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Supply-side territoriality: reshaping a geopolitical project according to economic means

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ABSTRACT
The ‘Stars’ are series of suburban settlements adjacent to the border with the occupied West-Bank which illustrate the increasing privatisation of the Israeli settlement mechanism. Unlike earlier examples, which were dictated by pioneer ideology or individualistic attempts to achieve better living standards, during the 1990s the state adopted a supply-side territorial policy, which tried to ensure the continuation of its geopolitical project by securing the economic feasibility of the private sector. Analysing the development of the ‘Stars’, this paper sheds light on the privatisation and commodification of the Israeli settlement mechanism and with it the transformation of its spatial product.

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Introduction
Territoriality, in its broader definition, is the effort to bound space and to subject it to the exclusive control of a certain political entity. In the Israeli version of territoriality, the efforts to expand the state’s spatial control is usually attributed to the national settlement mechanism. The late 1970s witnessed the privatization of this mechanism, which relied on a collaboration of national institutions, settling movements, small-scale private entrepreneurs and construction corporations. Subsequently, by the 1990s and with the ever-intensifying privatization, the state increasingly relied on large-scale private developers. Consequently, while during the 1980s the private sector was the executor of the state’s policy, a decade later it became an integral part of it. Subsequently, as planners had to take in mind the investment and financial interests of the different entrepreneurs involved, economic feasibility and profitability became crucial aspects in planning and executing new settlements and these began reshaping the built environment.

This paper focuses on the ‘Stars’ settlements – eight new sites initiated by the state in the early 1990s which demonstrate the transitions in the local geopolitical development mechanism. Using a variety of sources that include meeting protocols, reports, statistical data, correspondences, regional plans, urban outline schemes and building permits, as well as interviews with planners, architects and policymakers, this paper analyses the new Israeli settlement approach during the 1990s, defining it as supply-side territoriality.
Studying the characteristics of the suburban environments that this perspective generated, this paper illustrates how it was manifested in built space; shaped and reshaped according to the newly implemented settlement mechanism that received a seemingly neutral and market-oriented façade.

**The production of territory**

The union between territory and sovereignty is essential to the modern nation-state. Agnew, refers to this as the *territorial trap*, which is the popular fusion of the idea of a sovereign state and its fixed bounded territory, separating between domestic and foreign political spaces and forming containers of societies (Agnew, 1994, p. 56). Supporting Agnew’s claim, Brenner et al, highlight Max Weber’s definition of the modern state as a *human community that (successfully) claims the monopoly of the legitimate use of physical force within a given territory* (Weber 1946 in Brenner et al., 2003, pp. 1–2). Correspondingly, Elden claims that the term *territory* is either understood as a bounded space that is a state, or the product of *territoriality*, which is the human behaviour intended to achieve a bounded space (Elden, 2010, p. 757). Therefore, bounded space is the means of the state’s sovereignty and the ends of its territoriality.

To explain the relationship between territory and spatial production, Brenner and Elden build on Lefebvre’s writings on the *State Space*. Lefebvre criticised the orthodox Marxist reduction of all social analyses to the economic sphere and emphasized the role of the modern nation-state(Lefebvre, 2009, p. 240). According to Lefebvre, the capitalist mode of production (CMP) is the focus on creating and allocating surplus-value and it is also defined by the spatial support it is in need to. Space is thus a social product and an outcome of the societal productive forces. Lefebvre claimed that Marx was unable to see the transformations of societies to states and with it the ‘*statification*’ of space. Subsequently, the CMP led to the state mode of production (SMP), which maintains and manages accumulation, using its different capacities to *shape and reshape the spaces of capital* while *facilitating the survival of capitalism*; all enabled by the *production of the nation by the State, dominating a territory* (Brenner & Elden, 2009, pp. 359–363). The state’s ability to mobilize and control economic resources is thus inseparable from its territorial aspirations.

