

# THE STAGNATION AGENDA

Dear Partners,

Greetings,

Following the decision of the Minister of Finance, Bezalel Smotrich, to freeze budget allocations amounting to hundreds of millions within the framework of Government Decision 550 to the Arab local authorities, which includes development budgets, grants, education, and higher education, Injaz Center has been diligently and fervently working through the Forum of Arab Local Authorities Treasurers to prevent harm to Arab local authorities. This effort aims to avert budgetary crises within these authorities and to ensure continued services for Arab settlement residents.

Geared towards promoting stagnation and hindered progress, particularly in Arab educational and social spheres, Finance Minister Bezalel Smotrich is refusing to allocate funding to Arab municipalities and higher education preparatory programs based on his belief that they were primarily politically motivated, given at the behest of the United Arab List and Arab MK Mansour Abbas in the previous government, and lack professional justification.

**Based on our research with Sikkuy-Aufoq, on the income sources of Arab local authorities, we confidently assert that the claims are entirely false and intended to mislead the public.**



**The Minister of Stagnation and Exclusion**

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There is a clear and compelling rationale for providing distinct grants to Arab authorities. This stems from a well-documented history of systematic and deliberate marginalization, resulting in substantial discrepancies between the financial resources of Jewish and Arab authorities. Our research findings reveal an average annual income gap of approximately 3,700 shekels per resident between Jewish and Arab authorities. This substantial gap has significant implications, leading to considerable disparities in annual expenditures on education (an approximate 11,000 shekel gap per student) and welfare (an approximate 6,000 shekel gap per beneficiary). In essence, these glaring income disparities significantly hamper the ability of Arab local authorities to provide equitable services to their residents, furthermore, the position of the Minister is in direct contrast to the perspective of education and security officials.

**I wish to provide updates on the steps and decisions we have taken in the Forum of Arab Local Authorities Treasurers after numerous meetings, the latest of which was held this morning in the presence of Mr. Madar Younes, the Chairman of the National Committee of Heads of Arab Local Councils, and partner civil society organizations:**

- The mobilization of the Arab Local Authorities Treasurers in support of the National Committee of Heads of Arab Local Councils struggle, including participation in activities and protests at the committee's tent in Jerusalem outside government offices:
- Action to rally the Arab Local Authorities' protest by engaging the Forum of Treasurers of the Israeli authorities (a forum of Jewish and Arab local authority treasurers), in addition to coordinating with the Federation of local authorities in Israel to join the protest.
- The provision of financial data regarding the budgetary crisis of the local authorities to the Knesset Finance Committee, Knesset members, and other stakeholders.
- Treasurers recommended to the Chairman of the National Committee of Heads of Arab Local Councils to declare an immediate strike and to mobilize the Federation of local authorities in Israel for this purpose.
- Injaz Center, through the Audit Committee of the Treasurers' Forum, will formulate an urgent appeal to the Prime Minister, Ministers, and Ministry Directors-General, warning of the impending budget crisis and difficulties in providing services should the freezing of Government Decision 550 budget allocations be enforced.
- Injaz Center and Sikkuy-Aufoq will provide updated information to the Hebrew media on the budgetary situation of the Arab Local Authorities, especially in the context of balance grants, from the new research that has been conducted but not yet published.
- Injaz Center and Sikkuy-Aufoq will write opinion articles in Arabic, Hebrew, and English to raise awareness about the protest within the Israeli public and encourage a public discourse on the budget freeze.

Your commitment to this cause can make a significant impact and contribute to the betterment of Arab local authorities. Let us come together and work towards a more just and inclusive future.

Thank you for your unwavering support,  
Imad Jaraisy.

