THE ISRAELI PLANNING AND GRANTS COMMITTEE AT THE CROSSROADS: FROM SHOCK ABSORBER TO STEERING WHEEL

MEIR ZADOK
Center for Studies in Higher Education, University of California, Berkeley, CA 94720, U.S.A.

ABSTRACT

The Israeli Planning and Grants Committee (PGC) was established in 1974. It was modelled on the British system of the UGC. Since then, it has the most powerful and dominant organization in the governance of higher education.

Both Government and universities will have to provide the essential framework of cooperation with the PGC in order to help maintain the present position of the PGC.

Introduction

The Israeli Planning and Grants Committee (PGC) is now celebrating the first decade of its coming into existence, yet it is not clear whether this past decade is the first or the last. This is said against the fact that the Israeli PGC has become more powerful, dominant and prestigious than ever before.

The fast growth of the PGC from a small, unknown organization, which was established in 1974, to the most powerful organization in the higher education system is remarkable. The PGC today deals with universities, colleges basic research and manpower needs, and is playing a dominant role in grants, loans and tuition fees for students as well as academic salary negotiations (indirectly).

We will argue that the PGC has become a powerful and a central organization in higher education as a result of how it has carried out its formal mandate and the growth in its informal roles. This process has been reinforced by the gradual withdrawal of the Government and universities from their natural roles in the governance of higher education.
BACKGROUND TO THE ESTABLISHMENT OF THE PGC (1948–1974)

When the State of Israel was established in 1948 there were two universities and one research institute. The student population at that time was about 2,500. When the PGC was established in 1974 there were already seven universities with a student population of about 50,000. There was expansion in the number of students, in the number of academic and administrative staff, as well as an increase in the numbers and the physical capacity of the universities. This growth was accompanied by a massive increase in public expenditure which rose to about 75 percent of the ordinary budget of universities. This reflected the generally favorable attitude towards higher education of that period.

The rapid expansion was backed and reinforced by the societal belief that university expansion would help meet the increasing demand from students for higher education, and by society’s response through this channel to the need to equalize educational opportunity and to supply industry with more scientifically and technically trained manpower; a theme which was common in the Western world (Clark, 1983).

In 1958 the Council for Higher Education was established by law as a statutory body. The Minister of Education and Culture was Chairman of the Council, and of its 24 members, appointed by the State President for five years, at least two-thirds are professors from the universities, appointed ad personam, and the rest were from the public at large. The Council had three main functions: to recommend to the Government the granting of a permit to open a new institution of higher education, to grant academic recognition or accreditation to courses and to authorize the award of academic degrees – bachelor, master and doctor – and the title of professor.

The provision of funds for both the ordinary and capital budgets were still allocated directly by the Ministry of Finance. From 1948 to 1971 universities enjoyed direct access to the Ministry of Finance and maintained close contacts with senior political figures. The development of higher education was mainly based on personal connections between the Ministers of Finance and the presidents of the universities, who tried their utmost to promote their budgetary requests. This varied from university to university and included political pressure and personal contacts. At the administrative level, all university budgets were submitted to a senior Treasury officer who had many other functions to perform in addition to the one in higher education. Thus, there were increasing doubts about the competency of the state, with such limited administrative capacities, to cope with the rapid expansion of higher education.

In addition, universities varied in their degree of sophistication and management of their funds. Rapid growth was not always accompanied by adequate administrative procedures. Almost all universities incurred increasing deficits and had to come back to the state to ask for additional resources. This was not