

The 60th “celebrations” of the Israel Planning and Building Law: The most dynamic nation with the most entrenched and centralized planning law

Rachelle Alterman

ABSTRACT

Our planning law turns 60. It is not a cause for celebration — it is a cause for embarrassment. The OECD’s most dynamic country remains stuck with a planning law built on a bill drafted in the 1950s and enacted in 1965. The highly centralized institutional hierarchy in the original law suited a state under development, but it perseveres to this day.

Today, 162 amendments later, the law has lost its original rationale. It has become a serious obstacle to citizens’ ability to understand what the law says. The law also suffers from extreme centralization of authority. For example, I don’t know of any other advanced democracy with a body resembling our district planning committees, which routinely reassesses and overrides planning decisions approved locally. Elsewhere, planning laws that were once centralized have undergone deep decentralization reforms. Unlike Israel, those reforms did not spring from efficiency concerns. They reflected a core democratic conviction: planning decisions should be as close as possible to the residents they affect and to local decision-makers.

This extreme centralization produces planning timelines of extraordinary length. The article analyzes two ostensible innovative decentralization measures introduced since the 1990s: “Detailed Plans under Local Authority” and the “Comprehensive Plans.” Neither measure was inspired by democratic objectives. Both stemmed from the ongoing search for procedural shortcuts. Yet national government’s determination to keep a firm grip on the reins turned both innovations into legal and administrative farces — what this article calls “stingy decentralization.” At the same time, centralization is actually accelerating, embodied by the National Committee for Special Housing (VATMAL), which has become like an implanted respiratory machine to save a law that caused its own clogging.

Keywords: planning laws, centralized governance, decentralized authority, comprehensive plan, local-jurisdiction plan

Dr. Rachelle Alterman is an emeritus (non-retired) professor of urban planning and law at the Technion—Israel Institute of Technology, a senior researcher at the Neaman Institute for National Policy Research, and a visiting professor at Bar Ilan University where she heads a real-estate degree program. In 2022 she was elected as Member of the Israel National Academy of Sciences and Humanities. She is currently the only female from the Technion.

Alterman holds a BA Honours degree in social science and a Master of City Planning from the University of Manitoba, Canada; a PhD in urban planning from the Technion, and then, a LLB (law) from Tel Aviv University. In 2007, she founded the International Academic Association on Planning, Law, and Property Rights. With over 200 publications her specialization is in cross-national comparative research on land use law and policy, property rights, housing tenure, and planning institutions. She is an Honorary Member of the Association of European Schools of Planning (the only non-European); The Royal Institute of Technology in Stockholm awarded her the Athena Award recognizing ten globally leading academics in urban studies. In Israel, she won the prestigious Landau Academic Award and several professional awards.