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**A Golden Bell from the High Priests' Garment**

A seemingly minor find joins countless other, all indicating the detailed veracity of biblical descriptions. According to the Israel Antiquities Authority, a small golden bell, lost 2,000 years ago, was recently found in Jerusalem during excavation work on a drainage channel in the City of David. The bell is thought to have been an adornment which was sewn onto the garments of the High Priest (Ex. 28:34). It was found inside the ancient main drainage channel which ran beneath the road, leading rainwater from different parts of the city to the pool of Siloam.

**Economic Woes and Challenges in Israel**

*Israeli is being rocked by massive demonstrations which threaten the political future of the present Government and are aimed at significant changes to national priorities. Most of this issue of MaozNews is devoted to the background and development of that process.*

**Realities on the Ground**

Israeli olive oil sells in the US for one third of the price for which it sells in Israel. Eight ounces of cottage cheese are sold in Israel for \$2.50, two and a half times as much as its price in the US. A 1600 CC Kia Soul, sold in the US for \$18,000, costs \$34,500 in Israel. A three bedroom apartment (900 sq. f.) in a high rise in an average Israeli city costs \$400,000 before taxes and legal fees. The price of milk products have increased in Israel by 40% over the last year. Lego and PlayMobile products cost three times as much in Israel than they do in Europe. Israeli brand green tea costs 2.4 times more in Israel than it does in New York. The average monthly charge for 6 Mbps internet (now considered slow), exclusive of other services, is \$27.96. An Iphone costs around \$1470 in Israel, sold in the US for half that price or less.

The average Israeli family pays \$1,350 per month rent or mortgage. Mortgages are linked to the Cost of Living index and presently draw an additional average interest of 3.75%. At least one third of the value of the apartment is required for down-payment. Other average monthly fees are \$450 for Municipal Tax, \$294 for water, \$375 for electricity, \$45 for cooking gas. The average income in Israel is \$2,647, in comparison with \$3,823 in the US and \$5,000 in the larger cities, which is why most Israeli families have two breadwinners.

Israel's tax burden is one of the highest in the world. The majority of wage earners in Israel pay 32% Income Tax, plus another 5.8% National Insurance. VAT at 16% is charged to every purchase with the exclusion of fruit and vegetables, leading to a hefty 53.8% of direct and indirect taxation. Corporate Tax is set at 26%. Israel's Educational system is in grievous decline and requires average monthly payments of \$100-250 in spite of the fact that education in Israel is "free". Preschool is crushingly expensive, high-school classrooms average 30-40 students, University budgets have been slashed and the Minister of Education has focused on the "national" content of the curriculum, not on development of critical thinking in a science-driven economy. All legal residents are covered by national medical insurance, but the health system is likewise in decline and doctors have been on strike for over four months.

Participation in the Israeli workforce is among the lowest of OECD countries: about 56% of the population as compared, say, with 68% in Japan. This is largely due to the long-standing policy to provide ultra-Orthodox yeshiva students with a free basic income and the lack of investment in the Arab sector.

### **The Roots of the Problem**

Israel, surrounded by hostile Arab nations, has been conducting a 60-year long war in defense of its physical existence. At the same time, the country's Jewish population grew from 700,000 to just under 6,000,000. Most of the immigrants came with no financial resources and a poor education. They needed to be fed, taught the language, educated and enabled to carve out a future for themselves and their children in a country that originally had little infrastructure, has no natural resources and of which two thirds is arid.

Since its' formation, the present Israeli Government has invested heavily in raising the standard of life among the West Bank settlers, subsidizing public transportation by 50%, subsidizing the purchase of homes and assisting in house improvement, establishing extensive educational infrastructures and constructing industrial parks.

