

# Policy Brief

September 2020

## **Anarchy at the helm with Covid-19 on deck Israel's lethal and horizon-less mix at the half year mark**

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### **Abstract**

Israel's health system entered the Covid-19 pandemic with the developed world's most overcrowded hospitals, a relatively small and aging healthcare workforce, and mortality rates from infectious diseases far higher than in every other developed country. These opening conditions mandated a nationwide lockdown quickly after the pandemic reached Israel, which in turn led to a near eradication of the virus within the country by the end of May. Instead of utilizing this opportunity to implement policies in preparation for future waves, while gradually opening the economy, the government developed no strategic plan for the future. Significantly compounding the situation, the prime minister broadly announced that it was then possible for the public to resume its normal activities. Almost immediately thereafter, the second, considerably deadlier, virus wave began, with almost twice as many deaths in August alone as in the entire first wave, while Israel plunged into the worst recession in its history.

Extensive governmental dysfunction and a complete lack of leadership led to often contradictory – and completely ineffectual – patchwork policies costing huge amounts of public money. The policy disarray at the top led to considerably less compliance among the Israeli public, particularly in ultra-Orthodox and Arab-Israeli communities who lead the list of most infected municipalities. Only after nearly five months into the pandemic did the government appoint a person to coordinate its policies for combating the virus. Within days, cabinet ministers and other leading politicians from the governing coalition began to undercut his authority and call for his firing.

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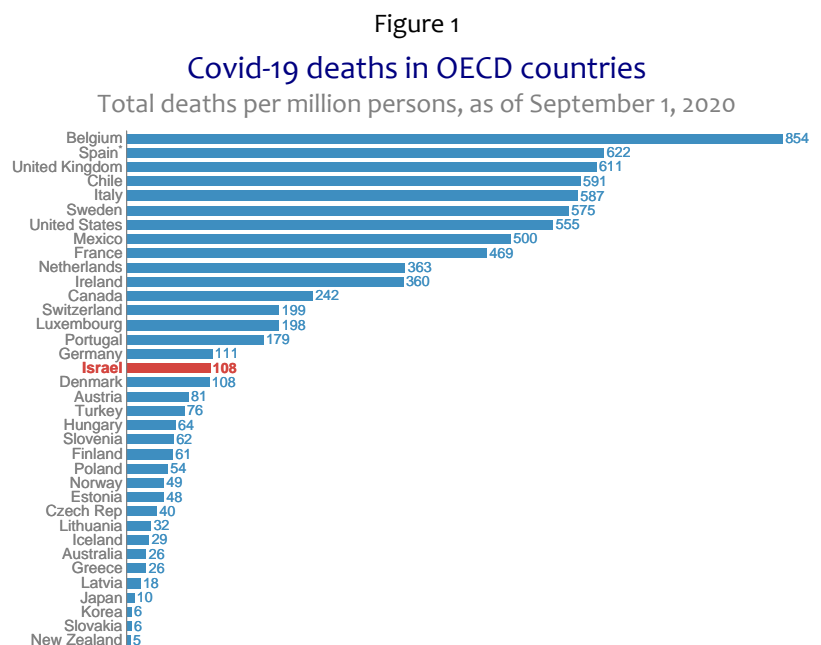
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## Introduction

As the world awaits a vaccine for Covid-19, countries struggle to find a balance between minimizing the number of deaths from the contagious disease and minimizing the economic damage wrought by the health safety measures. The degrees of success on both counts vary widely across countries and even within countries over time.

At the six-month mark, the number of Covid-19 deaths per capita in Israel place the country at the center of the OECD, with 108 persons per million population dying from the disease (Figure 1). There are developed countries with 5-fold (and above) more deaths per capita and there are developed countries with 5-fold (and above) fewer deaths per capita.

While there is no particular difference in mortality rates between large and small countries, half of the eight OECD countries with the lowest mortality rates are island countries (New Zealand, Japan, Australia and Iceland). Ireland and the UK are major exceptions to this general rule of thumb since relative isolation alone is no substitute for public health policies. While not island countries, Israel and Korea's geopolitical circumstances provide them with degrees of physical isolation relatively similar to those of the island countries.



\* August 31, 2020.

Source: Dan Ben-David and Ayal Kimhi, Shores Institute

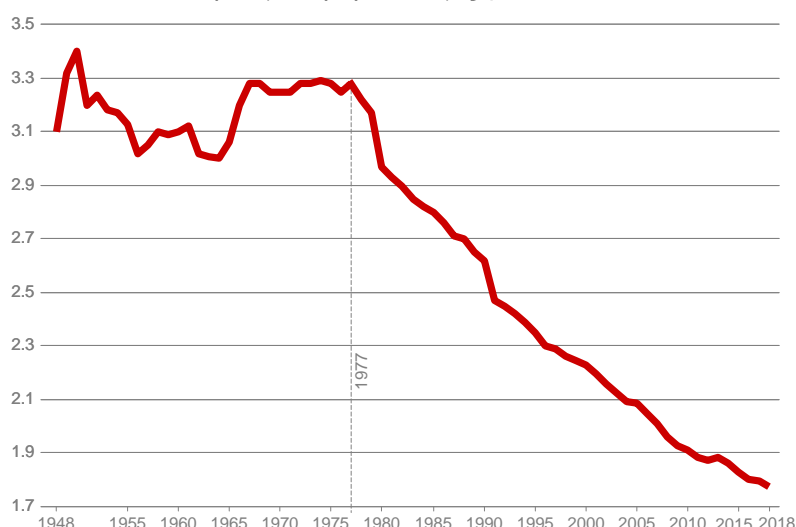
Data: Our World in Data

## Background

The case of Israel is particularly unique when it comes to infectious diseases in recent years. Prior to the recent coronavirus outbreak, the country's recent mortality rates from infectious diseases made it an outlier in the developed world as a result of increasing prolonged neglect and mismanagement of its healthcare system.

This was not always the case in Israel. For example, the country's founding generation managed to increase the number of hospital beds at roughly the same pace as Israel's extraordinary population growth during the early decades. Thus, the number of hospital beds per capita remained relatively steady from Israel's birth in 1948 until 1977 (Figure 2). Since then, the number of hospital beds per capita has been in a continuous multi-decade free-fall. This was part of an overall shift in national priorities as Israel moved to new, and similarly steady, multi-decade socioeconomic trajectories in additional realms, such as productivity, education and physical infrastructures – trajectories that are unsustainable in the long run (Ben-David and Kimhi, 2017).

Figure 2  
**Hospital beds in Israel\***  
 per 1,000 population, 1948-2018



\* Curative (acute) care hospital beds.

