

## Index

- academic research, 456, 458
- Africa Israel, 296
- aggregate concentration, 272–275, 281–285, 289, 291, 299
  - conceptual overview, 273–276
  - evaluative model, 280–289
  - history in Israel, 276–280
- agriculture, 13–14, 304, 435, 514, 530–531, 597, 602
- air transport, 15, 305
- Arab Spring, 128, 181
- Arabs, 372, 386–387, 415, 416, 417, 420–421, 498–499, 500–502, 504–507, 514–520
  - children, 429
  - education, 448–449, 488
  - labor force participation, 382, 397, 404–405, 418
  - life expectancy, 488
  - men, 415
  - poverty rate, 386
  - preference disparity, 386–387
  - wage levels, 406, 416, 422, 431
  - women, 410
- Arrangements Law, 47
- asset markets, 170–171, 172, 174, 193, 198–199
- asset prices, 119, 156, 174, 175
- Avney Roshia Institute, 461
- Bachar Committee, 205, 210, 212–213, 225, 246
- Bachar Reform, 12, 208, 210, 211, 213, 215–216, 221, 227–228
- balance of payments, 138–141, 146–148, 150, 152, 156, 157, 164, 166
  - current account, 18–20, 138–142, 147–148, 150–151, 152–154, 156–157, 164–165, 166
- Bank of Israel
  - Annual Reports, 42, 58, 66, 109, 191–192
  - budget forecasts, 62
  - capital requirements for mortgages, 564
  - credit database, 232
  - Credit Rating Register, 12
  - deficit reporting, 51
  - exchange rate management, 176
  - foreign exchange market interventions, 120–122, 126–127, 150, 158, 161, 163, 188
  - foreign exchange reserves, 157, 160, 163
  - forward guidance, 122, 129
  - functions, 115, 116
  - independence, 117
  - interest rate adjustments, 8
  - interest rates, 118–119, 129–131, 179, 188–189, 190, 562
  - monetary policy
    - post-2008, 125–131
    - pre-2008, 122–124
  - monetary policy interventions, 104
  - monetary policy management, 118
  - price-stability target, 116
  - regulatory function, 232
  - regulatory laws, 116
  - sovereign wealth fund estimates, 150
  - State-of-the-Economy index, 171, 191
  - T-bill issuance, 161
  - wage analysis, 507
- banking, 16
- Banking Supervision Department, 128, 231
- banks, 210, 211, 212–215, 217, 218, 225–230, 231
  - Bachar Reform, 12, 208, 210, 211, 213, 215–216, 221, 227–228

- banks (cont.)
  - Basel II regulations, 230
  - holdings limits, 205
  - provident fund sales, 212
- Basel II regulations, 230
- basket of services, 467, 469, 476–477, 490
- Bejski, Moshe, 212
- Ben-Gurion, David, 538
- Bezeq, 14, 15
- Bonacich Index, 289
- bonds, 230
  - corporate, 10, 227, 230, 251, 253
  - government
    - earmarked, 209, 245, 246, 251, 253, 267–268
  - nongovernment, 206, 207, 230
  - nontraded, 228–230
  - US treasury, 184
- Brodet Committee, 16, 205, 208
- bromine, 317–319
- Budged Foundations Law, 47
- budget
  - execution stage, 49–51
  - management, 47–56, 70
    - debt ratio, 63–71
    - deficit, 57–63
  - preparation, 47
  - revenue forecasts, 48–49
- budget implementation, 47, 50, 54
- bus companies, 14
- business cycles, 45–46, 57, 83, 122, 159, 294, 299, 382
- business group (BG), 17, 275, 277, 278–280, 283, 284, 291–300
- Camp David Summit, 172, 194–195
- capital, 18, 24, 34, 157, 350, 352, 537, 539
- capital, physical, 337–338, 340, 346, 350, 351–352, 353, 356, 357
- capital flows, 10, 27, 119, 151, 157–158, 159–161, 165, 238
- Capital Market Authority, 232, 252
- capital markets
  - government withdrawal from, 205
  - inflation and, 112, 114, 123, 125
  - reform, 10
- capital revenues, 51
- capital-output ratio, 25–26
- Central Bureau of Statistics
  - Consumer Price Index, 112
  - healthcare statistics, 469
  - labor force surveys, 435
  - Socioeconomic Survey, 255, 262
- Child Allowance, 424
- children, 399–400, 405, 415–421, 425–426, 429, 437–441, 497, 507–509