Jewish orthodox citizens, most of who do not contribute to the economy or to the defense of the country, continue to receive child and educational support as well as exemption from the military draft. Naturally, economic issues are closely connected to national priorities. The disparity between government-initiated building in the West Bank and within Israel proper is dramatic. In every aspect of daily life, the settlements receive more resources and government subsidies than communities within Israel. The burden of continued settlement in the West Bank, and the large portion of the defense budget which goes toward the defense of the settlements, is draining the national budget and limits the Government's ability to divert resources to combating the severe social and economic problems that are faced by the majority of Israeli society that lives in Israel proper.

Doctors are paid less per hour than babysitters. It is estimated that 20% of Israel's 500 major companies are owned by 16 local families, who cultivate intimate relations with senior politicians. These families' wealth and power is not as much the product of wise, visionary management, job creation and risk taking but of financial sleight-of-hand, tax evasion and the cultivation of friends in high places who enabled them to take advantage of the privatization process.

Social misery in Israel is deeply rooted in Israel's political and economic system. According to the OECD's 2011 "Society at a Glance" report, Israel has the fifth-highest level of inequality among the 34 OECD countries, topped only by the United States, Turkey, Mexico and Chile. Among these five, Israel's inequality is growing fastest. It has the second-highest level of poverty, as measured by the percentage of the population living on less than 50% of the country's median household income (20% in Israel). Only Mexico fared worse. But unlike

Mexico, where the poverty rate has stayed fairly stable, in Israel the percentage is growing at a rate of 2.2% a year.

Small wonder, then, That Israel has been rocked by widespread protests and that these have been generally opposed by West Bank settlers. Over forty protest tent cities have been established, in most of the major cities in the country. Repeated marches have been held, with protesters calling for a reduction in prices, and end to settler activity, the termination of monopolies, different prioritizing of the national budget and a restructuring of the economy.

The first protesters were but a handful. They were joined by a growing number of individuals. Then they were joined by student organizations, labor unions, single mothers' organizations and various movements and NGOs for social justice – a medley of spontaneous, collective outpouring of frustration. As participants began to converse, they discovered common concerns. They all feel something important is lacking in Israeli society; that something is wrong with the nation's collective priorities.

Their demands now range from lowering indirect taxes, to free education from the age of three months, from increased assistance in paying mortgages and rent to more positions for medical staff, more beds in hospitals, and new medical equipment according to OECD standards. They are calling for an increase in the number of police officers per capita, an end to the privatization of welfare institutions and mental health centers, and a gradual cancellation of contractual work in the public center.

They are also calling on the Government to renew the Governmental housing Project, for a reduction in the number of children per classroom (presently over 40), an increase in the number of qualified teachers and social workers, for raising the minimal income to 50% of the average wage and adding 500 inspectors to enforce labor laws. Value Added tax, they demand, should be reduced over a 4 year period to 5%, during which time the ceiling for income tax is to be raised and capital gains subjected to reasonable taxation.

The protestors understand that such a radical overhaul of the economy and the structures of society cannot and should not happen overnight. They are realistic enough to admit that not all of their demands will be met. But they insist on a meaningful beginning, and on an undertaking that will ensure continued effort in these directions.

### **A Formal Report**

Professor Ben-David, head of the Taub Center for Social Policy Studies in Israel at the Tel Aviv University, recently published a 400-page report, [The State of the Nation Report: Society, Economy and Policy 2010](#). Ben-David says, "Israel is facing a point of no return ... We have been heading in a problematic direction for 35 years. The protesters are right, but they do not comprehend how problematic the future will be. How will an Israel that is sliding into the third world be able to support the kind of first-world army that is needed to ensure its existence?" "We are losing the country," he says.

"With a higher-education system that has produced more Nobel laureates per capita in the sciences over the past decade than any other country in the world, how is it possible that children's educational achievements are lower than in any developed country, and below several third-world countries? With such excellent doctors, how is it that Israel cannot hold on to so many physicians, who drift abroad. How is it even fathomable that patients placed in hospital corridors is an accepted norm in the 21st century?