Source: Dan Ben-David, Shores Institute and Tel Aviv University  
 Data: Israel's Central Bureau of Statistics

While many other developed countries have implemented alternative healthcare policies that enabled them to reduce the number of hospital beds, the extent of the decline in Israel, and the concurrent ineffective development of alternative options raised the country to the top of the OECD in terms of hospital occupancy (Figure 3). An average 94.4% occupancy rate for an entire country over the course of an entire year means that there are some hospitals with

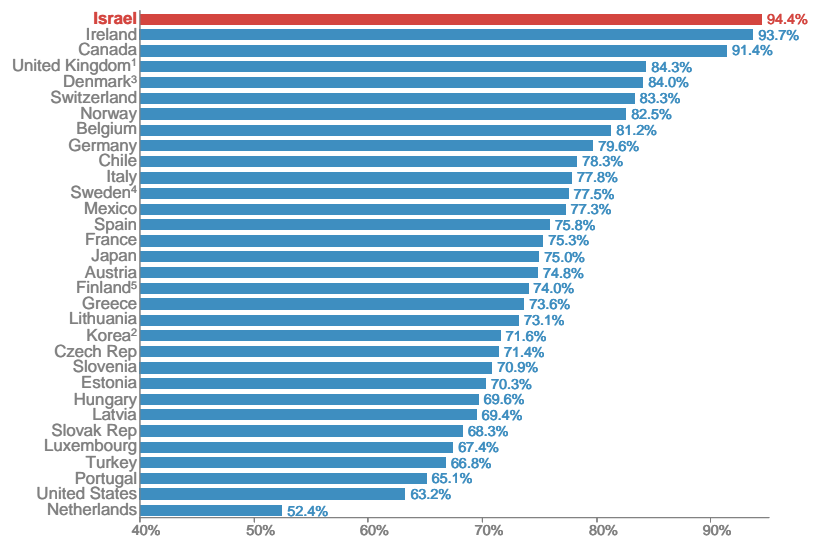
occupancy rates well over 100% capacity over the course of the year – especially during the flu season. This entails the placement of patients in hospital corridors, dining areas and a host of other non-hygienic and non-sterile areas.

As if these hospitalization conditions were not enough, Israel has also invested minimally in the training of health care professionals. While its physicians and nurses are among the world's best in terms of their training and personal abilities, there are simply not enough of them.

Instead of investing in its future, the country relied on the influx of physicians from the former Soviet Union in the 1990s to bolster its ranks. As the country's physicians age, the number of medical school graduates in Israel fell to the bottom of the OECD (Figure 4). Not only is the number of practicing physicians per capita in Israel below the OECD average, the country's stock of physicians is aging rapidly. While the share of physicians that are 75 years old and above is 1.3% in the OECD, that share is 10.3% in Israel.

Figure 3

### Hospital occupancy rates in OECD countries as percent of available beds, average for 2012-2016

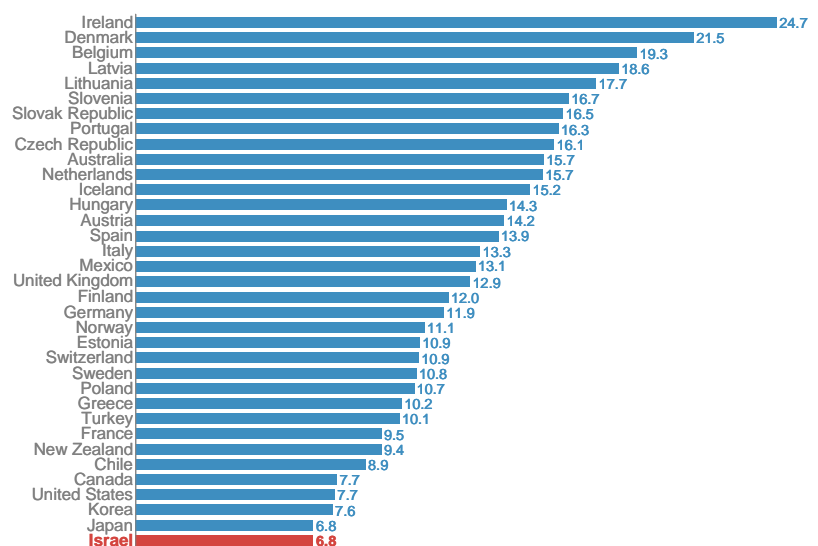


<sup>1</sup> 2010, <sup>2</sup> 2003, <sup>3</sup> 2001, <sup>4</sup> 1996, <sup>5</sup> 1995

Source: Dan Ben-David, Shores Institute and Tel Aviv University  
Data: OECD

Figure 4

### Medical school graduates in OECD countries per 100,000 population, averages for 2016-2018



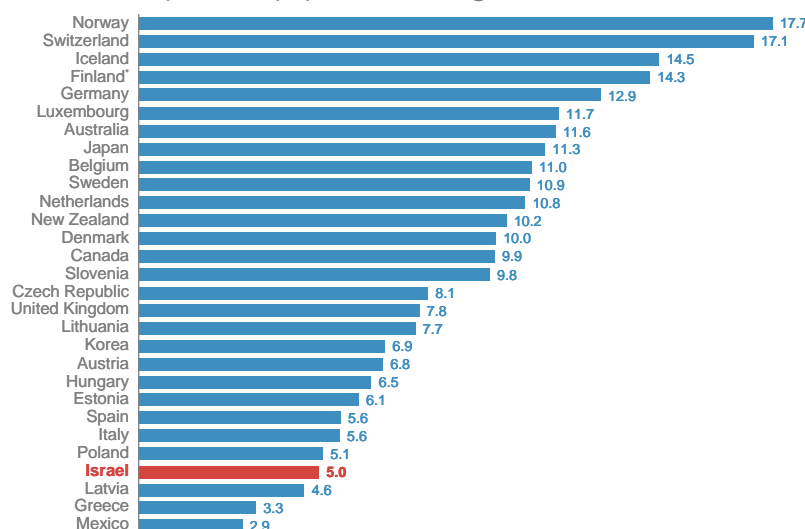
Source: Dan Ben-David, Shores Institute and Tel Aviv University  
Data: OECD

The picture with regard to practicing nurses is even bleaker. The number of nurses per capita in Israel is near the bottom of the OECD (Figure 5). As if this were not enough, the inflow of new nurses is also minimal, with the number of nursing graduates per capita in Israel among the lowest in the OECD.

Under such circumstances – with overcrowded hospitals and less than hygienic hospitalization conditions, and with minimal healthcare staff that is overworked and unable to handle the lack of capacity – it should come as no surprise that deaths from infectious diseases in Israel have risen significantly over the years.