Territory is the *site, medium and outcome of statecraft* (Brenner & Elden, 2009, p. 365). The SMP subjugates space to a simultaneous process of *fragmentation, hierarchization and homogenization*, which parcels it and turns it into exchangeable commodities (Lefebvre, 2009, p. 233). Homogeneity is essential for both capital and the state, as it creates a uniform and clean slate that enables the commodification and nationalization of space (Brenner & Elden, 2009, p. 358). This state produced space, is thus intended to facilitate economic growth through territory, turning both terms into reciprocal and insiprable institutional forms (Brenner & Elden, 2009, p. 365). Correspondingly, territorial borders are both the means and ends of the continuous endeavours to *shape the geographies of political-economic activities* (Brenner et al., 2003, pp. 8–9).

**Territoriality** is the essence of the century-old Israeli settlement project, which asks to bound space as a means to establish and legitimise the state’s rule over it. In the pre-statehood years, this consisted of the construction of new frontier settlements, which became a leading force in the nation-building process, intended to enlarge the territory of the future
Jewish state while promoting a new local identity. In that sense, if referring to the famous quote of ‘a land without a people to a people without a land’ that portrayed Palestine as an empty, undeveloped and unsettled area waiting for colonization (Said, 1979, p. 9), it was by the act of settling the ‘land without people’ that the ‘people without a land’ would become a nation. Following the establishment of the state of Israel in 1948, these efforts focused on settling the newly formed borders, depopulated Palestinian towns and predominantly Arab areas that constituted the new ‘internal frontiers’ (Yiftachel, 1996, p. 493). Territoriality, therefore, became an integral part of the state’s mode of production and an essential component in the development of the local economy and its industry (Schwake, 2018, 2020a). With the privatization of the local economy during the 1970s, Israeli territoriality was merged with the state’s new market-oriented agenda.

The continuation of capitalism through state-led territorial production was at the heart of the 1970s’ global neoliberal turn. This transition was an outcome of a variety of state-initiated measures, policies and deregulations that promoted a ‘process of market-driven social and spatial transformation’ (Brenner & Theodore, 2002, p. 352) intended to ‘enabling the markets to work’ (Rolnik, 2019, p. 20). Accordingly, more states began adopting a supply-side perspective, which safeguarded the interests of the developers in the hope that this would eventually benefit the end-users (Galster, 1997). Urban systems were thus directed by growth-oriented laissez-faire approaches that utilized the economic potential of land (Molotch, 1976). Correspondingly, when this potential is exhausted, geographic expansion is then directed to generate new potential, what Harvey refers to as a ‘spatial fix’, meant to reignite the investment cycle (Harvey, 2006, xxxiii). Thus, though neoliberal economies advocate for reduced state involvement, these spatial fixes, are state-directed ‘special interventions’ meant to encourage the needed “investment climate” for capitalistic endeavours (Harvey, 2005, p. 70).

Nevertheless, while Brenner and Elden illustrate the state territorial mechanism as a means to ensure the survival of capitalism, this paper illustrates a contrary scenario. The use of economic power to reinforce political rule is a common historical practice, as noted by Agnew; describing mercantilism as the ‘subordination of the economic to the political’ (Agniew, 1994, p. 73). However, as this paper shows, supply-side territoriality is not the mere use of economic means for political ends, but rather the implementation of a capitalist mode of production as a means to facilitate the survival of settler-colonial mechanisms during neoliberalism.

**Supply-side territoriality**

Supply-side economics is the essence of the neoliberal turn. Unlike the post-war Fordist-Keynesian state that saw the welfare of the working middle-class, the demanding side, as the main facilitator of economic growth, the new perspective focused on securing the interests of the producers, the supplying-side (Harvey, 2005, p. 22). Developed as an antithesis to post-war western economics, the neoliberal turn, according to Harvey, is the return to power of the pre-war economic elites, whose control of the market decreased during the 1950–60s and were now able to restore their status on the expense of that of the state (Harvey, 2005, p. 201). While this description might correctly depict West-European and North-American economies that had an economic elite, in other contexts, like Israel, where demographics and geopolitical interests form leading hegemonic interests,
one could expect that the newly forming supply-side perspective would be used to facilitate the survival of the state’s control during economic transformations. Therefore, *supply-side territoriality*, analysed in this paper, presents a unique case of neoliberalism, where the market’s growth interests are used as a means to enhance the state’s control.

