A puzzle within an enigma

A recent academic study based on analysis of ILA decisions over 40 years proves true the feeling that agricultural sector is the Israel Lands Administration’s favorite son.

By Avi Bar-Efr | Sep.10, 2007 | 12:00 AM

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The agricultural sector is the Israel Lands Administration’s favorite son. Until now that had merely been a cliche, hurled by frustrated developers, but a recent academic study based on analysis of ILA decisions over 40 years proves the feeling is a fact.

Since its first resolution in May 1965, the ILA has made 1,090 resolutions, many of which caused bad feelings. But what is Israel’s policy regarding that precious resource, land? Does it actually have a policy? It is astonishing that in tiny Israel, where a huge 92 percent of the land is owned by the state, and where the uses made of this land matter so much, nobody has ever studied how decisions are made at the ILA. The administration has been an enigma: we know what it does, namely, what its decisions are, but we don’t know what influences the process of making decisions, or what its considerations are.

Dr. Ravit Hananel and Prof. Rachelle Alterman (of the Samuel Neaman Institute for Advanced Studies in Science and Technology at the Technion Institute in Haifa) sought to dispel some of the muck surrounding the ILA. The two sought to investigate changes in land-use and allocation policy over the years, and to illuminate their national, social, economic, administrative or environmental contexts.

Basically, they aspired to answer the question: To what degree do changes in Israeli society or the economy affect the ILA’s decisions, and to illustrate the process of making those decisions.

Land and city

The researchers chose to focus on two sectors that the ILA has discussed ceaselessly over the years: the urban and agricultural sectors. They also chose to narrow their discussion to two dominant conundrums which have been discussed ad nauseam.

One is rezoning agricultural land. That issue is at the heart of the debate about whether land is being allocated justly from the viewpoint of the public good. The second issue is land leasing, which applies to 90 percent of Israel’s: They live on city land owned by the government.

Hananel and Alterman pinpointed seven major values that shape Israeli land policy: Zionist-nationalist, economic, budgetary, social, environmental, administrative and legal.

Take for example November 1998, when the ILA council was discussing Resolution 848. The resolution sought to extend the terms of leasing land from the state from 49 years to 98 years. Ariel Sharon, the agriculture minister at the time, chose the administrative argument to explain his support for the proposal. "I don’t think there’s a problem here. It would make everybody’s life easier," he said.

Jewish National Fund representative Uri Pinkierfeld opposed the resolution. He claimed it would diminish the principal of national ownership of the land. "I think the proposal is too far-reaching. It’s tantamount to transferring ownership," said Pinkierfeld, opting to pump up the nationalist/Zionist ideology.

The ILA representative, at the debate, Yaron Bibi, then threw budgetary and economic arguments into the stew: "The decision is by and large the right one and we should indeed get rid of the routine handling of lessees. I think that we should change lease prices. They should be higher."

Hananel and Alterman studied roughly 60 ILA resolutions with strong results over the years that touched on their topics of rezoning agricultural land and leasing public land. They located the minutes of meetings on 36 of the resolutions, made between 1965 and 2004, and brought some insight into the considerations that dominated the decisions of the Israel Lands Administration. Here is their list.

b Efficiency: Only for city boys. The need for administrative efficiency at the ILA, which translates into reducing the dependence of the lessee on the ILA, was applied only to the urban sector. In practice, the administrative aspect became the most important one in the ILA council’s deliberations from the 1970s, but only regarding urban areas. When it came to rural lands, the council members proved indifferent to the administrative aspect and were sometimes prepared to waive administrative efficiency for the interests of the farmers.

b Legal consideration: Hakshet Hademokratit Hamizrakit changes the rules. Hananel and Alterman found no discussion of legal aspects when it came to the urban sector. That may be because a satisfactory balance had been achieved and the various interest groups (contractors, developers, lessees) saw no reason to rock the boat.

But when it came to the rural sector, everything changed in August 2002. That was when the High Court ruled on a lawsuit lodged by Hakshet Hademokratit Hamizrakit, a social movement that aims to achieve equal rights (notably in the area of land allocation, too) for Israel’s Mizrahi Jews, who hail mainly from Arab and Muslim countries.

