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A self-adjusting electoral system?

Millions of Israelis will hit the polls on January 22nd 2013, with many fundamental questions hanging in the air: Will PM Netanyahu benefit from his demonstration of self confidence by calling early elections? Will the massive social protest of the summer of 2011 change long-standing voting traditions? Or does the threat of a nuclear Iran hold sway over voters' political inclinations?

The upcoming campaign is already different in a sense. Anyone who has followed the Israeli political scene for more than a week is critical of our "too-representative" electoral system: it is unstable, with new elections every other year; and the endless array of miniscule parties makes it impossible to form enduring coalitions. And here we are, at the end of a full four-year period of a very solid coalition, and with a strong trend of consolidations among the main parties on both the right and left of the political map. Although most of the parties will promise their voters, once again, a radical reform in the electoral system, the "invisible hand of the market", to borrow Adam Smith's term, has already done much of the job for them.

Israeli-Palestinian dispute resolution

The conflict with the Palestinians is not expected to take a front seat in the upcoming campaign. Inaction can be detected on both sides. However, the business communities view the situation through a separate prism. They continue to detect an ever growing number of opportunities and engage in active bilateral trade, primarily motivated by geographical proximity

and respective economic advantages. Conservative estimates place annual trade figures at US\$3-4 billion. The Jerusalem Arbitration Center – JAC is a new joint venture of the Israeli and Palestinian Chapters of ICC - the International Chamber of Commerce. JAC will constitute a compelling alternative for the resolution of Palestinian-Israeli business-related disputes, natural by-products of any international business relations.

The complicated Israeli-Palestinian situation creates unique challenges for effective dispute resolution, including unequal bargaining power and difficulties with the reciprocal enforcement of court decisions in Israel and the Palestinian Territories. The creation of a viable, mutually acceptable and enforceable Palestinian-Israeli commercial dispute mechanism could go a long way towards improving relations between the two sides. Currently both ICC Palestine and ICC Israel are focused on securing sufficient funding to enable the setting up of the JAC and ensuring its uninterrupted operation.

An awakening treasure

Zefat (also known as Safed) is not only the northern town where I grew up, but also a widely recognized untapped national treasure. Its central role in Jewish history and as the

birthplace of the Kabbalah could have turned this picturesque spot high up in the hills of Galilee, into a compulsory stop for so many pilgrims and tourists. However, decades of mismanagement and negligence have kept Zefat away from the public eye. A rare combination of new leadership under Mayor Ilan Shochat, the Reut Institute, a prestigious non-partisan NGO, and bold government moves are bringing new hope to the town. Last year Reut put into place its new vision for the town, focusing on turning it into a global center of Jewish spirituality and culture and a leading national center for family and community health. Further details can be found at: <http://tinyurl.com/9z4dlcw>. People who have lived in Zefat over the years or have fallen in love with it in any other way, are invited to offer their support.

Old land, new awareness

Over 50 years ago, the demolition of the old building of Gymnasia Herzliya sparked widespread and heated public debate, giving rise to a new awareness for the importance of conserving historical landmarks. Gymnasia Herzliya was founded back in 1905 as the first Hebrew high school in the country. The building was a major Tel Aviv landmark until 1962, when the site was

razed for the construction of the modern concrete Shalom Tower. The more visible outcome of the public uproar was the establishment of The Society for Preservation of Israel Heritage Sites (SPIHS) followed by legislation with the specific purpose of locating, restoring and preserving heritage sites in Israel.

SPIHS has restored sites associated with Israel's rebirth dating back to the 18th century. It also runs special educational programs, including lectures, tours and seminars and encourages urban planning related to heritage sites. Among the more notable achievements of the Society are: The Atlit Illegal Immigrant Detention Camp, which tells the story of the struggle of Jews who fled from Nazi persecution and death in Europe, in an attempt to reach what was then British-controlled Palestine; the Kfar Yehoshua Station site, part of the Turkish Sultan's mythological Jezreel Valley Railway that linked Haifa and Damascus in the early 20th century; and the Ayalon Institute, a secret factory that manufactured ammunition, built underneath a limestone hill. SPIHS is eager to develop its international outreach, in order to share experience and knowledge with parallel national agencies. For more information: <http://www.shimur.org/english/index.php>

The spirit of innovation

600 participants were part of the first annual Cities Summit Tel-Aviv that took place earlier this month at the Tel Aviv- Yaffo Academic College. The summit addressed crucial issues facing urban administrators as they try to optimize the potential of their cities, from promoting technological and commercial innovation in the private sector, to making City Hall itself a center of excellence.

It is becoming more widely recognized that of all the assets available to cities, the most powerful and least used is the creativity of its residents. By unleashing the restless spirit of innovation that resides in our cities, a more meaningful partnership with populations can be formed. The conference brought together politicians, city councilors, town planners and other urban administrators from the UK, China, France, Netherlands, Switzerland, Germany, USA, Chile, India, Italy and Columbia. They shared best practices for promoting innovation in their cities, in both the public and private sectors.

The Wall Street Journal has named Tel Aviv as a finalist in a global competition for the Most Innovative City in the world. You can still add your vote for Tel Aviv at <http://online.wsj.com/ad/cityoftheyear>.

Market Watch: The spies are back!

The Bible tells us the fascinating story of the twelve spies, who were sent by Moses to have a look at the land of Canaan. He asked them to "see what the land is like; and if the people living in it are strong or feeble... and what sort of land they are living in, if it is good or bad;

and if the land is fertile or poor; and come back with some of the produce of the land" (Numbers 13). The modern version of the story is better known as business scouting, and the State of Israel enjoys not twelve, but probably closer to twelve thousand visitors every year. Their travel guide can be The Start-Up Nation or a recent issue of a global business magazine. They are here to try to emulate the success story of the Israel high tech industry. They represent senior government ministry and agency officials who come to interview their local colleagues about policies, legislation, incentives, etc. Other visitors are here on behalf of multinational companies, trying to find out what the potential benefits are for them; and if you stroll along Tel-Aviv's Rothschild Boulevard you are also likely to meet young entrepreneurs who came to enjoy an atmosphere of innovation and risk taking. Initially they were mainly American, British and French. Now they come from Asia, southern Europe, Latin America, Russia and many more. Instead of the biblical produce they go back to their respective countries with ideas, inspiration and friendship. Welcome!

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