The modus operandi of the Israeli settlement project was not static and continued to evolve with the local political and economic changes. With the liberalization of the quasi-socialist Israeli economy that began in the 1960s and accelerated in 1977, as well as the occupation of the Palestinian West Bank in 1967, the national mission of settlement was privatized as well(Carmon, 2001; Eshel & Hananel, 2018; Filc, 2006; Gutwein, 2017). Through measures of ‘selective privatisation’, the state granted privileged groups substantial spatial rights as a means to promote the construction of new Jewish settlements and to ensure the state’s control over space; a mechanism coined by Yacobi and Tzfadia as ‘neo-settler colonialism’(2018, p. 8). This was not limited to the occupied West Bank and took place in other peripheries and internal frontiers, inside the pre-1967 borders(Shafir, 2018; Yiftachel, 2003). Correspondingly, the settlements of the 1970s and 1980s were often homogenous suburban environments that housed uniform communities; whether from the religious right-wing sector(Newman, 1981), middle-class couples in search for affordable housing(Allegra, 2017), blue-collar Mizrahi families(Dalsheim, 2008), Ultraorthodox congregations(Cahaner, 2017), Anglo-Saxon immigrants(Hirschhorn, 2017), or upper-middle-class families in the search for better living standards(Newman, 2017).

The privatization of the settlement mechanism increased during the early 1990s, intensifying the private incentives of a decade earlier as larger developers and entrepreneurs began taking the lead. This was parallel to the state’s new neoliberal agenda that asked to tie the national urban development strategy to the rationale of the market; leading to a new metropolitan-based urban planning approach, instead of the former population dispersal policy(Shachar, 1998); promoting private initiative and supporting flexible planning as a means to optimize development (Alfasi, 2006; Margalit, 2014). Appropriately, the Ministry of Construction and Housing (MCH) and the Ministry of Agriculture and Rural Development (MA) began encouraging private-led settlement projects in order to involve the private sector in the national territorial project (Maggor, 2015; Weismann, 1983). This mainly took place in the western fringes of the West Bank and in the areas adjacent to it; enhancing the official policy of turning ‘west Samaria into a part of Gush Dan [the Tel Aviv metropolitan area]’(Ministry of Agriculture, 1984, p. 2) while merging settler-colonialism with neoliberalism.

During the 1980s, due to the national economic recession, the involvement of private developers in territorial settlements was limited mainly to the West-Bank, where the state enacted a supply-side approach that financed construction and guaranteed to purchase unsold units. Whereas on the Israeli side of the Green-Line, private developers were mainly contractors, commissioned by a public agency(Maggor, 2015). The growing demand for dwelling units in the early 1990s enabled the state to enhance its supply-side approach of a decade earlier, turning it into official policy, meant to appeal to the private sector and incorporate it in its territorial project. At the same time, as this paper shows, while the MCH and ILA implemented new measures to ‘ease future ventures’(Eldor, 1985, p. 1) and ‘create additional dwelling units’(CEO of MCH, 1990, p. 1), they used the same settler-colonial terminology of *Hesech* – ‘scarcity of Jewish settlement’, *Havira* – ‘interconnections between Jewish settlements’ and *Hayetz* – ‘separation
between Arab areas’, to define the ‘national priority’ of a certain area (Benvenisti, 1984, p. 29). Thus, creating a western counterpart to the privatizing geopolitical project inside the Occupied Territories.

