

Opening Remarks – Yohanan Plesner, President, Israel Democracy Institute

Greetings,

For the 24th time, the Israel Democracy Institute is holding the annual Eli Hurvitz Conference on Economy and Society (formerly the Caesarea Forum). This year, for the first time, the conference will embark on an exciting multi-year process, led by IDI and in cooperation with senior government officials, business sector representatives, academic and research institutes, as well as prominent members of Israel's civic and social sectors.

The initiative will create a continuum of joint strategic research and thinking that aims to ultimately bring about real change to Israel in specific areas.

Beginning this year, status updates regarding the progress being made by our think and do tanks will be presented at each Eli Hurvitz conference, as well as elaborated on in the published conference materials. These preliminary findings and analyses will serve as a basis for fruitful discussions, both at the conference and afterwards. This year, the various think tanks will address the central theme of the 2017 conference, *Two Economies - One Society*, about which Prof. Eugene Kandel will expand upon in the following pages.

As part of this new approach, the think tanks' research topics were incorporated into the Institute's multi-year action plan.

For example, IDI launched a working group this year, which is formulating recommendations on how Israel should best prepare for **tomorrow's labor market**. We assembled this group once we realized that without proper preparation, the changes expected to undermine the stability of regimes and democracies may actually be caused by the erosion of the existing employment model, as well as a growing fear of a sharp rise in unemployment rates around the world.

This project team, which includes representatives from a variety of government ministries, research institutes, business sector representatives and employers' representatives, began a process of mapping the challenges, conducting research and formulating strategic policy recommendations for future labor market preparations. Even after this year's conference is concluded, the team will continue its work, with

the aim of deepening the research and formulating recommendations – to be presented at the next conference in 2018.

Relatedly, the Institute launched a multi-year pension reform initiative this year that will develop recommendations for enhancing the stability and increasing the equitability of Israel's pension system.

Another multi-year project launched by IDI in 2017 aims to help government agencies **reduce the regulatory and bureaucratic burden**. Our working assumption is that an effective regulatory system increases economic resilience and strengthens the stability of our democracy. Moreover, excessive regulation and stifling bureaucracy can incentivize government corruption and thereby undermine the foundations of democracy.

This project was also incorporated into the Institute's multi-year action plan, reflecting IDI's expertise in **behavioral economics as a tool for improving government work**. The fruits of this project, developed in cooperation with relevant government agencies, will be presented for the first time at this year's conference.

We believe that the 2017 Eli Hurvitz Conference on Economy and Society is an excellent opportunity for an unfiltered, professional and productive meeting between leaders of Israel's economy from across various sectors, who will conduct an open discourse that will challenge the conventional wisdom and accepted practices.

This year will be the fifth conference that bears the name of Eli Hurvitz z"l, the founder of Teva and one of the titans of Israeli industry. Eli was the chairman of the Institute's executive committee and for many years headed the Caesarea Forum (the conference's previous name).

For us at IDI, the relationship with the Dalia and Eli Hurvitz Foundation is simultaneously special and natural. We thank Dalia and the entire Hurvitz family for enabling this important enterprise to continue and grow.

I thank all the researchers and research assistants, chairpersons of the various groups, our partners on these teams and those who put their studies to paper, plenary session chairs and the entire Israel Democracy Institute staff.

Special thanks to Prof. Eugene Kandel, Chairman of the conference.

Best regards,

Yohanan Plesner

President, Israel Democracy Institute