  - number per household, 372, 382
- citations, 456–457, 461
- commodity market, 1
- communications industry, 14–15, 18, 528, 531, 532, 534, 552
- computer science, 33, 441, 453, 458, 546, 550
- concentration (industrial)
  - banking, 218
  - of capital, 275
  - evaluative model, 280–289
  - financial intermediaries, 217
  - historical overview, 276–280
  - See also* conglomerates; monopolies
- Concentration Committee, 17, 294
- congestion, 26
- conglomerates, 16–17
- Consumer Price Index. *See* CPI
- corporate governance, 207, 218, 219, 223, 232–233, 235
- Council for Higher Education Law, 401, 407
- CPI (Consumer Price Index), 51, 52, 59, 107–108, 112, 128, 209, 246
- Credit Rating Register, 12
- currency
  - exchange rate
    - appreciation, 20, 26, 44, 129
    - discriminatory policy, 13
    - economy dependence on, 104
    - effective, 120, 129
    - government interventions, 106, 121, 124
    - housing price indexation, 123
    - stability, 139
    - targets, 115
  - foreign, 150, 161–162, 163–165, 187–188, 206, 323
  - BOI purchases, 124, 126, 128–129
  - BOI reserves, 156, 160–161, 164, 198

- foreign exchange market, 120–122, 124–125, 126–127, 132, 176, 185–188, 190–191
- systemic regulation, 115
- trading, 104
- value, 18, 125, 128
- current account, 18–20, 138–142, 147–148, 150–151, 152–154, 156–157, 164–165, 166
- Cyprus, 309–310
- Czech Republic, 64, 83, 389–390
- Dead Sea, 317–319, 324
- Dead Sea Works Assets Law, 321
- debt ratio. *See also* GDP, 41, 44–45, 50–52, 54, 63–65, 68, 71
- defense expenditure, 6, 36, 168
- Defensive Shield Operation, 69
- deficit ceiling, 50, 57, 58, 62
- deficit targets, 44–46, 48–49, 51–52, 57–59, 60, 63, 68
- defined-contribution principle, 11
- density index, 286
- developing countries, 23, 330–331, 365, 438, 443
- disinflation process, 105, 106, 115, 132
- Druse, 496–497
- Dutch Disease, 150, 323
- Earned Income Tax Credit, 400
- economic freedom, 31
- Economic Freedom of the World Index, 30
- economic growth, 3, 6, 18, 21, 362–364, 366, 431, 437
- economy, 12
- education, 334, 335, 336, 398, 407–411, 428, 435–436, 451, 499–507
  - adult skills, 28, 329, 339, 441–442
  - class size and discipline, 433, 446, 447
  - demographic variation, 337, 398, 428, 504
  - employment and, 398, 404–405, 435, 490
  - expenditure levels, 28, 35, 67, 324, 443, 450–451, 475
  - expenditure, 455
  - funding distribution, 433, 448–454
  - government expenditure, 36, 449–450, 502
  - immigrants, 377
  - income and, 33, 332, 406, 427, 436, 490
  - inequality and, 33
  - inputs and pupil achievement, 433, 434, 442
  - Jewish–Arab gap, 28, 36
  - labor, 381
  - levels, 239
  - Ministry, 578
  - numeracy, 329–330, 341, 343–345, 351, 352–353, 355–356, 357
  - parental and educational attainment, 37, 433, 438
  - quality of, 436–442
  - regulation, 70
  - rising levels, 335
  - secondary, 28, 407–411, 437, 441, 459, 460
  - STEM, 454
  - universities, 33, 441, 445, 453–456, 461
  - upward trend, 238
- education
  - Jewish students, 28, 499, 501, 502, 550
- education. PISA scores, 28, 437, 447, 459
- efficiency factor, 15
- Egged, 14
- Egypt, 3, 93, 148–149, 169, 180, 181, 310, 339
- elderly people, 239, 243, 247, 260, 262–267, 268–270, 465, 468
- employment, 397, 398, 399, 400, 401, 402, 404–405, 406–420, 421–428, 429–430, 503, 505–506
  - by age group, 412, 415
  - demographic variation, 412, 418
  - disposable income and, 401
  - education and, 410
  - families with children, 424
  - full, 9
  - by gender, 409
  - heads of households, 416
  - industrial, 331
  - inequality and, 368

- employment (cont.)