With the privatization of the settlement mechanism the means changed, yet the ends were maintained. Here, it is worthy to use Kim Dovey’s distinction between power over, which is the ability to harness the capacities of others to one’s interests, and power to, which is ‘[t]he “capacity” to imagine, construct and inhabit a better built environment’ (Dovey, 1999, p. 10). Compatibly, in the Israeli selective privatization process, privileged groups were granted the power to construct and/or inhabit a certain place, while promoting the state’s dominance and ensuring its power over space. The state’s dominance intensified as it retained its role as a planner (Shachar, 1998; Yacobi & Tzfadia, 2018), yet, similar to other neoliberal economies that stimulate good investment climates, the state used its different apparatuses to promote the formation of a real estate market along its internal frontiers; encouraging their settlement and promoting their eventual domestication.

As the state began embracing new supply-side policies, the residential parcel became the focus of planning; fitting Lefebvre’s notion of fragmentation and homogenization. The dimensions of each parcel, Lefebvre explained, are dictated by the logic of real estate speculation, designed to ensure profitable construction and commodification (Lefebvre, 2009, p. 234). To enact an optimized marketable system, the MCH began implementing specific dimensions for each housing type while dictating their desired composition (Figure 1) (MCH, 1994). The planners were then in charge of implementing these demands in their proposed outline; turning the art of urban planning into the ability to create a harmonious system of fixed ‘marketable’ parcels and architecture into the skill of optimizing the building rights of each parcel. Consequently, generating the optimal sizes and number of dwelling units and ensuring profitability.

Figure 1. Instructions for Tzamarot neighbourhood – Left: desired dimensions of residential parcels; Right: desired dwelling types and composition.
This paper discusses supply-side territoriality as a state-led project that harnessed the interests of large-scale entrepreneurs to the national geopolitical agenda. To do so, the state had to secure the development’s viability and thus granted private developers the power to profitably construct housing settlements while securing the state’s power over space, enabling it to bound additional territory. Appropriately, it promoted the formation of a real estate market while parcelling and homogenizing its frontier. To proceed with these efforts further, recurring state-endorsed re-parcellations and commodification ensured the constant survival of its territorial project by relentlessly attracting investors, developers and speculators. Simultaneously, this paper presents supply-side territoriality as a new step in the privatizing neo-settler colonialism, naturalizing the national geopolitical agenda by granting it a seemingly unbiased market-oriented façade.

The low-rise Stars

The Stars (HaKochavim), refer to a series of settlements that were developed along the Green-Line during the 1990s (Figure 2). Though today the Stars refer to a variety of settlements in different sizes and socio-economic backgrounds, the original idea was to develop small-scale suburban settlements, mainly for young families that were looking for better living standards. They were an outcome of the Stars plan of 1990, which relied on the similar un-executed Hills Axis Plan from 1978, prepared by Baruch Kipnis for the MCH (Dunsky Planners, 1991; Kipnis, 1979). However, while the 1978 plan spoke of...
creating an alternative urban system that would run parallel to the heavily populated coastal plain, the new plan asked to extend the coastal plain eastwards, towards the Green-Line (E. Tal, 2016, p. 15).

As a geopolitical and economically liberal project, the Stars were promoted by the right-wing and pro-laissez-faire Likud government. One of the main driving forces behind the Stars was Parliament Member Michael Eitan from the Likud Party, who previously led the development of the settlement of Kochav-Yair on the Israeli side of the Green Line. Offering upper-middle-class families an affordable detached house in commuting distance from the main metropolitan area while expanding the state territorial control, Kochav-Yair was a suburban and geopolitical success story. Eitan and several other parliament members wanted to reproduce this success and thus asked to promote the construction of additional suburban settlements. The means were very simple, and they included asking the ILA to locate and assign vacant lands along the Green-Line, and then stimulating the construction of settlements for young families in the area by the state’s financial and bureaucratic support. At first, the plan included seven new settlements, which Eitan called the Seven Stars (Shiva’at HaKochavim); referring to the Kochav-Yair model, yet also to the Seven Stars Flag, which nineteenth-century Zionist leader and thinker Theodor Herzl suggested for the future Jewish state (Eitan, 2019 [Interview]). The new Stars were also intended to be part of the future national struggle against the upcoming housing shortage, which was supposed to occur due to the mass Jewish immigration from the dissolving Soviet bloc during the same time. Families moving from cities into the new Stars would then enlarge the existing supply of vacant dwelling units for the use of the coming immigrants; whether by selling them their apartments or by renting them out. Fittingly, around the same time, the Israeli Government exempted income from rented properties from the overall taxed income, encouraging multiple ownerships as a form of investment that also subsidizes the mortgage payments for a new larger house while assisting the expansion of the national supply of units (Israeli Tax Authority, 2019).

