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This is a short summary, for the full paper (in Hebrew) see https://www.idc.ac.il/he/research/aiep/pages/policy-papers.aspx.

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The Digital Challenge Facing Israeli Arab Society

In an era of rapid digital advancement worldwide, covering every facet of life - the labor market, primary and higher education systems, the business sector, and government services any population group which is not equipped to keep up with the pace of change, and thus unable to harness the potential benefits offered by progress, is bound to be left behind. The digital divide in Israeli society, between the Arab and (non-ultra-Orthodox) Jewish population groups, is manifested in infrastructure quality as well as digital literacy. About a third of Israel's Arab population does not have Internet access, and even where Internet connection exists, its speed and stability tend to be significantly substandard. Severe disparities are also evident in digital literacy, inasmuch as around 87% of Israel's Arab population aged 25-64 lack the basic digital competencies which are essential nowadays for active participation in the modern world, such as working remotely, participating in remote learning, conducting bank account activities, filling forms and employing the digital tools provided by government offices, making online purchases, and so on. These disparities in regard to infrastructures and digital competencies have, of course, a crucial impact on their ability to make use of the digital tools and services which are available in all spheres of life, hence also affecting the usage characteristics of the various tools. The primary use of the Internet in Israel's Arab society is mainly for entertainment purposes, such as participation in social networks, viewing streaming services, and downloading media files. When it comes to the use of digital tools for daily activities of the kind which requires more advanced digital skills, however, there is a substantial decline in the prevalence of use, and such applications are mostly limited to those with academic education, who also possess a higher level of digital literacy.

In light of the perpetually increasing necessity of using digital tools in all spheres of life, there is a crucial, immediate need to bridge the digital divide, since it threatens to exacerbate the wide gaps that already exist in all domains – education, employment, healthcare, and social affairs – between the Arab and (non-ultra-Orthodox) Jewish populations in Israel, and may cause long-term social, economic, and political costs. Reducing the digital divide in the immediate term, with the aim of closing it altogether in the longer term, requires addressing the issue of digital infrastructures, ensuring their accessibility, and investing in the enhancement of digital competencies in Israel's Arab population.

Investment in Physical Infrastructures

Access to high-quality Internet infrastructures is not a privilege, but a basic need comparable to roads and electricity, with a huge economic significance. The market failures in infrastructure provision to small, remote communities call for government involvement, particularly in planning and in overseeing the implementation, as well as in partial funding. Such government involvement would ensure the provision of high-quality infrastructure to Israel's Arab population as well.

- Short-Term Response government funding for establishing remote work/learning
 centers, which would provide computer and Internet services: facilitating the
 establishment of accessible public digital hubs in all Arab localities, for example in
 buildings owned by the local authorities or in schools, offering workstations equipped
 with computers and access to powerful Internet connection.
- Medium- and Long-Term Response improving the quality of Internt access in Arab localities: future investment in digitization infrastructures should prioritize access equality, including communities in the geographic and social periphery, through encouraging Internet service providers to connect regions with low potential for private profit in the immediate term. Undoubtedly, there is a pressing need to improve Internet infrastructures in Arab localities, in order to increase access to high-quality Internet services, in keeping with the current standards across Israel.

Investment in Digital Literacy

Access to physical infrastructures, in and of itself, is insufficient, and must be complemented by providing the population as a whole with basic digital skills and the essential proficiency required to reap the benefits of digitization. Due to the interrelation between inequality and digitization, and given the low levels of digital literacy pervading Israel's Arab population, government involvement is also required, particularly in regard to coordination and education, along with provision of some financial support as necessary for impoverished households:

- Job Placement Centers (e.g., Israeli Employment Service, Rayan Centers): training
 courses in basic digital skills for both workers and the unemployed; courses and
 support for business owners and self-employed individuals who wish to embark on a
 process of digital transformation and to integrate new technologies.
- **Education System:** integrating digital tools into the regular curriculum, along with training courses for teachers, students, and parents.
- Municipal Authorities: training courses or targeted workshops in digital skills, provided by the local authority, could provide focused solutions catering to the various needs of the local community.