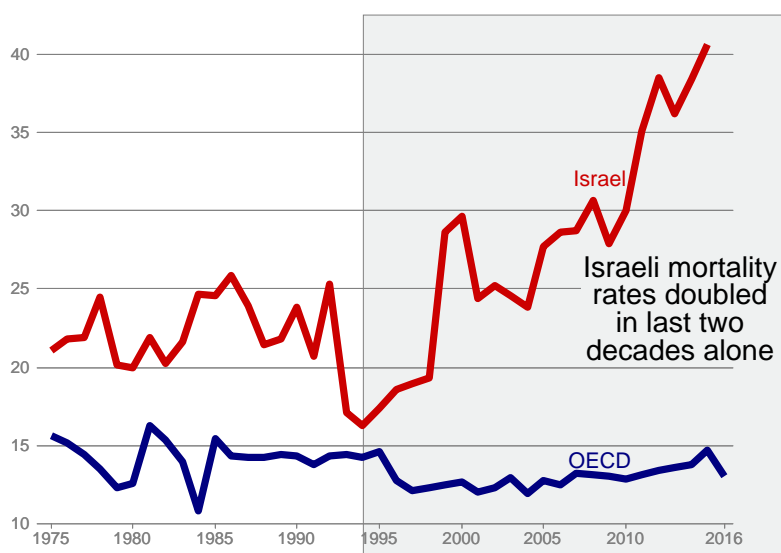
While the number of deaths per capita from infectious and parasitic diseases in Israel was never low in comparison with the rest of the developed world, the take off in recent years has been extraordinary (Figure 6). In just two decades, mortality rates have doubled. Consequently, Israel's death rates from infectious diseases became unparalleled in the developed world. It is perched far above all other OECD countries, with 69% more deaths per capita from infectious

Figure 5  
Practicing nurses in OECD countries  
per 1,000 population, averages for 2016-2018



Source: Dan Ben-David, Shores Institute and Tel Aviv University  
Data: OECD

Figure 6  
Deaths from infectious and parasitic diseases  
per 100,000 population\*, 1975-2016

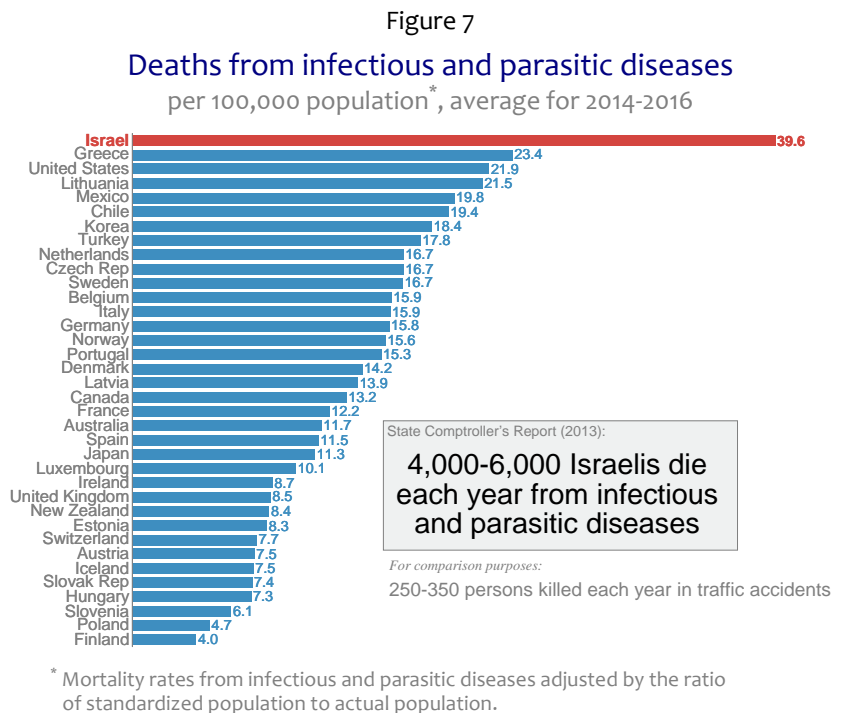


\* Adjusted by the ratio of standardized population to actual population.

Source: Dan Ben-David, Shores Institute and Tel Aviv University  
Data: OECD

diseases than the OECD's number two country, Greece (Figure 7).

To put this in perspective, while 250 to 350 Israelis are killed in traffic accidents each year, the country's comptroller's office reports that 4,000 to 6,000 Israelis die annually (prior to the Covid-19 outbreak) from infectious and parasitic diseases. This is some 16 orders of magnitude greater than the traffic fatalities toll.



Source: Dan Ben-David, Shores Institute and Tel Aviv University

## The first and second Covid-19 waves

These were the underlying conditions when the worldwide Covid-19 pandemic struck Israel. As its lethal combination of an extremely contagious disease with very high mortality rates became increasingly clear, Israel was faced with some particularly difficult decisions to make. Already home to one of the most neglected healthcare systems in the developed world, the degrees of freedom available to Israel were extremely limited. It did not have any excess capacity to deal with extraordinary emergencies – with a looming healthcare crisis about to become the world's most severe since the Spanish flu a century ago.

Thus, when the coronavirus reached Israel in early March, the country shut down quickly and extensively to minimize contagion as much as possible. The lockdown was thorough and relatively effective healthwise. The epidemic peaked during the first half of April and then receded just as quickly as it had initially escalated. 198 people died from Covid-19 in April, and that number fell to 69 in May and 35 in June.

Although Israel was caught unprepared in March, its quick nation-wide lockdown thwarted the kind of major surges in deaths experienced by other countries. With the epidemic continuing to be as contagious and as deadly as before, with no vaccine on the horizon in the foreseeable future – at least until the end of 2020 – and with increasing economic damage limiting further options of the kind implemented during the first wave, it was clear that Israel needed to utilize the time that it had bought with the lockdown to prepare for the future.

In April, at the height of the first wave, the Shores Institute published a study (Ben-David, 2020) on Israel's unique innate conditions, not available in most countries, which would enable the country to open up all places of employment, all schools, all entertainment venues, all of the elderly and retirement homes, and to do this without masks or special restrictions on social distancing. The study detailed how Israel could utilize its unique characteristics to completely rid the country of the virus for as long as necessary, even in the event of catastrophic future Covid-19 waves abroad. Among Israel's comparative advantages:

- Israel is a very small country the size of New Jersey with a population smaller than metropolitan Chicago;
- furthermore, it is one of the most isolated countries in the world, with extraordinary control of its borders and those who cross them;
- and finally, Israel has exceptional capabilities and experience in dealing with unexpected security crises. The current problem is not security-related in the conventional sense, but for all practical purposes, Israel is in a war and Israelis are dying.