"What kind of national priorities provide assistance to families with eight to 10 children to the extent that healthy parents can opt not to work as a lifestyle choice, while allowing elderly people who are unable to work to live in abject poverty? How could it be that we have

been laying the groundwork for a particularly dismal future for the greatest youth that a country could raise those who sacrifice years of their lives - and sometimes life itself - for their country?

"Israel is blessed with a bounty of ability and knowledge - and yes, money too. Why are housing prices going through the roof? Most of the country's land belongs to the government - what is this feigned innocence about insufficient supply? Why are there so few dormitories at Israel's public universities? Could we not build high-rise dorms in the space available, and substantially decrease the demand for rental apartments in the neighborhoods and create an incentive to split large apartments into tiny units, and thus make a large number of these apartments available to families that cannot afford the current asking prices?"

"Why is it that in New York, the capital of capitalism, a person riding a train into Manhattan pays less than half of what an Israeli - who earns half the income of an American - must pay to take the train from Rishon LeTzion to Tel Aviv? It is not that the State of Israel does not invest in infrastructures. The question is for whom and where. In the parts of the country where the great majority of the population lives, government after government has neglected the transportation infrastructure so that, while Israel has only half the number of vehicles per capita than the Western average, it has three times the traffic congestion."

"Education gaps in Israel are the highest in the Western world. A country whose national priorities favor narrow sectoral and personal interests, instead of the overall good; that has neglected the human and physical infrastructures that would have enabled spreading out the population and reducing gaps, needs to understand the implications of such priorities."

"The problem is not merely how to distribute public resources, but also how to distribute the public burden. According to very crude data published by the World Bank, Israel's unreported shadow economy is roughly one-quarter of its GDP - one of the highest rates in the Western world. Before we discuss increasing the tax burden on the steadily shrinking shoulders that bear it, there are areas and professions in which this problem is particularly acute. It is inconceivable that a first-world country would relinquish its sovereignty to thuggery."

"There are segments of the population that are increasingly separating themselves from the mainstream. They comprise a large and growing portion of Israeli society. In the primary school system, about half of all children study in either Arab or Haredi schools, and less than 39% are enrolled in the non-religious state schools. In the last decade alone, the number of children in state and state-religious schools fell, while the number of Arab pupils rose 46% and the number of Haredi pupils rose 58%. "In light of the demographic directions, is it not high time that the children from these two groups receive the best education in the Western world, so they can take their place among the country's future leadership? Isn't it time to fully integrate them into the defense establishment and the law enforcement system?"

"With regard to the latter, the substantial increase in manpower from populations where unreported economic activity is rampant - at the cost of conscripted soldiers - will lead to greater equality in how burdens are divided and will substantially increase the resources collected by the State of Israel. This could be used to upgrade infrastructures and services for the general population." Ben-David warns that if the dialogue between the protesters and the government results only in increased expenditure, the protest movement will have failed. "Who will pay the taxes? Those now protesting will have to do so. They are asking for more benefits, but that will require higher taxes. At the traditional allocation stage, they will not receive any of the extra allotments. These will continue to be distributed along current sectoral lines ... The more we resign ourselves to believing that it is not possible to change the system from within, people will want to change things by force. The more time passes, frustration could lead us in two awful directions: violence, or resignation. And if that happens, it will be the end of Israel."

We do not have Greece's option of going bankrupt and starting anew. We are not Argentina, which has turned defaulting into an art form. Here, the end is final."

Ben David has presented his finding to senior officials at the Finance, Education and Industry and Commerce Ministries. Prime Minister Netanyahu refuses to meet him. Israel's creative class has had enough. The nation-wide protest against a political system that is described as disenfranchising the productive classes is gaining momentum. Among the protestors, there is no conflict between the middle class and blue-collar workers. At the head of the movement are many high-tech innovators, which account for some 16% of the GNP and 40% of the country's exports (See the next article).