  - low-income workers, 400, 418
  - minimum wage and, 379
  - rate, 397–398, 400–404, 405, 407–410, 412–416, 424–429, 430–431, 435–436
  - See also* unemployment
  - relative to OECD countries, 397
  - single-person households, 405
  - skilled workers, 410
  - ultra-Orthodox men and Arab women, 428, 498
  - unionisation and, 35
  - women, 410, 416
- environmental policy, 588, 597, 599, 600, 603
- European Central Bank, 189–190
- European Union, 8, 13, 337
- event-study methodology, 174
- excess profit tax, 307, 313, 317, 318
- expenditure ceiling, 44–46, 56–57, 58, 59–63, 68
- exports, 18, 119, 139, 140–147, 149–151, 191, 323–324
  - composition, 18
  - contribution to growth, 21
  - demand for, 125
  - econometric analysis, 143–147
  - goods, 142
  - growth and, 141, 142–146
  - growth rate, 141
  - high-tech, 143
  - increase in volume, 18
  - services, 18, 142–143
  - world trade volume and, 142
- FAO, 14
- Fat Man–Thin Man, 5
- financial markets, 8, 11, 104, 158, 173, 182, 183–185, 189–191
  - liberalization, 158
  - structural reform, 1
- fiscal policy, 13, 29–30, 41–43, 44–45, 52, 54, 74, 75, 105
  - 1999–2003 period, 53
  - 2003–2007 period, 54–56
  - 2008–2011 period, 56
  - 2011–2016 period, 56–57
- deficit target, 44–46, 48–49, 51–52, 57–59, 60, 63, 68
  - institutional reform and, 46–47
  - stabilization program (1985), 1, 14, 29–30, 56, 103, 106, 234
  - stabilization program (2003), 46, 54, 56, 69, 88, 103
  - tax policy and, 84–87
- fiscal targets, 43, 46, 50, 63
- fixed assets, 311, 318–319, 336–338
- forecasts, 48–49, 55, 62, 84, 175, 269, 478, 496
- foreign currency, credit, 161, 163
- Foreign Direct Investment (FDI), 18, 159, 532
- foreign exchange market intervention, 118
- foreign exchange reserves, 157, 160, 163
- foreign trade, 13, 277
- forward guidance, 105, 118, 122, 125, 132
- Gaza Strip, 3, 60, 170, 172, 182, 192–193, 195, 198
- GDP, 5, 6, 53, 54, 55, 56, 57, 63, 64, 65, 66, 68, 69, 74, 75, 76, 84–88, 141, 151–152, 470, 471
  - congestion costs as share, 26
  - current account, 141, 147, 154, 156
  - debt ratio, 63–65
  - defense spending, 540
  - defense spending as proportion, 6
  - deficit ratio, 54, 58, 59, 63, 87, 151
  - education and, 459
  - energy imports as ratio, 149
  - external debt ratio, 156
  - fixed assets, 337–338
  - government investment as share, 6
  - imports and, 18
  - interest payments as share, 6
  - overseas investment, 151
  - per capita output, 333
  - private sector share, 4, 29, 43, 45
    - industry, 291
    - social security, 388
  - public debt ratio, 2, 7–8, 42, 43, 65, 70, 85, 87
  - public sector share, 5, 19, 46, 54, 57, 68, 74
    - education spending, 28, 36, 469
    - health spending, 471–473, 486–487

- healthcare spending, 35
- infrastructure investment, 26
- privatization proceeds, 64
- R&D expenditure, 537
- savings as share, 27
- taxation proportion, 69, 75–76, 82, 86, 88
  - corporation, 82
- Germany, 83, 151, 157, 366, 389–390
- Gini coefficient, 368, 384, 387, 390