From the domestic Israeli level, all that's needed to significantly limit damage from the coronavirus war is

- a sufficient number of labs, with all of the ingredients, technicians and test kits;
- and the ability to quickly find, trace and identify all infected persons in the country.

This would then enable treatment of all those who are sick and full isolation of the remainder for the requisite days, with full oversight and immediate testing of all persons entering Israel.

What's needed to implement a project on this scale is money – a lot of money. But when put in the perspective of the huge and rising economic, social and psychological costs at the national level, this is an almost negligible amount.

According to recent finance ministry forecasts, Israel's GDP is expected to fall by 80-100 billion shekels this year. In other words, Israel's economy is hemorrhaging at a rate of 400-500 million shekels per work day from April through the end of this year. This daily economic cost from Covid-19 dwarfs any expenditure necessary to rid the country of the virus – even before a vaccination becomes available in the next year or two. Thus, any amount needed to do so is feasible from an economic standpoint, and certainly from social and health perspectives.

Success of such an effort requires a serious professional at its helm, an individual granted the authority provided to the army's chief of staff during a war. The government needs to set the goals while the Knesset must provide oversight on the activities of the coronavirus chief of staff and the operation that he/she heads. But in a war, like in a war, they should not intervene or interfere with the professional activities.

Nothing approaching such a plan of action was even considered after infection rates fell in May. In fact, just the opposite occurred. To make room for the largest Israeli government ever, with 36 cabinet ministers and 16 deputy ministers (comprising nearly half of the country's legislative branch, the Knesset), existing cabinet ministries were divided into additional silos that further reduced much needed coordination and planning.

As if the lack of planning and strategic perspective were not enough, Israel's prime minister appeared on primetime national TV on May 26, a week after forming his new government, to announce: "We received great news today. The government is allowing restaurants, pubs and bars, the large parks, swimming pools. You can return as closely as possible to your daily routines. Drink a cup of coffee, drink some beer – and enjoy life!"

That is exactly what Israelis did – and the outcome of that behavior is clearly visible in Figure 8. After the number of new Covid-19 cases nearly bottomed out by the date of the prime

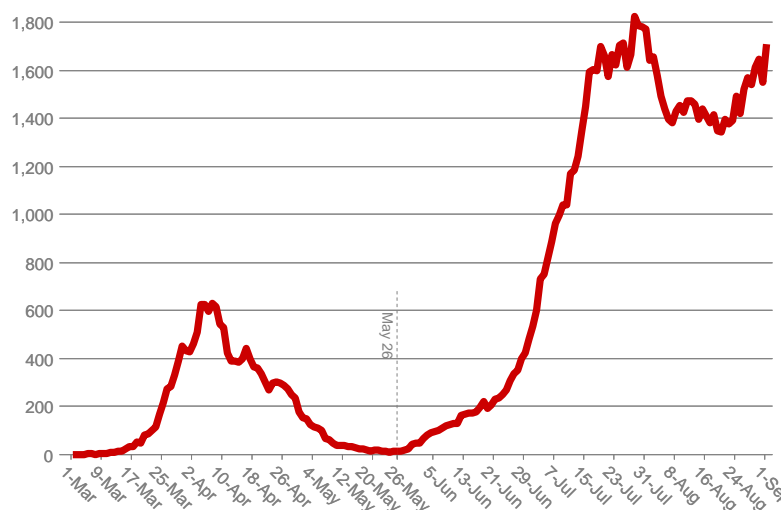


minister's May 26<sup>th</sup> announcement, the number of new cases began to soar almost immediately thereafter.

Since Israel began to administer more tests during the summer months – though not nearly enough, and with very limited efficiency in terms of very long lag times for results alongside high numbers of lost tests and test results – it stands to reason that many infected persons who would have otherwise gone undetected now appear as new cases.

An alternative approach is to focus not on the total number of infected persons but rather on the daily percentage of positive results from the Covid-19 tests (Figure 9). While more accurate than simply looking at the total number of cases, this is also not a fool-proof measure of the virus spread. It is more than likely that the less available tests during the early weeks of the epidemic were given only to persons with the highest likelihood of being infected while the increasingly available tests over the summer have been administered to many more individuals who are less likely to be infected. To

Figure 8  
Daily new Covid-19 cases in Israel\*

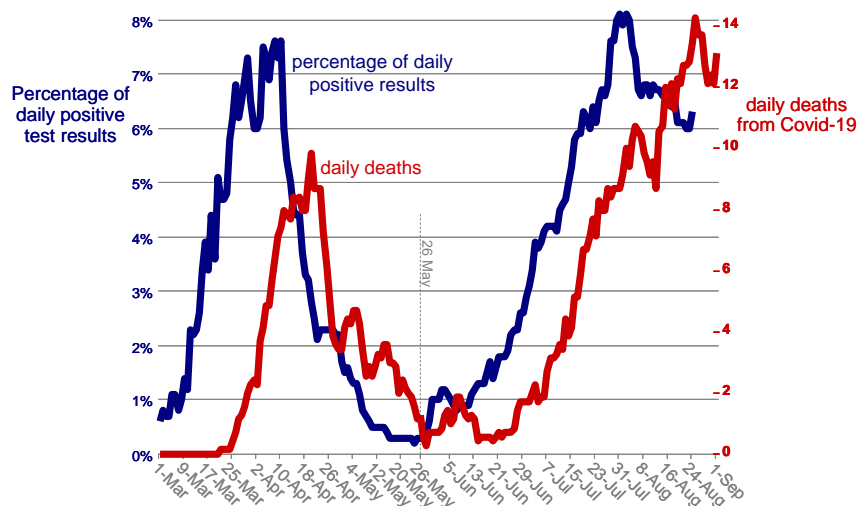


\* 7 day moving average.

Source: Dan Ben-David and Ayal Kimhi, Shores Institution

Data: Our World in Data

Figure 9  
Daily deaths from Covid 19 and percentage of daily positive results from Covid-19 tests in Israel\*



\* 7 day moving averages.

Source: Dan Ben-David and Ayal Kimhi, Shores Institution for Socioeconomic Research

Data: Our World in Data

the extent that this is indeed the case, this measure provides an overestimate of infection rates during the first wave.