Territorially minded, the Stars were initially intended to settle both sides of the Green Line. Nevertheless, with the generous financial aid from the US Government, which opposed its money being invested in the West-Bank, all the new Stars were supposed to be built inside the pre-1967 borders. Their objective was thus to enlarge the main metropolitan area eastwards and to fortify Israeli presence along the Green-Line. This stronger presence would later limit any cross-border connections between Palestinian localities in the West-Bank and Arab ones inside Israel and minimize the option of land swaps between Israel and any future Palestinian entity (Adiv & Schwartz, 1992; Gazit & Soffer, 2005).

Being a territorial project, the ILA began by locating new settlement sites according to their geopolitical importance; detecting clean slates to be commodified. Accordingly, the ILA’s analysis continued the settler-colonial rationale of promoting Israel-Jewish settlement on the expense of the Palestinian-Arab one, focusing on each site’s geopolitical importance according to the aforementioned concepts of scarcity, interconnections and separations. As a Parliament Member and head of the subcommittee for Construction and Housing, Eitan was in charge of coordinating the work of the ILA, the MCH and the parliament, while working closely with the Jewish Agency and heads of the regional councils. At the same time, as a supply-side oriented project, the discussions were attended
by representatives of the Association of Israeli Contractors and each site was examined according to the practicality of its fragmentation into marketable parcels (Figure 3). For example, in the case of Yad-Hannah (Bat-Heffer today), the report stated that as Kibbutz Yad-Hannah Meuhad¹, to whom the site was previously assigned by the state, was going through a process of dissolution and liquidation, the ILA would be economically able to retake the ‘parcels’ in question. Still, it was the territorial importance that the report highlighted, emphasising the ‘high importance for the site of this settlement on the Green-Line, as in this area there are only a few small Jewish settlements’ (ILA, 1990, p. 2). The same goes for Sha’ar Ephraim, where the report claimed that ‘[w]e must state that beside Nitzane Oz, the settlement is surrounded by large Arab towns … [i]t is on the Green-Line in the narrowest part of the state of Israel, only 15km from the seashore’. The geopolitical agenda is made even more obvious in the recommendation for a ‘lookout or a military base’ near the Arab villages of Ibtin, Marja and Beit a Siqa (ILA, 1990, p. 2).

For the Stars Plan to become an integral part of the state’s mode of production it needed the support of the MCH, which would ensure the involvement of the state’s different capacities and to turn the new plan into a large-scale national project. Pro-settlement Minister of Construction and Housing Ariel Sharon endorsed the project in a personal meeting with Eitan in October of 1990, asking ‘why only seven?’, advocating for a larger scale of development (Eitan, 2019 [Interview]). With the MCH on board, its rural division took the lead, as the ministry’s vision focused on small-scale suburban localities as well. With the first report’s geopolitical analysis, the rural division and the ILA collaborated in analysing the feasibility of each location further while proposing new sites instead of ones that were problematic in regard to land ownership and availability (Figure 4).

