



Free Choice and Competition in Israeli Schools

By: Naama Avidan, Ricky Maman and Avrum Tomer

This paper studies the subject of "parental choice" in education systems, reviewing international data and examining the situation in Israel. The paper discusses the rationale for parent choice, reviews international research on its importance and challenges, and analyzes how choice affects academic achievement, school climate, the risk of educational segregation, and long-term student welfare. Extensive interviews were conducted with education department heads in districts that implement Israeli "controlled choice" models, and empirical data examined on how opening registration zones to choice in Israel has affected integration levels over the past decade.

The **first chapter** provides background on Israel's school registration policy and the scope of the controlled choice program.

The **second chapter** summarizes the conclusions of various Commissions on parental choice policy in the Israeli educational system.

The **third chapter** explains the rationale of parental school choice, while the **fourth chapter** looks at parental choice worldwide.

The **fifth chapter** reviews the findings on the impact of broadening parental choice.

The **sixth chapter** analyzes the impact on integration of the "controlled choice" program in local authorities in Israel, while the **seventh chapter** presents first-hand accounts of the program from education department heads.

The **eighth chapter** looks at the Jerusalem model as a test case, and the **ninth chapter** discusses unique and regional schools.

The **last chapter** lays out the recommendations for policy in light of the paper's research.

Summary

Broadening parental choice of schools, a trend gaining momentum worldwide, is based on liberal values of freedom, diversity and direct accountability, as well as on evidence of the concrete advantages it affords in the form of scholastic achievement, better schools, and equality of opportunity.

Israel's traditional policy of student placement in schools was "zoned registration", i.e. placing children in the public school closest to their place of residence, with parents afforded the choice between the different tracks of state, state-religious or Haredi (ultra-Orthodox). In 2012, as global trends were orienting more towards parent

choice, and Israeli parents interested in choosing schools from a wider selection had begun establishing private alternatives, the Ministry of Education introduced a new system of "controlled choice" within some local authorities, as per a government directive that followed several recommendations by various commissions. This "controlled choice", a limited options choice supervised by the local authorities, is now the system in place in approximately one third of Israel's education system. The Jerusalem Education Division (מנה"י), however, pioneered an independent placement program whereby parents and students in the state and state-religious tracks have broad choice from among schools throughout the city.

One other channel exists besides zoned registration and the controlled choice model: unique schools, to which parents can register their children from a broad geographic area. Unique schools can be local or inter-regional, and include schools for the arts as well as Christian, Montessori, democratic schools and others. As of 2024, a total of 198 unique schools operate in the country. Although unique schools generally enjoy high demand from parents, the Ministry of Education limits the number of unique schools permitted to operate, mostly in order to prevent the closure of other schools in the area. Some parents are prevented by local authorities from registering to unique schools that are outside their local authority's jurisdiction.

In Israel, with the exception of the ultra-Orthodox community and, to a lesser extent, the Arab sector, alternatives to the public system at the elementary level are extremely rare, in contrast to many other countries that offer alternatives to public education, including both publicly funded and privately funded options.

International data shows that, in contrast to Israel, parental choice even among public schools has expanded in most countries worldwide over recent decades. While most countries maintain students' right to attend their neighborhood school, they also allow families to choose others. Some countries have eliminated residential-based placement entirely, offering completely free choice, and they have done so without creating greater educational segregation than in other systems (that is, a concentration of students from advantaged backgrounds in certain schools while students from disadvantaged backgrounds cluster in others).

Many educational systems around the world allow parents to choose a school for their children to the fullest extent possible. The right to choose breaks the chains shackling children to their local school, allowing parents the choice of more than one option, and encouraging both the diversification of educational possibilities and excellence in a variety of fields.

Research further demonstrates that broader parental choice creates a system in which competition drives schools to become more efficient and advanced, providing better education and maintaining a positive school climate, to the students' benefit. In contrast, lack of competition is linked to lower school quality, stagnating scholastic

achievements and decreased parent and student satisfaction. Regardless of how many parents actually exercise their right to choose, opening up choice and developing schools' particularities have a meaningful impact on promoting education systems.