And yet, even if these drawbacks did indeed exist, the behavior of infection rates during the first wave (the blue curve in Figure 9) mirrors the behavior of the curve in Figure 8 showing the total number of infections. The share of positive test results shot up to about 7.5% by the first half of April, and then fell close to zero by May 26<sup>th</sup>. Following the prime minister's public green light for the population to return to its daily routines, the share of infected person shot up once again, reaching 8% in August.<sup>1</sup>

Possibly the most accurate way to gauge fluctuations in the epidemic's severity is to focus on the daily number of deaths from Covid-19. Since deaths occur – if at all – several days after infection, this lag is depicted vividly by the red curve in Figure 9. It is a fairly similar facsimile of the blue curve showing infection rates, but shifted to the right by a few days. The fact that the daily peak of deaths in the first wave was lower than the daily peak in the current wave is a testament to the much greater severity of the second wave in Israel.

Add to this the fact that the peak is not only higher, but the area under the curve during the second wave is considerably greater than in the first wave, denoting just how much more serious the situation has become in late summer than during the April peak.

This is borne out in Figure 10a. While 198 Israelis died from Covid-19 in April, the July total very nearly reached that first wave peak while over twice as many Israelis died in August than in April. Figure 10b, highlights the rapid increase in mortality rates over the past month, with the inflection point just a few days after the prime minister's address to the nation on May 26.

The small decline in infection rates in late August (in Figure 9) – and what appears to be the beginning of a subsequent decline in mortality rates a few days later – may signal that the second wave's peak has passed. But the very high number of new daily cases in early September

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<sup>1</sup> In light of the large daily fluctuations in the reported numbers, the graphs depict seven-day moving averages to smooth out the curves and provide a better visual indication of the changes over time.

Figure 10a

Monthly Covid 19 deaths in Israel

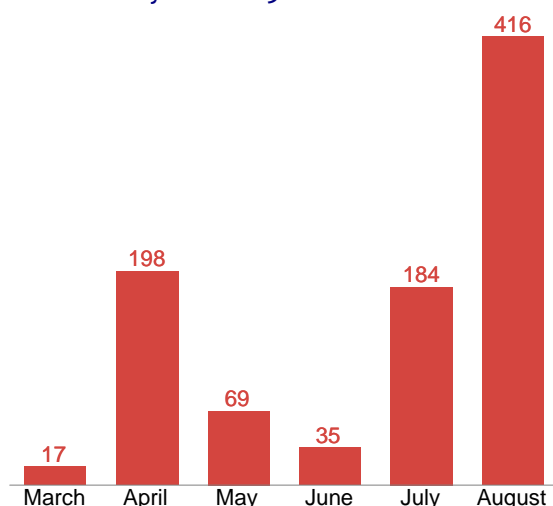
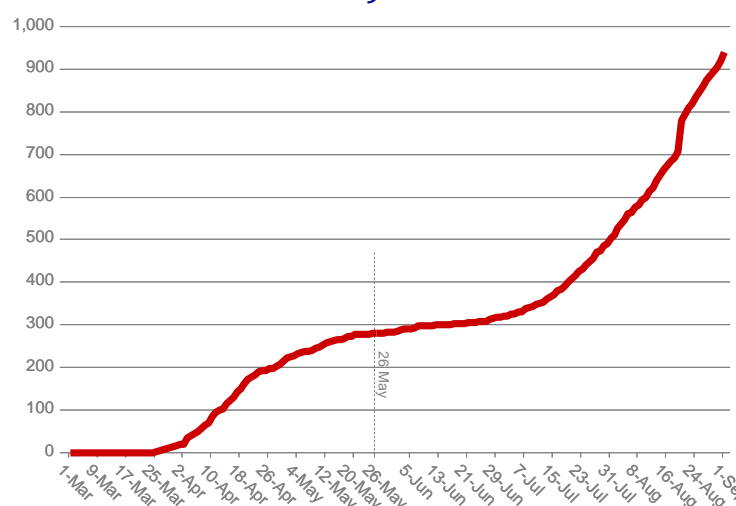


Figure 10b

Total Covid-19 deaths in Israel



Source: Dan Ben-David and Ayal Kimhi, Shores Institute

Data: Our World in Data

(surpassing 3,000 for the first time ever, and doing so twice within the first three days of the month), with infection rates at the time of this writing exceeding 9% for the first time ever, it is entirely possible that any such conclusions regarding a change in direction may be premature and misleading. This is especially true in light of the fact that schools reopened on September 1 and the education ministry's lack of preparedness for the new school year may yet heighten infection and mortality rates even further.

Even with the currently spiking mortality rates from Covid-19, Israel is still below half of the other OECD countries in this regard (Figure 1). A comparison with the United States, a country that has fared far worse thus far, can provide some perspective.

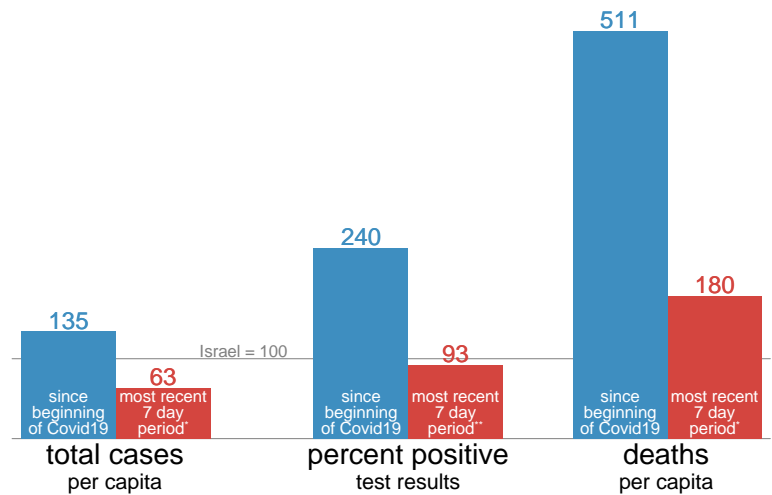
Since the onset of the pandemic, the number of infections per capita in the United States has been 35% higher than in Israel (Figure 11) – though, as noted earlier, this is highly related to the number of tests administered. More indicative of the gap between the two countries is the percent of positive results, with the American average equaling 2.4 times the Israeli infection rate. The tremendous disparity between US states in dealing with the epidemic has led to the situation spiraling out of control in different states at different times. Overall, the number of

Americans who have died from Covid-19 (relative to the population size) is over five times the mortality rate in Israel since the pandemic's outbreak.

The red bars in Figure 11 provide a more up-to-date comparison of the two countries, with the number of total cases per capita and infection rates in the US falling below Israeli levels during the last week of August. The gap in mortality rates has declined substantially as well – though it's still a huge gap – with 80% more Americans per capita dying in the last week of August than Israelis. But as Figure 12 indicates, there is more here than meets the eye.