The protestors are calling for a reconstruction of Israeli society, so that it will become a society built on social justice. Recent legislative efforts point in the opposite direction, in which opposition is stifled. If those efforts succeed, they will create a culture that is incapable of accommodating a creative class.

Totalitarian states do not engender a creative economy. China included striving for innovation in its five-year plan. The Chinese Government invests huge sums in the importation of Western innovation. But the Chinese economy is still driven by such imported knowledge. Russia's command economy is in tatters, kept afloat by the country's large reserves of raw materials. It has not managed to manufacture a single product that does well beyond Russian borders. Even Russian "Premium Vodka" is produced overseas (in France). China and Russia are incapable of developing creative economies; such economies require a liberal, open-minded environment that encourages innovation. It is fruitless to command people to be creative. On the other hand, all a country needs to do is provide intellectual space and cultural stimulation. These nurture creativity, and these are the secret of American economic success.

### **Government Response**

Initially, Prime Minister Benjamin Netanyahu dismissed the protest movement as "a populist wave [that] is sweeping the country". In response, the activists organized new protests, culminating in a mass rally in Tel Aviv on Saturday – the third such protest in as many weeks. Netanyahu replied by saying that solutions must be sought "while maintaining our free and dynamic economy. We need to fix real things on the ground ... I am listening, but we need to fix them without cutting down the tree or drying it out. We need to do it responsibly."

Opposition leader Tzipi Livni described the protests in terms of "a brave and unprecedented social process" and criticized Netanyahu (who is also Israel's Senior Finance Minister), saying his government is indifferent to the protestors' grievances. "This is not the cry of the poor; it's the cry of the just. Stop trying to use some anarchists and draft-dodgers to stain the protesting majorities, those who serve, who contribute, who work hard, who are willing to die for their country and are now fighting for its identity."

Protesters on Wednesday blocked roads in Tel Aviv, Jerusalem, Be'er Sheva and Kiryat Shmona. New protest tents were established in Tiberias and Taibeh (the latter being an Arab town). The Kadima party said that, "The most bloated government in the history of Israel has proven that it is also the most opaque."

Mounting stress in the Prime Minister's Office gave rise to intimations and denials concerning intentions to fire Finance Minister Yuval Steinitz. The committee, established by Steinitz and Netanyahu 12 months ago to examine economic competition and concentration, could have led an historic process of restructuring. It did not. This failure was followed by the resignation of Finance Ministry Director General Haim Shani, one of many in the last three months. Next came the resignation of Udi Nissan, Head of the State Budget Department, a key division. Rotem Peleg, Head of the Defense Budget, is also quitting. Yehuda Nasradishi, the Tax

Commissioner, quit. He was followed by Accountant General, Shuki Oren. At the same time, most of the senior aides in the Prime Minister's office have also tendered their resignations.

Prime Minister Netanyahu has now agreed to form a Committee, mandated to frame recommendations for socio-economic changes. Professor Trajtenberg, who was asked to head to Committee agreed to do so only if he were allowed to choose its members, and that no politicians would be appointed. Mr. Netanyahu confessed, "I will need to change the way I think about the economy", and agreed to the terms. After changing the way he thinks about the Israeli-Palestinian conflict, one wonders what is left of the way the Prime Minister thinks about anything. The platform on which he ran for office is now in tatters and he is fast losing credibility in the Israeli public and abroad.

It remains to be seen whether or not present protests will bring about a real change in Israel's economic policies or even its government. Some fear Prime Minister Netanyahu will seek to divert attention from the economic issues by either pursuing peace negotiations with the Palestinians (regardless of whether or not these will be sincere), or by provoking limited conflagration with a neighboring country. Recent tensions with Lebanon and Syria might well be enlisted to serve such a purpose.