- Gini index, 32, 362, 369, 384, 386, 389
- global financial crisis, 7, 8, 56, 104, 106–109, 121, 124–127, 132, 229
  - interest rates following, 6
  - minimal effect on Israeli economy, 7
- globalization, 3, 18, 157, 159, 365, 378, 382, 391
- goods, 13, 18, 141–144, 147, 364–365, 511
- government bonds, 10, 161, 215, 227, 251, 253
  - earmarked, 245, 246, 251, 253, 267
- Granger causality test, 74, 88, 93, 97–99
- granular hypotheses, 298
- Greece, 83, 389–390, 485
- gross domestic product. *See* GDP
- GT (Government Take), 311, 316–320
- Haredim. *See* ultra-Orthodox Jews
- health insurance, 35–36, 464–466, 467–468, 469, 472–475, 489
- healthcare, medical services basket, 36
- healthcare services, 35–36, 464–465, 466, 468, 469, 475, 487–488, 491
- healthcare system, 464, 466, 469, 472–475, 477–478, 483–484, 485–489, 490–492
- Herfindahl–Hirschman Index, 215–217, 276, 280–281, 289, 293
- high-tech sector, 527, 529, 531, 533–537, 541–542, 544–545, 547, 552
- Histadrut, 16, 35, 208–210, 243, 245, 277
- Holland, 83, 312, 323
- hot money phenomenon, 165
- household savings, 27, 238
- housing prices, 6, 123, 555–556, 562, 576–577, 581
- human capital, 25, 28, 329–330, 340, 341, 342, 344, 345, 350, 351, 352, 353, 354, 355, 356, 357–358, 511–512
  - based on schooling, 344
  - education and, 25
  - estimation, 343
  - industry level, 351
  - intergenerational transmission, 37
  - numeracy skills and, 343, 356
  - physical capital and, 357
  - physical capital inputs, 25
  - schooling-based, 356
  - skills-based, 345
  - See also* education
- human capital barriers, 495, 514, 517–520
- human capital composition, 143
- human capital differences, 507
- human capital inputs, 25
- human capital production function, 330, 345, 355
- hyperinflation, 1, 8, 86, 103, 339, 532, 571
- ICT sector, 534–536, 543, 549
- ILA (Israel Land Authority), 556, 572, 578, 580
- immigration, 2–3, 45, 93, 153, 366, 377, 565–566
  - from former USSR, 41, 44, 362, 367–368, 377, 391, 571, 574
  - skilled labor, 535, 544, 552, 555
- imports, 13–14, 119, 138–141, 147–149, 150, 163–164, 166, 191
  - consumer goods, 147, 191
  - defense, 138
  - energy, 148, 164
  - total, 141
- improvement, sharp, 142, 587
- income, 32–35, 79–81, 240, 260–261, 267–269, 385, 465–466, 569–571
- inequality, 262–263, 269, 362–366, 367–368, 377–380, 382, 387–388, 391
- per capita, 22–23, 570, 574, 581
- secondary, 151–152

- income support, 368, 381, 392, 399, 420, 421–423, 430
- income tax, 77, 80–81, 91–93, 96–98, 100, 379, 380, 392
  - negative, 423, 431
- industrial concentration, 273–274, 280, 284, 289–291
- inequality
  - between demographic groups, 430, 487
  - causes, 391
  - causes of rising, 364–366
  - comparative, 382, 536
  - education and, 433, 442, 459, 460
  - effects of welfare policy, 382–383
  - growth and, 362
  - health, 490
  - historical evolution in Israel, 367–385
- income, 6, 29, 70, 269
  - pension saving and, 262–267
- market income, 368–374, 391, 393