In fact, the recently falling gap in mortality rates between the US and Israel is not due to a declining number of persons dying, per capita, in the States. This number has actually been increasing since June – albeit in considerably lower numbers than during the initial Spring peak period. The gap in mortality rates between the two countries has been falling because these rates are rising even more quickly in Israel than in the States in recent months (Figure 12).

Figure 11  
**Covid-19 comparison of US and Israel**  
 in US relative to Israel (Israel=100)



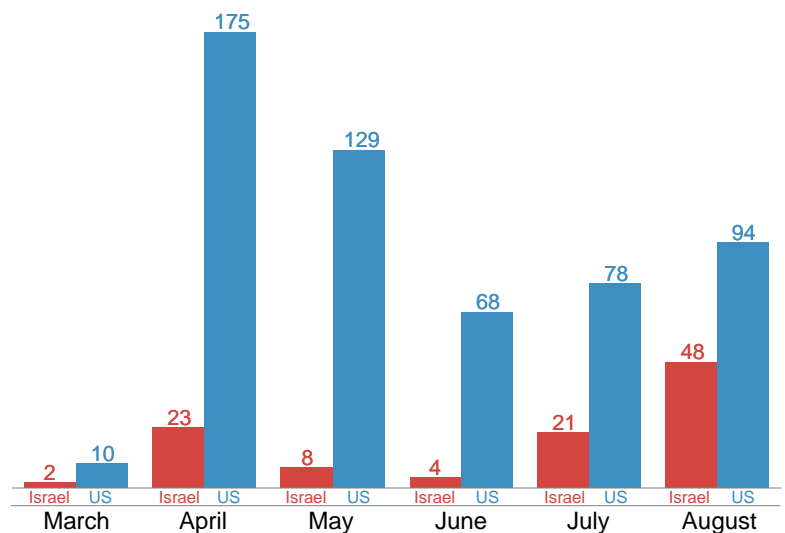
\* August 26 – Sept 1.

\*\* August 18 - 24.

Source: Dan Ben-David and Ayal Kimhi, Shores Institution

Data: Our World in Data

Figure 12  
**Monthly Covid 19 deaths in Israel and US**  
 average monthly number of deaths per million persons



Source: Dan Ben-David and Ayal Kimhi, Shores Institution

Data: Our World in Data

Some insight on the differences between the first and second waves of Covid-19 in Israel can be gained by examining socioeconomic attributes related to infection rates across different municipalities. While public perception during the first wave was that predominantly ultra-Orthodox (Haredi) municipalities had the highest infection rates per capita, Kimhi (2020) found two socioeconomic attributes in particular that explain most of the difference in infection rates between Israeli municipalities at the top and bottom of the infection rate distribution. These were population density and the fraction of residents living in religious boarding schools (not necessarily Haredi boarding schools). Predominantly Haredi municipalities are ranked high according to both attributes, but some non-Haredi municipalities with large religious boarding schools also had relatively high infection rates. Most Arab-Israeli municipalities, on the other hand, had much lower infection rates during the first wave, despite relatively high population density.

The situation has changed in the second wave. While predominantly Haredi municipalities are still among the most infected municipalities, they have been joined at the top of the distribution by many Arab-Israeli municipalities with very high infection rates. In fact, among the 32 municipalities declared as “red zones” (as of September 3<sup>rd</sup>), 24 are Arab-Israeli (including more than a third of the population in predominantly Arab-Israeli municipalities) and five are predominantly Haredi (including roughly 80% of the population in predominantly Haredi municipalities).<sup>2</sup>

The difference between the first and second waves may be rooted in behavioral changes. The complete lockdown during the first wave yielded a sense of emergency resulting in higher compliance with government orders almost everywhere – except the religious boarding schools – including in the Arab-Israeli sector. The evidently-too-rapid exit from the lockdown alongside the very inconsistent and contradictory government policies and statements has since led to considerably less compliance during the second wave. This was particularly true in the Arab-Israeli sector, with mayors of several large Arab-Israeli towns publicly testifying to this effect.

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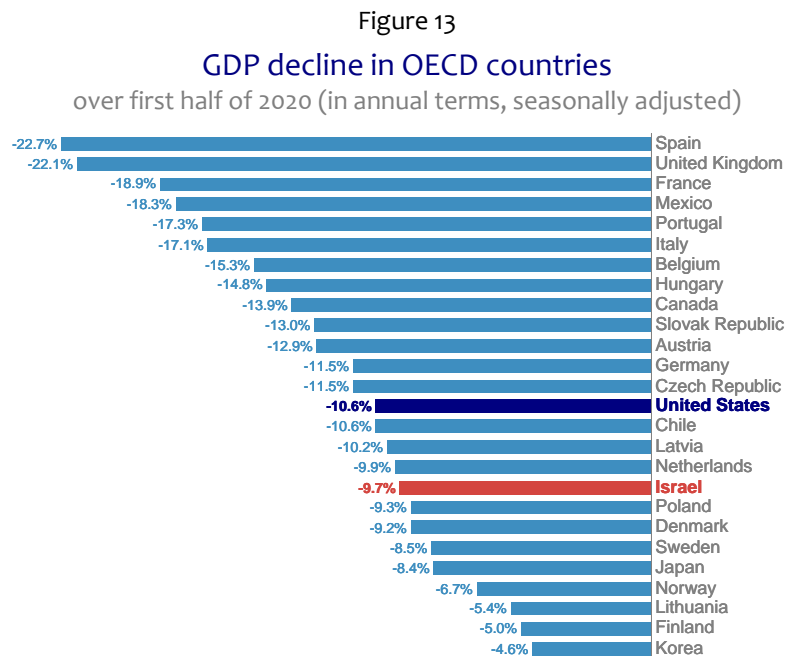
<sup>2</sup> Twelve Arab neighborhoods in East Jerusalem have also been declared red zones.

Compliance in the Haredi sector was far from perfect during the first wave, and it became even worse during the second wave, with Haredi leaders exacerbating the situation even further. For example, one of Israel's most influential Rabbis commanded his followers to avoid coronavirus testing altogether while Haredi cabinet ministers and other leading Haredi politicians publicly attacked their own government's policy measures aimed at protecting the Haredi population. The public statements by government ministers against government policies were not condemned or rebutted by the prime minister.

## The economic impact of Covid-19

The economic toll that both Israel and the US have begun to pay is huge, though it's far from being among the worst in the OECD (Figure 13). Projections made on the basis of the first half of 2020 – these may yet change dramatically in light of the huge unknown awaiting in the second half of 2020 – indicate drops in GDP ranging from -4.6% (in annual terms) in Korea to nearly a quarter of GDP lost in Spain, with the UK not far behind at -22.1%. Current projections for a 10.6% fall in American GDP place the country at around the middle of the OECD in percentage terms – though the immense size of the US economy makes the loss in dollar terms (as opposed to percent) far higher.