The economic and political leadership in Israel is cut off from the realities facing the majority of citizens. It doesn't have to be that way. There are countries where senior politicians continue to live an average life, connected to their people's day-to-day reality. Netanyahu now sounds like he is committed to change. "That's Netanyahu," says one of his associates. "He is convincing himself that this has always been his philosophy." It remains to be seen if he will lead the country toward an acceptable social and economic future. Regardless of whatever borders are finally established between Israel and the Palestinians, Israel will not remain a viable enterprise unless significant changes are achieved.

### **Israel Assists in International Food Crises**

An escalating world food crisis – soaring prices, growing shortages and burgeoning population growth – has already sparked months of unrest in North Africa that could be a harbinger of worse to come across the globe. As crops fail in Russia, dust bowls replace fertile land in Asia and Central Africa, the issue of food security has leapt to the top of the world agenda. None of the underlying causes of the crisis – population growth, climate change that threatens to flood large areas of cultivated land, rising oil prices and transport costs – are likely to disappear in the near future.

Israel, a desert nation once challenged by its arid geography and a population explosion, has developed a range of agriculture and water technologies that are already helping to feed the world and could provide solutions to many of these problems.

For decades, Israeli agriculture experts have been sharing their expertise with some of the poorest regions on earth, creating sustainable self-sufficiency in food and water supplies. In recent years, Israeli expertise has been heavily in demand in India, Africa and China, home to more than half the world's population. Israel's cow yields amplify why.

The Israeli cow gives an average of 11,381 kg of milk per year, significantly outpacing every nation in the world. American's cows yield 9,331 kg, Japan - 7.49, Russia - 3,698, Chinese - 2,832, Australia - 5.601, European - 6.139. Imagine how one cow's yield can change the lives of a family in a developing nation if Israeli innovation is used in its care.

Israeli agritech cooperation with developing countries is extensive. For example, since 1998, Israel has sponsored a horticultural demonstration farm at the Indian Agricultural Research Institute at Pusa, New Delhi, displaying new technologies for improved quality and productivity. In 2006, Israel and India initiated a cooperation and training project supervised by

experts from MASHAV, Israel's international development program. Farms established in Haryana, Maharashtra, Rajasthan and Gujarat states demonstrated the Israeli technology in agriculture, irrigation and water management including the purification of wastewater.

In May 2011, Israel and India established a \$50 million agriculture fund to promote joint projects in dairy production, post-harvest technologies, protected cultivation, micro-irrigation and fertigation, food processing and poultry. Major Israeli companies in agricultural and water technology have established subsidiaries and long-term projects in India. Israel has also assisted farmers in Egypt, Kenya, Ethiopia and various Moslem countries which cannot be named, as well as in the Far East and Latin America.

### **Desalination**

Since 2009, Agron Agri Projects has helped local farmers to store rainwater, prevent the pollution of water sources and assist reforestation after the monsoon season in the Cherrapunjee region of Meghalaya state – known as the wettest place on earth. Netafim pioneered the first drip irrigation system in 1965 and is now the world's largest micro-irrigation company. In Andhra Pradesh – the "Rice Bowl of India" – Netafim helped promote irrigation scheduling, fertigation and crop protection. In Jharkhand, Netafim developed a new drip irrigation system for small family farms to counter irregular water and electricity supplies. It was more effective and half the price of existing technology and has been installed in 100,000 small farms.

In China, Netafim has introduced state-of-the-art greenhouse systems and drip irrigation systems throughout the country. Israeli drip irrigation technology is used in large government-funded projects to fight desertification, preserve topsoil and to encourage forestation. Israeli design and technology has been used to irrigate land for 1.2 million people relocated as a result of the Three Gorges Hydro-Electric Project on the Yangtze River. In Shandong Province, the Confucian Business Group matches Israeli experts and technology with Chinese farmers and agricultural planners. In 2010, Israel opened a consulate in Guangzhou and began exploring research cooperation with the South China Agricultural University in horticulture, soil, water resources, agricultural environment and animal science.