  - unemployment and, 374–379
- net income, 392, 507
- OECD countries, 363
- political instability and, 363
- political participation and, 363
- preference disparity
  - Arabs, 386–387
  - Orthodox Jews, 385
- redistribution and, 379, 381, 387, 391, 393, 421
- regulation and, 70
- retirement and, 238
- skills, 441
- social burden, 363
- taxation and, 35, 80–82
- infant mortality, 36, 486, 487–490
- inflation
  - 1990–1995 period, 8
  - 2000–2001 period, 8
  - monetary policy and, 20
  - negative, 9
  - rates over time, 9
  - targets, 8, 103, 107, 111–115, 117–118, 120, 123–124
- inflation rate, 103, 106–108, 111, 116, 117, 122–123, 129
- infrastructure, 47, 155, 471, 489, 490–492, 539, 578
  - investment in, 25–26, 36, 52
  - monopolies, 14
  - supervisory mechanisms, 47, 138
  - transport, 155, 166
- infrastructure monopolies, 14
- interest rates, long-term nominal, 131
- Intifada, 89, 153, 172, 193, 194, 196, 507
- investment
  - asset prices and, 119
  - decline, 6
  - financial asset, 18
  - foreign direct, 11, 18
  - infrastructure, 25–26
  - interest rates and, 119
  - savings and, 26, 140, 152–156
- Ireland, 24, 83, 342, 344, 389–390
- Iscar, 49, 159
- Israel Corporation, 319, 321
- Israel Electric Corporation, 14, 232
- Israeli Arabs, 495, 503, 506, 510, 539, 545–546, 550–551
- Israeli Pension System, 238, 240
- Israeli Stock Market, 17, 183
- Israeli–Palestinian conflict, 170–172, 178–180, 184–188, 190–191, 193–194, 199
- Italy, 83, 389–390
- Japan, 8, 157, 279, 366, 389, 390, 533, 535
- Jewish households, 386–387, 497, 502
  - non-Orthodox, 401, 420, 421, 429
  - See also* ultra-Orthodox Jewish households
- Jewish population, 2, 28, 406, 490, 495, 498, 507, 520
- Jordan, 3, 93, 170, 501
- Kerry, John, 182
- labor
  - output per worker, 24, 329–331, 333, 336, 339–342, 345, 357–358
  - skilled, 400, 410, 424–427, 535, 539, 544, 549, 552
  - supply, 32–33, 238, 260, 332, 377, 392, 545, 551
  - unions, 11, 15, 35, 94, 247, 465, 468

- university graduates, 33, 332, 441, 453, 484, 544–545
- unskilled and low-skilled, 23, 33, 377, 378–379, 400, 424–427, 441, 504
- Labor party, 15, 94
- Law for Promotion of Competition and Reduction, 17
- Lehman Brothers, 104, 125, 562
- Leiden Ranking, 458
- Leviathan gas reservoir, 149, 309–310
- levy index, 314–315
- life expectancy, 36, 239–240, 255, 257–259, 264, 486–487, 488–490
- life insurance, 217, 244, 247, 252, 253
- Likud, 15, 94
- living standards, 12, 25–26, 243–244, 257, 258–259, 260–262, 268, 269
- local authorities, 36, 47, 68, 495, 498, 506, 573, 578
- magnesium, 317, 319
- Mandatory Pension Law, 10, 27, 244, 246, 255, 263, 268
- medical services basket, 36
- member taxes, 465
- Mexico, 42, 141, 389–390, 485
- migration, net immigration, 2, 565
- minimum wage, 365, 379, 392–393, 400, 427
- Ministry of Finance (MOF), 47–50, 214, 217, 245, 248, 249, 252–253, 476, 509, 578–579
- Monetary Committee, 128–129
- monetary policy, 8, 103–106, 115, 116, 117–118, 122–123, 125–127, 128, 129–132