The High Court forced the ILA to walk on eggshells regarding the distribution of land among population groups and, say Hananel and Alterman, severely impaired the council’s sovereignty. The ruling reversed the ILA’s values in respect to “public interest” and “conflict of interest,” they say.

b Economic issues: Increase with the land value. Economic considerations are paramount in shaping land policy in all developed nations. Land can be leveraged in different ways, after all. But in Israel, Hananel and Alterman found no serious discussion of how any given policy would impact on Israel’s economic efficiency and benefit, even though the Israel Lands officials are fundamentally the board in charge of Israel’s most precious resource - land.

At least the economic consideration is granted higher priority when discussing the development of municipal land, especially as land development accelerates in scope (and price). But when discussing the agricultural sector, the council members are guided more by a desire to preserve open lands and even more so, by the desire for Jewish agriculture to continue to play a part in Zionist history.

b Absence of social considerations: One might have thought that given the unique qualities land has as a “social” resource, and given that the government owns almost all of it, land in Israel would be leveraged to achieve social fairness, or a more equitable distribution of social benefits and costs. But it isn’t. Social consideration is insignificant in ILA discussions.

Moreover, when discussing the urban sector, not only are discounts or other breaks for the poor not considered: Any benefits that had existed were abolished, for the sake of administrative benefits. In the rural sector, on the other hand, the social aspect is considered, but mainly from the perspective of egalitarianism (having a range of people leasing the land).

The High Court of Justice lawsuit did nothing to enhance discussion of social issues: if anything its action boomeranged. Social issues were eliminated from the debate on agricultural land too, as the ILA turned cagery and sought to avoid getting sued again.

b Green? Not here. Hananel and Alterman had thought that environmental issues would be stronger in rural versus urban discussions, but their research proved them wrong. Environment was all but a non-issue in both. Preservation of farmland was based on the vision of the Jewish settlement, not on the need to preserve the ecology.
The IIA as a Zionist entity. Israel’s society and culture are still built on the narratives of Judaism and security/nationalism. One might assume that Zionism/nationalism would be dominant in shaping IIA policy, and it is. Over the years, the administrative consideration came to supersede the Zionist/nationalist consideration in the urban sector. But in the rural sector, the nationalist consideration reigns supreme, stressing the deep-rooted right of the land’s farmers to the land.

The researchers found no direct correlation between changes in Israel’s political scene over the years and the strength of the nationalist consideration in shaping IIA policy. But it is also true that over time, the weight of the Zionist/nationalist consideration lessened in both the urban and rural sectors.

In the urban sector, the IIA sought to adapt its activity to the number of lessees, meaning to demand, and in the agricultural sector, change occurred because of the Hakeshet court case, not for material reasons.

The budgetary consideration: To their surprise, the researchers found that the budgetary consideration played a relatively minor role in the IIA’s deliberations. It is greater in the municipal sector, but it was still minor compared with other considerations.

"Among the public and the media, the IIA is often denigrated as a 'land profiteer' or 'land trader,'" Hananel and Alterman wrote. "Our findings show that the decision makers at the IIA actually do not grant crucial weight to budgetary considerations. This applies to both sectors."

Summing up, Hananel and Alterman argue that the system of considerations guiding policy at the IIA differs for the urban and rural sectors. In the rural sector, the process of reaching decisions is driven by values and emotions, based on Zionist/nationalist considerations and identification with the interests of settlement and agriculture. That detracts from the weight of other considerations, such as economic or social. But in the urban sector, the process is efficient and cold. Weight is granted to Zionist/nationalist considerations but only after considerations of administrative efficiency are taken into account, and in parallel with the growing weight of economic and budgetary considerations.

The researchers also found a different attitude toward the population of lessees. Rural lessees are perceived as making the Zionist vision come true and preserving Israel’s identity as a Jewish nation, and therefore, their needs are considered (even at the expense of achieving other goals). But their urban brethren are treated in neutral terms, as an aside to a contract between the lessee and the lessor, namely, the Israel Lands Administration.