While the currently expected 9.7% decline in Israeli GDP may be relatively small in comparison with most other OECD countries, it is nonetheless the greatest fall in GDP in Israeli history – and that includes periods of major wars.

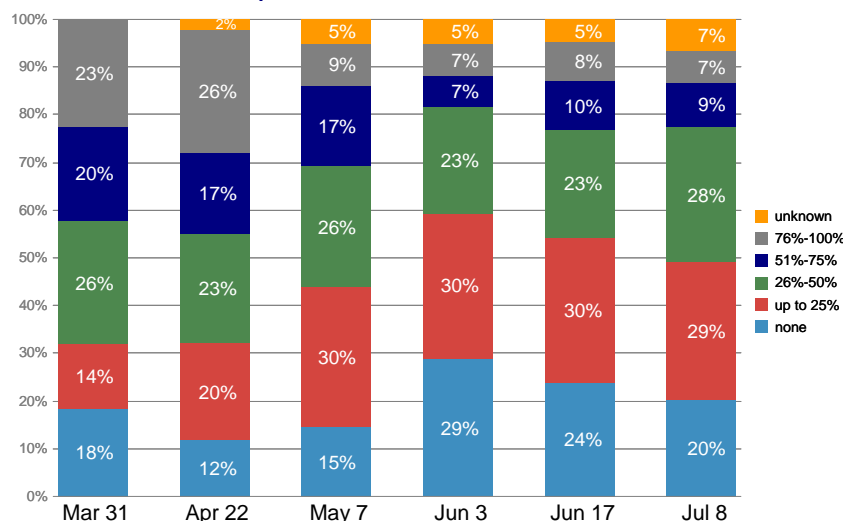


Source: Dan Ben-David and Ayal Kimhi, Shores Institution  
Data: OECD

According to the Central Bureau of Statistics (2020a), nearly half of Israel's private businesses reported a drop of at least 50% in their revenues during the Spring lockdown period (Figure 14). The share of such firms declined to about one-sixth of the total in June and the beginning of July (the most recent numbers currently available).

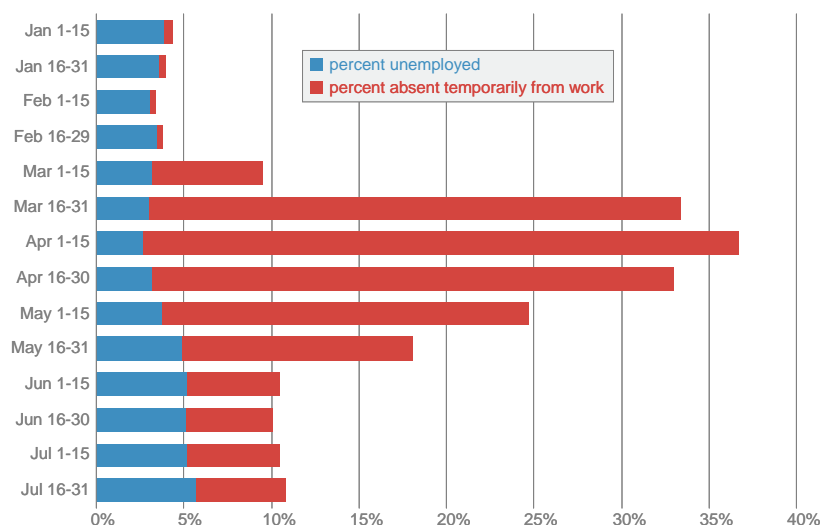
During the initial outbreak of the virus, the share of persons out of work skyrocketed, though not formally under the conventional method of measuring unemployment (the share of individuals seeking work but unable to find it). Instead, the relatively minor – in the past – classification of persons absent temporarily from work expanded significantly (Figure 15). While not formally classified as unemployed since they are still formally employed, such persons are nonetheless unemployed from a practical perspective since they are not working and do not receive compensation. Using this broader definition of unemployment, including persons formally listed as temporarily absent from work, over a third of Israel's

Figure 14  
Percent drop in business revenues in Israel



Source: Dan Ben-David and Ayal Kimhi, Shores Institute  
 Data: Israel's Central Bureau of Statistics

Figure 15  
Percent unemployed and absent from work in Israel



Source: Dan Ben-David and Ayal Kimhi, Shores Institute  
 Data: Israel's Central Bureau of Statistics

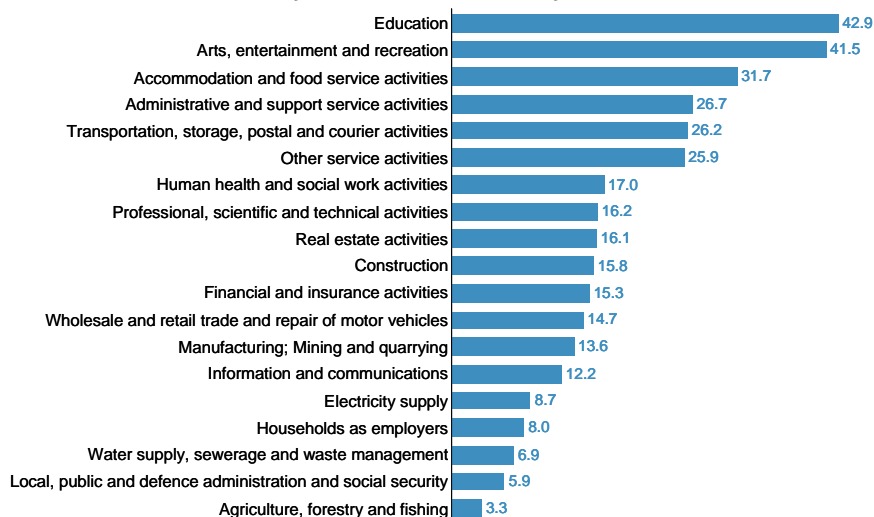
working age adults were unemployed during the first half of April (Central Bureau of Statistics 2020b). That share fell to approximately one-tenth by June and current projections are that this will be the unemployment rate at the end of 2020 as well.

Aside from persons employed in education, who tend to have a substantially high number of persons formally on leave each summer (the share of persons on leave in the sector

during July 2020 was actually 9% below the share in July 2019), the two sectors taking the hardest hit are also sectors that typically employ lesser skilled and more poorly paid workers (Figure 16). These are primarily sectors affected by tourism and leisure activities, which were particularly hard hit.