  - deficit target, 44–46, 48–49, 51–52, 57–59, 60, 63, 68
  - disinflation, 105, 106, 115, 132
  - hyperinflation, 1, 8, 86, 103, 339, 532, 571
  - post-2000, 115–119
  - quantitative easing (QE), 105, 131, 132, 189
  - targets, 103, 109–111, 114
- monopolies. *See also* concentration, 14–15, 275–276, 291
- Mundell–Fleming model, 139–140
- Nasdaq bubble, 159, 162
- NASDAQ stock exchange, 48–49, 183, 527, 532
- national health expenditure, 466, 469–474, 479, 484, 486–487, 491
- National Health Insurance Law, 35, 464–466, 468, 469, 471, 481, 489, 490
- National Housing Committee, 577
- National Insurance benefits, 60, 77, 80
- natural resources, Sheshinski Law I, 311–317
- natural gas, 147, 148–149, 150–151, 166, 310, 312–313, 317, 319
  - consumption, 149
  - discovery of, 148, 337
- Natural Resource Fund (NRFs), 323
- natural resources, 289, 307–309, 310–311, 313, 317–318, 322–324, 534
- net income inequality, 35, 367, 379–381, 382–385, 386, 387, 388–390, 391–392
- Netanyahu, Benjamin, 5, 91, 179, 182
- network analysis, 286
- non-tariff barriers, 13
- numeracy skills, 329–330, 341, 343–345, 351, 352–353, 355–356, 357
- OECD, 21–22, 30, 364, 387, 388, 402, 446, 455, 470–473
  - demographics, 492
  - education levels, 434, 436, 441, 446, 454
  - employment gender gap, 402
  - employment rate, 397
  - healthcare, 485
  - inequality within, 389
  - Israel's membership, 99
- oil, 148, 149, 304, 307, 310, 313, 317, 318, 319, 323
  - dependence on, 148
  - exploration, 310
  - exporting countries, 157, 323–324
  - government take and, 311, 317
  - imports, 147

- oil (cont.)
  - levies, 314, 324
  - market volatility, 308
  - policy, 312
  - price fixing, 310
  - prices, 148–149, 150, 155, 166, 184
  - refineries, 14, 49
  - taxation, 317
- Oil Refineries Ltd, 49
- Open Sky agreement, 15
- Operation Defensive Shield, 191
- Orthodox Jews, 382–386, 416, 431
- Oslo Accords, 170, 172, 179, 194–197
- output
  - per capita, 329, 333, 341, 345, 357
  - per worker, 24, 329–331, 333, 336, 339–342, 345, 357–358
- Palestinian Authority, 172, 194, 501
- Palestinian Conflict, 3, 172, 173, 194–197, 198, 199, 504, 549
- peace dividend, 3
- Peace Index survey, 172, 195
- pension sector, 12, 47, 210, 238–240, 241, 248, 259, 261
  - budgetary pensions, 209, 243, 245–246, 247, 267
  - life expectancy and, 259
  - pension funds, 10–12, 35, 205, 208–210, 211, 240–242, 244–245, 246–253, 257
  - income from, 260
  - public understanding of, 241
  - recipient numbers, 242
- Programme for International Student Assessment (PISA), 28
- Petroleum Law, 310
- phosphates, 317, 319
- physical capital, 6, 25, 28, 329–358
- Poland, 83, 389, 390
- poverty rates, 387, 459
- poverty. *See also* inequality, 32, 263, 269, 382, 387, 429, 440
- PPP (purchasing power parity), 22, 341, 346
- price stability, 8, 30, 103, 106–107, 115–116, 117, 128
- price-stability target, 116–117
- primary income, 151
- private consumption, 18, 119, 140, 558
- private sector, 1–2, 4–5, 7, 226, 228, 277–278, 355, 471–472