Research reveals that despite the significant diversity among communities and schools participating in the controlled choice program in Israel, parental school choice leads to a more inclusive and tolerant educational climate, improved communication among school attendees, and reduced violence indicators. Program participation predicted greater student satisfaction with their schools, better peer relationships, more positive student-teacher interactions, and fewer incidents of school violence, although the program did not affect teacher satisfaction levels.

OECD reports indicate that choice and competition also have a positive effect on student achievements. The PISA reports found that choice improved student achievements across all types of schools. The Israeli Authority for Measurement and Evaluation in Education did find in 2020 that the controlled choice program had no effect on the standardized national "*Meitzav*" exams; however, there are several reasons for this, one being that most of the students who sat the exam had not had the controlled choice option when they registered in the first grade. Other research clearly shows that school choice at the secondary and high-school level not only improves "*Bagrut*" test results but dramatically reduces the number of high school drop outs, and has a positive influence on students' higher learning entry and earning ability more than a decade later.

The 2019 OECD report recognizes the importance of parental choice, but also emphasizes the need to balance this with considerations of equality and social justice to avoid segregation, since increasing parental choice without providing balancing mechanisms has been found to sometimes increase segregation between schools based on socioeconomic and academic status. When choice is uncontrolled, parents with more means and awareness tend to choose "better" schools for their children, while underprivileged families will usually default to the local school. The migration of students from strong backgrounds has a negative effect on the performance of weaker students left behind. Various steps must be taken to prevent a situation where choice translates into educational segregation, such as offering additional support for schools that serve weaker communities and providing accessible transportation service to distant schools.

In the Israeli case, opening registration zones to parental choice can actually enable students from disadvantaged backgrounds to register at better schools, which are often located outside their own neighborhoods in more affluent areas, provided they are encouraged to do so and obstacles to such are removed.

A comparison between local authorities where registration zones were opened and those where they were not reveals that expanding school choice did not create

segregation. In fact, integration actually increased in local authorities where choice options were maximally expanded.

Despite the fact that the idea of broadening school choice has gained increasing validity and reinforcement from one state commission on education to another (the 1991 Kashti Commission, the 1993 Volansky Commission, the 1994 Inbar Commission, the 2001 Kashti Commission, the 2002 Winstein report and follow up commission, and the 2005 Dovrat Commission), and despite an explicit government resolution from 2010 to implement the controlled choice program, progress is at a snail pace, with only one third of local authorities participating in the program.

There must be a more serious effort to institute school choice in Israel.

Recommendations

1) Eliminate the constraint of residential-based placement:

Registration zones should be a right rather than an obligation: preschools and elementary schools closest to students' residence should be designated as "anchor schools," in which a place is reserved for students who do not register or enter any other school. At the same time, parents should be allowed to register their children according to their personal considerations, without requiring them to adhere to a certain radius. Local authorities must ensure, to the best of their ability, that students are placed according to their parents' preferences. Admissions will be ordered in accordance with the schools' priority policy, approved by the district director and published at least two weeks before registration opens. A school's priority order may include geographic proximity or siblings studying in the same framework, but up to middle-school level, students will not be filtered according to their academic abilities or other personal characteristics. In cases of excess registration not resolved by filter, a lottery will be conducted under the supervision of the local authority's education department.

Similarly, at the middle-school level, students will be entitled to an "anchor" school in their designated quarter (as the current system is divided) but not obligated to choose only from their quarter.

Preferably, parents should have free choice of all schools within the local authority's jurisdiction, but at the very least be granted a choice of 3-4. To encourage choice, authorities should be granted funding (from the Gefen Pedagogical Flexibility budget) to facilitate changing their registration system and handling other related difficulties.

Local authorities' veto power over students transferring to schools outside their jurisdiction should be eliminated, and the extensive regulations cut.