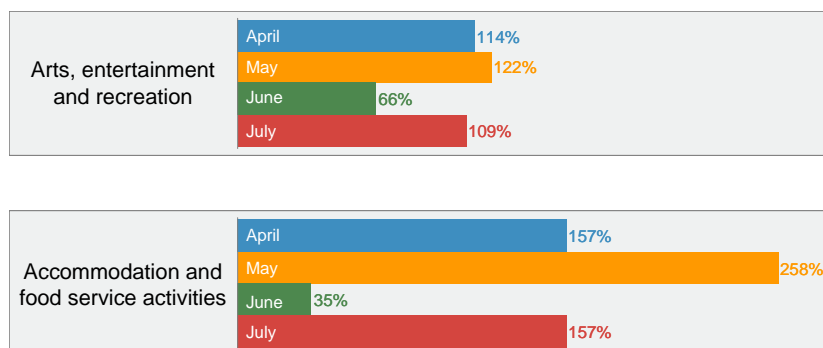
The impact on these two sectors was the largest in May – with over three and a half times more people on leave in 2020 than in 2019 in the accommodation and food services sector and 2.2 times as many on leave in the arts, entertainment and recreation sector (Figure 17). The gap between the two years declined in June, a month with relatively low infection and mortality rates, only to rise again in July to gaps similar to those in April.

Figure 16  
Percent of persons on temporary leave of absence in Israel  
by economic sectors, July 2020



Source: Dan Ben-David and Ayal Kimhi, Shores Institute for Socioeconomic Research  
Data: Israel's Central Bureau of Statistics

Figure 17  
Increase in number of persons on temporary leaves of absence  
in economic sectors with highest rates of leave (except education),  
2020 compared to same month in 2019



Source: Dan Ben-David and Ayal Kimhi, Shores Institute  
Data: Israel's Central Bureau of Statistics

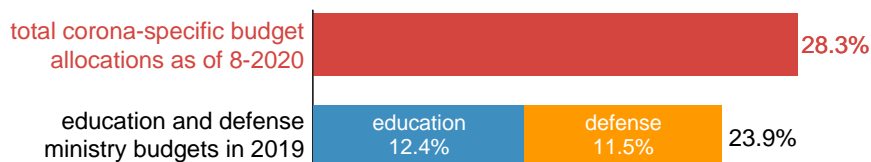


## Israel's policy disarray

Just as the government was unable to determine a coherent policy to deal with the health aspects of the epidemic going forward, the government's response to the economic downturn was haphazard at best. Seemingly entering election mode (which would make this Israel's fourth in a year and a half), the government began to massively increase its expenditures without articulating any long-term strategy for dealing with an extremely serious crisis that is clearly not going to dissipate anytime soon.

As of August, corona-specific allocations comprised 28.3% of the 2019 budget (Figure 18).<sup>3</sup> That alone is more than the combined amount that Israel spends on its two largest budget items (until this year), education and defense. Despite this, the prime minister pushed the nation towards the brink of elections in late August by reneging on a coalition agreement to pass a budget for 2021 and the remainder of 2020. As of this writing in early September, Israel still has no budget even on the planning table for the current year that is about to end, nor a budget for next year.

Figure 18  
**Government expenditures**  
 as percent of total budget



Source: Dan Ben-David and Ayal Kimhi, Shores Institute for Socioeconomic Research  
 Data: Israel's Finance Ministry

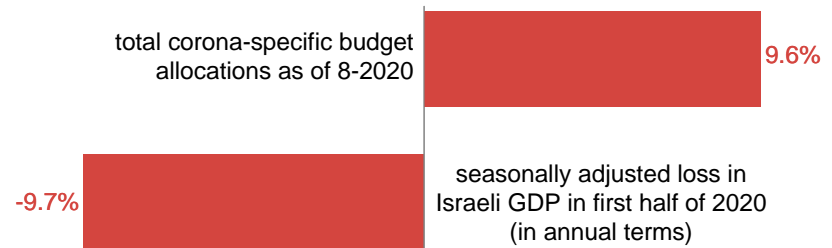
The situation has become so politicized and so disconnected from reality that the country's most senior civil servant in charge of the budget division resigned on August 30<sup>th</sup> (this on the heels of an earlier resignation by the civil servant heading the government's accounting division) stating that "policy is characterized by narrow, irrelevant and short-term decision-

<sup>3</sup> The 2019 budget was the most recent one approved by Israel's government and is used here to provide a common benchmark for the other budgetary expenditures.

making while professional staff are silenced, blatant disregard is shown toward staff work, policies are rash and normal budgetary tools and norms are ignored.”<sup>4</sup>

The magnitude of the economic problem facing Israel is highlighted in Figure 19. While the corona-specific budget is currently slated to cost nearly 10% of GDP, the ability to pay for this will decline as well – with a nearly identical decline in GDP expected at this time. If the current absence of policy continues, these could both be under-estimates for an economic disaster with enormous future social consequences.

Figure 19  
**Cost of Covid-19**  
 as percent of GDP



Source: Dan Ben-David and Ayal Kimhi, Shores Institute  
 Data: Israel's Central Bureau of Statistics

In late July, nearly five months after the Covid-19 outbreak in Israel, the government finally decided to appoint Prof. Roni Gamzu to lead the country's efforts in combatting the virus. However, the government is still unwilling to define what powers and what authority Gamzu has to actually deal with the epidemic. As a result, there is an incessant flow of contradictory directives by leading cabinet ministers – not to mention persistent calls for his resignation from top politicians from the ruling party – that undermine his ability to manage the government's efforts.

This is the current state of affairs as Israel head into its new year and High Holidays. The degree of governmental dysfunction is unparalleled at a time when Israel faces one of the worst crises in its history. Cabinet meetings, held weekly even during periods of wars, are being habitually cancelled week after week. No budget for the country is in the offing while the country's top civil servants from across the spectrum, from the economic through the health to

<sup>4</sup> Haaretz, Avi Waksman (August 30, 2020). <https://www.haaretz.com/israel-news/business/.premium-israel-s-treasury-budget-chief-resigns-accusing-minister-of-crossing-red-lines-1.9114296>

the law enforcement and judicial systems are coming under increasing personal attacks by the very politicians who appointed them.

This is a period unlike any other that Israel has undergone. The Covid-19 pandemic has severely strained matters across the world. In the case of Israel, it has only exacerbated problems that have been escalating for years. As this powder keg heads toward an explosion, one can only hope that in its aftermath – if such an explosion does indeed materialize – a viable new framework will emerge that can finally return Israel to socioeconomic trajectories that are sustainable in the long run.

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