- privatization, 50, 65, 70, 277
- production concentration, 273, 286
- productivity, 23, 24, 25, 276, 329, 331, 338, 339–340, 459, 536, 537
  - compared to other countries, 2, 23, 25, 31, 357, 433, 436, 459
  - decline, 140, 166
  - high-tech sector, 536–537
  - immigration and, 331
  - industrial change and, 132
  - infrastructure investment and, 26
  - R&D investment and, 528
  - skilled labor and, 441
  - total factor, 329, 338–342, 358
- productivity gap, 25, 537
- provident funds, 11, 12, 211, 212–215, 217–218, 244, 246–251, 252
- public debt, 1–2, 6, 7–8, 41, 50–52, 55, 122, 162
  - indexation structure, 51
- public expenditure, 7, 28–29, 44, 52, 65–71, 391
- public sector, 4, 8, 46, 234, 243, 330, 332, 471–472
- public services. *See also* education; health, 14, 70, 348, 476
- quantitative easing (QE), 105, 131, 132, 189
- rate of return (RoR), 12, 14, 251–252, 257–258, 268, 269, 313, 595–596
- regulation, 29–31, 70, 206, 207, 589, 599–603, 605
- replacement ratio, 257–259, 260–263
- research and development (R&D), 97–98, 315, 318, 528, 529–530, 533–534, 536, 537–542
- revenue forecasts, 48–49
- R-factor mechanism, 313, 315
- roads, 26, 591, 600
- savings
  - investment and, 26
  - long-term, 10
  - public, 26
  - rate of, 153–154, 155–156, 165, 173



## Index

615

- Second Intifada, 3, 170, 171–174, 176–177, 191–193, 194–195, 196, 198
- Second Lebanon War, 3, 60, 62, 170, 181, 192, 193
- shadow deficits, 46
- Sheshinski Law I, 311–317
- Sheshinski Law II, 317–321
- single-person households, 405, 417–418, 422, 425–426
- Six Day War, 168, 194
- Slovakia, 64, 389, 390, 441
- Slovenia, 389, 390
- social protest (2011), 43, 56–57, 62, 127, 294, 380, 443
- social security, 35, 67, 242, 243, 379, 381–384
- income support, 368, 381, 392, 399, 420, 421–423, 430
- unemployment benefits, 368, 399
- welfare benefits, 381–382, 392, 421, 427, 430
- welfare-to-work programs, 399, 423, 431
- Soviet Union (immigration from former), 1, 2, 41, 44, 532, 535, 540, 544
- Stabilization Plan (2003), 30, 46, 47, 88, 205, 208, 213, 234
- stock market, 177–186
- contagion, 171, 178–180, 183, 187, 190
- TA-25 Index, 177, 178, 181–184
- Tamar reservoir, 149, 150, 165, 309–310
- Tami Steinmetz Center, 172, 195, 196–197
- tariffs, 14
- TASE (Tel Aviv Stock Exchange), 170, 176–178, 182–185, 207, 227, 228, 232–233, 235
- taxation
- capital, 77, 179
- capital gains, 12
- corporate, 6, 77–78, 80, 82–83, 91, 96, 97, 98–100
- cuts, 6, 35, 44, 46, 56, 66, 68–69, 77
- and government size, 45–46, 69
- direct, 6, 77–79, 81–83, 96, 388, 391, 392, 393
- economic growth and, 82–84
- excess profits, 307, 313, 317, 318
- expenditure and, 7, 74, 90
- function and role, 73
- GDP ratio, 75–76
- Granger causality test, 74, 88, 93, 97–99
- green taxes, 589–592, 600, 601, 603
- growth and, 82–84
- housing transaction taxes, 578
- income and, 12
- income tax, 77, 80–81, 91–93, 96–98, 100, 379, 380, 392
- negative, 423, 431
- increases, 52, 57, 73
- indirect, 6, 35, 79–80, 82–83, 91, 388
