

The Other National Debt

by

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As national debts go, Israel's has traditionally been one of the highest in the western world. When governments spend more than they make, budget deficits result. These need to be financed through borrowing, which in turn increases what the national debt. And when the debt is high, the country needs to pay back not only the principal, but must also make interest payments. Although Israel has managed to substantially reduce the size of its debt over the past couple of decades – and as a result, interest payments have fallen significantly – the share of GDP that we need to divert just to interest payments is still over two times the OECD average. This penalty that we pay for not living within our means, in the form of interest payments, is still more than twice Israel's entire primary and secondary education budget. In this reality, the main question is where to cut the budget – which brings us to the other national debt, the informal one.

Dozens of missiles fired relentlessly at the heart of Israel's sovereignty, by an implacable enemy that does not recognize our basic right to a national home in our ancestral land, necessitated the distribution of emergency call-up orders to thousands of civilians. As with each previous generation since the State was born, these individuals had to stop whatever they were doing – impinging yet again on their ability to compete with those who do not bear this burden – and make the difficult and dangerous transformation from civilians to soldiers. Their sacrifices enable our existence, and there is no better time to remember them than now. It is to them that we owe our other national debt.

How are these two national debts related? After the fighting subsides and we return to normal, the budgetary debt – which needs to be reduced – replaces the moral debt in the collective public conscience. One of the more vivid expressions of this is the issue of academic tuition in Israel's public universities. An 18 year-old Israeli faces a choice between two alternatives. In the first, he or she can choose the personal fulfillment track instead of the national service route. In the second, a willingness to serve one's country requires suspension of any personal pursuits – higher education, career and compensation – for several years. After giving up three years of their lives for the common good, these individuals get released from the army and are then “rewarded” with annual callups for reserve duty that continue for decades and take them away from their jobs and families – sometimes permanently.

When the State of Israel subsidizes post-secondary education for all, the outcome is a substantial public expenditure. In light of the large budgetary national debt, it is no wonder that Israel's governments want to reduce subsidies. But they do so while completely ignoring the moral national debt.

In the greatest war, Winston Churchill spoke about how never before had so many owed so much to so few. After that war, and since then, the homeland of western capitalism, the United States, decided to subsidize its soldiers' academic studies with the GI Bill. Our national debt to those who put themselves in harm's way so that we may live is no smaller than America's obligations to the sons and daughter who serve it. An Israeli version of this commitment also needs to include national civilian service by Israel's Arabs – among other things, to bring them into the main fold of those who contribute to and receive from their country.

While the country is obliged to provide financial support to those who serve it, it must completely stop all financial support to the “free riders”: those individuals in universities, colleges and yeshivas who prefer to let others bear the national burden while they remain free to pursue their dreams. The least that these people should do is to bear the full cost of their studies.

In order to subsidize the studies of those who serve their country – and to prevent enlarging the budgetary national debt – Israel must enable its higher education institutions to allow select departments to move to an English-language curriculum. As a result, the Israeli graduates will be better prepared for a global marketplace while foreigners will be able to enroll, pay tuition that is high by Israeli standards – but relatively low by comparable international standards – and graduate from universities that are still among the best in the world.

This will make it possible to pay off one national debt without increasing the other national debt – with the added benefit of creating goodwill ambassadors who will return to their home countries at the end of their studies in Israel.