining 12 percent of unexplained difference in income is statistically significant.

<sup>27</sup>S. Amir, p. 217 (see note 24 above).

<sup>28</sup>M. Hartman and H. Eilon, "Ethnicity and Stratification in Israel", *Megamot* 21, 2 (1975): 120-139 [Hebrew with an English summary].

<sup>29</sup>Similar trends are detected by Y. Matras and D. Weintraub, "Inter-generational Mobility in Israel", *Rivon Lecalcala* 23, 90 (1976): 254-269 [Hebrew], and Y. Matras and D. Weintraub, *Ethnic and Other Primordial Differentials in Intergenerational Mobility in Israel*, Discussion paper 25-77, (Jerusalem: Brookdale Institute, 1977).

<sup>30</sup>For findings which challenge this assumption see D. S. Elliott and H. L. Voss, *Delinquency and Dropout* (Lexington, Mass., Lexington Books, 1974).

<sup>31</sup>See B. A. Weisbrod (note 15 above) for an attempt to map out the potential beneficiaries of formal education.

<sup>32</sup>Educational policies dictated by this rationale, stand in potential contradiction to policies which originate in the notion of economic returns to the individual from investment in education. Thus, policies aiming at overall social goals such as "economic growth", "cultural integration", or "social equality" may require different school structures and/or different curricula than policies designed to equip as many individuals as possible with skills which are in high demand in the market place and which promise economic returns to students in the future.

<sup>33</sup>P. 1006, R. Collins, "Functional and Conflict Theories of Educational Stratification", *American Sociological Review* 36, 6 (1971): 1002-1019.

<sup>34</sup>See note 22 above.

<sup>35</sup>Increase in the size of the labor force in Israel has occurred in the 1950's and in the 1960's primarily as a result of immigration. In the 1970's the increase was primarily due to the Arabs from the occupied territories working in Israel.

<sup>36</sup>R. Klinov-Malul, "Absorption of Immigrants and Income Disparities", in *The Integration of Immigrants from Different Counties of Origin in Israel*, A symposium, (Jerusalem, The Hebrew University, Magnes Press: 1969, pp. 97-108 [Hebrew]).

<sup>37</sup>I. Berg, *Education and Jobs* (New York: Praeger, 1970).

<sup>38</sup>This traditional view of formal education as a channel of socialization has in recent years been criticized. Yet at the same time it was also further developed and refined by penetrating analyses. For an illuminating example see J. W. Meyer, "The Effects of Education as an Institution", *American Journal of Sociology* 83, 1 (1977): 55-77.

<sup>39</sup>Non-Jews, almost all of whom are native Israelis, constituted 17.9% of the total population in 1948, and 15.8% in 1977 (Statistical Abstract of Israel No. 29, 1978). Israel Bureau of Statistics, *Statistical Abstract of Israel*, 29 (1978): 57, Table 2/21.

<sup>40</sup>To be sure, throughout the past 30 years, some Israeli critics have warned against this acculturative stance. Most of the criticism has been based on apprehension as to the psychological damage, political harm, and cultural loss which may result from obliterating cultural and traditional attachments of subgroups. However, hardly any doubts were ever raised in this ongoing debate as to the merits of the western middle class culture as the acculturative destination. These merits seem to have been a foregone conclusion. See for example, C. Frankenstein, "The Problem of Ethnic Differences in the Absorption of Immigrants", C. Frankenstein ed., *Between Past and Future* (Jerusalem: The Henrietta Szold Foundation for Child and Youth Welfare, 1953) pp. 13-32.

<sup>41</sup>J. S. Coleman, "School Integration in Two Societies", *Megamot* 23, 3-4, (1977): 261-264 [Hebrew, English summary]. In the abridged English version of this paper this argument is missing.

<sup>42</sup>For evidence regarding ethnic integration in elementary schools in Israel see, Committee on Disadvantaged Children and Youth, *Report to the Prime Minister*, Supplement 4: Preschool and Elementary School Education, Jerusalem (1974) [Hebrew]. Also A. Minkovitz et al. (see note 17 above.). The best recent source on school integration in the middle school are articles included in a special issue on this topic of *Megamot* 23, 3-4, 1977 [Hebrew with English summaries].

<sup>43</sup>M. Chen, A. Levi, D. Kfir, "The Possibilities of Interethnic Group Contact in the Junior High Schools: Implementation and Results", *Megamot Ibid*: 101-123 (p. XII of English summary).

<sup>44</sup>An instructive exception to this rule are the kibbutzim which by and large have been an economic success, and yet have not adopted the educational merit system. Their high status in the Israeli society derives from their special historical role. In contrast, it is interesting to note that children of some rather wealthy families (for example: children of immigrants from the 1950's who have done well in agriculture, as contractors in the building industry, or in the wholesale market) are automatically classified as "culturally disadvantaged" and in need of compensatory treatment, by virtue of the classificatory criteria of the Ministry of Education. These criteria do not include income nor housing conditions, but merely father's country of origin, father's educational attainment, and number of children in family. The latter three criteria are claimed to be the best predictors of scholastic achievement.

<sup>45</sup>J. W. Meyer (see note 38 above).