- sales tax, 26
- VAT (Value Aggregate Tax), 75, 77–78, 80, 93, 96–98, 100
- inequality and, 6, 35, 80–82, 388–392
- investment and, 27
- legislation and, 59
- member taxes, 465
- natural resources, 307–308
- Sheshinski Committee II, 317–318
- tax boundaries, 318–321
- overall burden, 41
- overseas investments, 158, 164
- parallel tax, 468, 472–474
- pensions and, 243
- policy evolution over time, 74–84
- politics and, 92
- individuals, 93–96
- progressivity, 79–80, 366, 379–380, 384, 387, 388
- property taxes, 558, 573–575, 578–579, 581
- public committees, 149
- purchase tax, 77, 80, 589
- redistribution via, 79, 366, 379, 387, 580
- revenue, 56, 62, 85–87
- forecasts, 48–49, 53, 58
- government spending and, 87–92
- revenue equation, 85–87
- royalty-based, 311
- smoothing framework, 73

- taxation (cont.)
  - smoothing model, 73, 84, 85, 87–88, 89–92, 99
  - social security, 35
  - social security contributions as, 242
  - statutory, 93
  - statutory taxes, 75–80
  - systemic reform, 206
  - tax benefits, 245, 246, 249, 256, 267
  - tax credits, 74, 267, 392–393
  - tax exemptions, 311
  - tax-smoothing model, 84–85
- T-bills, 163–164
- technology, productivity and, 24, 331
- telecoms, 15
- terrorism, 173–174, 192
- TIMSS, 437, 499
- trade unions, 11, 15, 35, 94, 247, 465, 468
- Trajtenberg, Manuel, 127
- Trajtenberg Committee, 56, 77, 91, 99, 127, 380
- transfer payments, 66–67, 69, 239, 242, 262, 269, 380, 384
- Transport and Road Safety Ministry, 26
- Tsemach Committee, 149
- Turkey, 42, 83, 389–390
- ultra-Orthodox Jews, 37, 405
  - demographics, 430–431, 547
  - education, 438
  - employment
    - high-tech, 545
  - family composition, 416–417
  - income levels, 421
  - labor force participation, 399, 401, 418, 422, 426, 547–548, 549
  - women, 336, 397, 406, 415, 416, 428, 429, 547–550
- unemployment
  - benefits, 368, 399
  - rate, 2, 24, 114, 125, 193, 368, 377, 378
  - See also* employment
- unions, 11, 15, 35, 94, 247, 465, 468
- United States, 124, 125, 151–152, 153–155, 457, 461, 531–532, 535
- universities, 331–332, 441–442, 452–456, 458, 500–501, 531, 546–547, 550–552
- USSR. *See* Soviet Union
- VAT (Value Aggregate Tax), 75, 77–78, 80, 93, 96–98, 100
- wage inequality. *See also* income, 33–34, 365, 378, 416, 436, 441, 453, 507
- wages. *See* income
- Wealth Fund, 150, 166, 322, 324
- welfare. *See* social security
- welfare-to-work programs, 399, 423, 431
- Wisconsin Program, 392
- women
  - Arab, 405–406, 415, 416, 428, 503–504, 505, 510, 515–520
  - education levels, 335, 406, 436
  - fertility rates, 497
  - labor force participation rate, 23, 259, 334–336, 397, 398, 402, 405, 411
  - life expectancy, 239–240, 486, 488, 489
  - pension income, 259
  - retirement age, 165, 239, 246, 399
  - single-person households, 405, 417–418
  - ultra-Orthodox Jewish, 336, 397, 406, 415, 416, 428, 429, 547–550
  - wage levels, 365, 406, 452
- World Trade Index, 4
- Yom Kippur War, 1, 23, 168
- Yozma funds, 540