

The Third Tuition Option

by

Dan Ben-David

Should we raise or lower tuition in the Israel's public universities? The fact that there are valid arguments made at both ends of the polarized spectrum has not proven very conducive for solving one of the most serious problems currently deeping the country's academic crisis. But there is a third tuition option for solving this issue, an option that connects between the compelling facts underlying the two opposing positions and brings them together with additional elements barely visible on today's public radar.

Twenty years ago, undergraduate tuition at public American universities was 8.5 percent of U.S. GDP per capita (the common measure for living standards). In Israel, undergraduate tuition reached 15 percent of the country's GDP per capita. Since then, the two countries switched places. In the 2005/2006 academic year, the ratio of tuition to GDP per capita rose to 14.7 percent in the States and it fell to 9.6 percent in Israel.

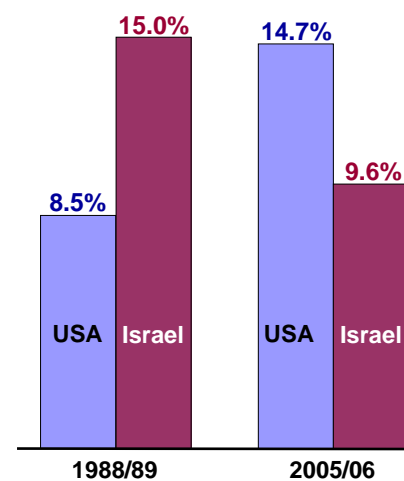
When this is the only vantage point that one takes on this issue, it is not hard to understand the insistence by some that Israeli tuition fees be raised. In addition, the probability that a university graduate will find employment is higher than that of a high school graduate, while the salaries of individuals with BAs are higher as well. Hence, it is only fair that students be required to finance their education.

On the other hand, the higher the share of college graduates in the population, the greater the national ability to assimilate, utilize and develop new technologies and managerial abilities – a benefit for the entire society, including those who never stepped foot inside a university. Therefore, there is justification for society to participate in funding academic studies (this does not even take into account the fact that a large part of academia's cost is the funding of basic research).

But the Israeli scene is unique in additional realms as well. Part of the country's population loses years of market income as a result of mandatory military service. Furthermore, the older a person is when beginning academic studies, the greater the personal obligations and responsibilities, compared with those borne by the much younger American undergrads. And there is an additional detail that should be taken into account: Israel subsidizes the studies of Jews who choose not to serve their country – including those among the ultra-orthodox who also choose not to work.

Consequently, the third option for solving the tuition issue merges a number of national priorities. It is in our interest to draw closer to the Israeli narrative two segments of the population that will become a majority in one generation. It is vital that we stop discriminating for and against (depending on who, and depending on the issue) ultra-orthodox and Arab Israelis, and begin providing equal rights alongside the requirement of equal obligations.

Annual undergraduate tuition
in public universities, as percent of GDP per capita



source: Dan Ben-David, "Brain Drained (2008)".

Just as the Americans enacted the GI bill after World War II in order to assist demobilized veterans receive an academic education, Israel should behave similarly towards those who sacrifice years of their lives in the service of their country. Every healthy Jew that serves three years of military service and every Israeli Arab that does three years of national civilian service – even in his/her own community – or military service, should be eligible for reduced tuition and for non-interest bearing loans that cover tuition and subsistence for the duration of the studies.

Every healthy individual who does not serve his/her country should not receive any public support whatsoever for any sort of studies after the age of 18. These individuals should pay the full price of universities, yeshivot or any other institution that they wish to study in.

Moreover, it is important to utilize the fact that Israeli universities are among the best in the world and academic studies in fields like management, economics, computer science, engineering, medicine and so on should be opened to foreign students who will pay much higher tuition than Israelis, but lower in comparison with universities of a similar caliber abroad. Since it is difficult to exaggerate the importance of being able to read and express oneself in English in these fields, Israeli students will graduate more prepared into a globalized marketplace while many foreigners will return home with a new familiarization of a young, vibrant and humane Israel that is not usually visible in the international media.

The problem is that even if this third tuition option is equitable and reasonable, it has no chance of ever passing in our current system of government. The inherent structural instability, the incentives for supporting sectoral rather than national priorities, the systemic inducements that spur cabinet ministers to work only for themselves and against the prime minister (without relation to any particular individual who may happen to hold the post at any given time) – all of these prevent Israeli governments from putting forth and adopting long-term strategies in many different areas, including some that are existential.