Israel is also a world leader in desalination – the process which converts salt water to fresh water so it is suitable for human consumption or irrigation. This process is absolutely vital to desert regions where fresh water is in limited supply. Since 1994, Israel's IDE Technologies Ltd has built 22 thermal desalination facilities in India, with a total capacity of 270,000 cubic meters a day. In China, IDE built the country's largest thermal desalination plant at Tianjin with an ultimate capacity of 400,000 cubic meters a day, powered by the waste heat from an adjacent power plant.

Prof Raanan Katzir, a world-renowned Israeli expert in the field of sustainable agriculture, co-founded the Institute of Simplified Hydroponics in Bangalore. Since 1993, Prof Katzir has also been involved in countless projects promoting sustainable agriculture, biodiversity, countering desertification and enhancing food security for companies, universities and government agencies throughout China. In September 2010, Israel signed an agricultural cooperation agreement with Heilongjiang province in northern China for its renowned MASHAV experts to construct demonstration dairy farms.

Food security is the coming crisis in world diplomacy. Israeli agriculture and water technology has already helped to feed millions of people. Israeli experts and their innovative technology are helping the world's developing nations face this urgent new challenge.

### Ministry and Family News

Baruch's Commentary on **Judges** is now in print and being distributed while work on the last volume of the Old Testament in the **Modern Hebrew Bible for Youth** continues. First and Second Chronicles are now being translated as the rest of the Hagiographa is laid out and illustrated. We still consider it highly likely that this important stage in the project will be concluded in 2012; following which only the New Testament will remain.

Baruch continues to be engaged in writing his **commentary on Romans**, with further progress made. He is also reading, thinking and writing for his **thesis on Old Testament hermeneutics**. Both are scheduled to be completed by the middle of 2013. Crossbooks is now at the design stage of Baruch's devotional commentary on **Malachi** in English. **Jonah** is scheduled to be published in July 2012. No publication date has been given by P&R for the publication of **Judaism is not Jewish**.

News from **the church** is good. The **Young Adults** continue to meet for study and fellowship, and Baruch is in touch with a number of them.

**Baruch and Bracha** are presently visiting family and friends in the US. All the family members are well. **Eran** had a riding accident in the course of which he was lightly but painfully injured when his horse raced into the woods, and Eran's cheek was pierced with a dry branch. He was treated at a nearby hospital. The wound has since almost completely healed. **Shlomit's** child, Jonathan, has learned to walk, now requiring the house to be "child-proofed".

**Katya, Felix and Maya** moved into their new home. **Rose** passed with excellence a national certification exam for dental assistants. Her experience and qualifications as a dental assistant will greatly help her pave her way. Presently she is considering an extended visit to the US, during which she hopes to volunteer in some capacity. Possibilities are being explored.

### IMPORTANT NOTICE

We are in the process of establishing a **new email account**: [bmaoz@themaoszweb.com](mailto:bmaoz@themaoszweb.com) Please edit your Contacts List and henceforth direct all mail to that address. In the course of time, we shall alter our letterhead, brochures and visiting cards to reflect that change. Thank you.

TAX-deductible **support for our ministry** should be written to the order of **Berean Baptist church, P.O. Box 1233, Grand Blanc, Michigan 48480-3233**. Direct bank transfers may be made to **Franklin Bank, 24725 West Twelve Mile Road, Southfield, MI 48034 USA, Routing Number 241271957 Berean Baptist Special Account No. 567495976**.

Please inform **Max Sharp** at Berean Baptist Church by email of the details of the transaction (including date, transaction number and sum) at [maxsharp@earthlink.net](mailto:maxsharp@earthlink.net)

All contributions are tax deductible. Receipts are sent at the end of the calendar year or at the donor's request. Please do not send contributions directly to us – we consider accountability extremely important.

Funds sent for the ministry will be used exclusively for that purpose.  
We reserve the right to use for the ministry funds sent for personal use.