Current requirements for approval and transfer applications create bureaucratic barriers that particularly harm weaker socioeconomic populations, and these should be removed to make the process simpler and more accessible. Parents should be required only to notify both the "sending" and "receiving" local

authorities when choosing an external school, without need for approval. To prevent budgetary harm to "sending" authorities, a funding formula based on student numbers rather than classroom numbers should be implemented, ensuring minimal financial loss while maximizing parental choice. Students should be permitted to choose a school every year anew, making the necessary legal amendments to the **Regulations as to State Education (Transfers) 1959**. Changing the budget to student-based rather than class-based will allow for smooth transition of students between schools in all grades. (*A proposal for such a budget change will be detailed in an upcoming paper*).

To encourage full utilization of school choice, transportation limitations must be minimized. In areas with extensive public transportation, student travel should be subsidized and bus schedules adapted to the education system's needs. In rural areas and regional councils lacking robust public transport, a joint funding mechanism involving the state, local authority, and parents should cover transportation costs to non-anchor schools. Funding distribution should be determined based on the local authority's economic stability, with parental co-payment amounts adjusted accordingly for those choosing schools at a distance from their residence.

2) **Facilitate opening new schools:**

The bureaucracy involved in establishing unique schools and alternative schools should be reduced, allowing the free establishment of educational frameworks according to local demands and grass-roots initiatives. Applicants seeking to open schools should not be burdened with numerous requirements and lengthy regulatory processes. The Ministry of Education should grant recognition and funding to any school meeting transparent and uniform licensing conditions, since education's purpose is not to preserve state institutions but to provide optimal education for students. Schools should be available as a controlled choice option without the current requirement to be considered "unique" – a process that can last several years. The requirements for indicators assessing pedagogical uniqueness should in any case be drastically reduced.

The conditions for opening inter-regional schools should also be reduced to: (i) maintaining security and safety procedures as are customary in the rest of the system; (ii) maintaining a transparent and equitable admission mechanism (it is recommended that local authorities provide financial incentives for accepting students from weaker socio-economic backgrounds, and that the Ministry of Education impose sanctions in cases of significant deviation from the regional average); (iii) a core-studies curriculum at an appropriate level; (iv) a commitment to participate in national exams when opening classes in which such exams are conducted (grades 2, 5, 8).

Schools should not be required to employ teachers according to collective agreements, so that each school can attract teachers who align with its educational philosophy.

Schools suffering from under-registration should be subjected to a reorganization process under professional guidance, and if necessary, the local authority and district will replace its management. Similar to the Jerusalem model, schools without demand will be closed, and branches of sought-after schools opened instead.

The requirement for recognizing a school as "recognized but unofficial" should be eliminated—specifically the prohibition on opening a school that may "harm" an existing official state school. To this end, the Ministry should cancel section 3(a1) of the State Education Regulations (Recognized Institutions), which was added in 2009. The current disparity in funding between official schools and recognized non-official schools should be eliminated.

Entitlement to public funding for all schools should be based on whether or not the school meets the Ministry of Education's technical licensing conditions; maintains regulation-compliant admission conditions; teaches the public curriculum according to the Ministry of Education's definitions; and is assessed on that curriculum. Any other distinction between official and non-official schools regarding budgeting is unjustifiably discriminatory.

3) Addressing the risk of socio-economic segregation:

The Ministry of Education should be permitted to demand compliance with non-discrimination criteria as a prerequisite for funding, or to reduce funding by 5% in schools where the student population is significantly at variance with the socio-economic average of the local authority (as is currently stipulated in the regulations for recognized but unofficial schools).

Should a local authority choose to restrict choice to districts, it should avoid distributing the controlled choice in a way that concentrates strong and weak schools into one designated choice area, thus preventing social mobility.

Several other measures must be taken to reduce segregation, including: (i) opening strong schools (or their branches) specifically in disadvantaged neighborhoods; (ii) preventing discrimination on irrelevant grounds (parents choose schools; schools, especially elementary ones, do not choose students); (iii) making information about all schools accessible to less involved populations; (iv) providing (limited) opportunity for local authorities to intervene in registration in order to find solutions for children left behind; (v) implementing differential funding that increases a school's budget the more it registers students from disadvantaged backgrounds.

For the [full Hebrew paper](#)