Becoming part of the state’s mode of production, the Stars were integrated into the new supply-side approach that advocated for corporate efficiency and profitability as a means to reignite the stagnating construction industry and to mitigate the upcoming housing crisis (Shadar, 2014). Therefore, besides the financial aid and guarantees to developers to purchase unsold apartments, in 1990 the government authorized the Special Measures in The Planning and Building Law, designed to swiftly authorize and execute large-scale residential projects (Alterman, 2002). While in the existing planning routine a new urban outline plan is required to go through several planning administrations, in a process that could take several years, the new measures were made to reduce this into a few months. The Ministry of Interior, in charge of the national planning process, formed a special housing committee in each planning district, which concentrated all

Figure 3. Optional sites near Yad-Hannah (Note the additional site in the upper left corner); in Sha’ar Ephraim; near Kochav-Yair; near Yarhiv, 1990 (ILA).
needed authorities in a single team and dealt and authorized only feasible large-scale residential compounds. Consequently, enabling the mass production of housing units that would enlarge the overall national supply, wherever possible (Dunsky, 2019 [Interview]). Initially valid for six months, the government repeatedly extended the special measures, and all of the Stars were authorized by one of the special Housing Committees.

Simultaneously, the Stars Plan was officially authorized by the Israeli Government in December of 1990 as a demographic and geopolitical project. Being part of the early 1990s’ immigration policy, it was discussed and approved by the Ministerial Committee for Aliyah [Jewish immigration to Israel] and Integration. Decision A/82 thus stated that:

Part of the governmental policy regarding Aliyah and integration [we decide] to authorise the ‘Seven Stars’ plan for the development of communal-suburban settlements along road number 6, which constitutes part of the larger plan for a nation-wide housing solution for new O’lim [Jewish immigrants to Israel] and those entitled to by the Ministry of Construction and Housing. (Ministerial Committee for Aliyah and Integration, 1990, p. 3)

The authorized plan had three main objectives:

1. Preparing housing solutions … by enlargement of housing supply. 2. Establishing a mixed communal fabric of new O’lim and Israelis … . 3. Creating a settlement sequence in the Hills Axis, in the aim to thicken the [Jewish] settlement in the area, and to execute the population dispersal policy

(Ministerial Committee for Aliyah and Integration, 1990, p. 3).

Highly suburban, with a significant emphasis on commuting and a growing dependence on private initiative, the Stars Plan suited the metropolitan-based national planning approach that relied on enhancing the existing economic centres. The governmental decision declared that the plan would consist of 12 new settlement points, offering 28,000 dwelling units to 100,000 inhabitants, to be developed by the MCH, Housing

Figure 4. Detailed lots of proposed sites – Upper-row: Yad-Hannah (Bat-Heffer); Tzur-Yigal, Matan; Kfar-Ruth (Lapid) – Lower-row: Holot-Gelilim (Tzoran) instead of Sha’ar Ephraim – Khirbet-Mazor (Ela’ad) – Budrus (not-built) – (ILA).
Associations and Housing Companies. While larger than the preliminary plan, the decision continued with the initial suburban focus stating that the new settlements ‘would be of a communal suburban character, while especially focusing on maintaining the principles of quality of life and environment’, and that these would rely on ‘the existing employment, education and cultural centres in Gush Dan and the central cities’. Creating a series of dormitory suburbs, the plan thus relied on developing the ‘needed roads and connections to the Tel Aviv metropolitan’, which were crucial to its success (Ministerial Committee for Aliyah and Integration, 1990, p. 4).

Alongside the governmental approval, the MCH began the planning and development process by defining the preferred clientele and the suitable residential environment that would enable turning each of the sites into marketable real estate. Already in 1990, the MCH commissioned different planning offices for each of the locations and provided them with detailed programmes regarding the character of each settlement, the nature of the future environment, the density and type of dwelling units, as well as the desired socio-economic composition of the future population. Attuned to the initial suburban focus, the instructions of the MCH consisted of low-rise, low-density Suburban Settlements mainly made out of private houses, in a detached, semi-detached and row-houses options. Correspondingly, the target population was predominantly what the ministry referred to as housing improvers – young upper-middle-class families that were interested in better living standards in a suburban community (Fogel, 2019 [Interview]). Therefore, the MCH neglected the initial idea of including also newly coming immigrants, whose limited economic abilities would not have suited this type of suburban development.

The comparable target groups and planning guidelines eased the fragmentation and homogenization of space as expected from the increasing involvement of the private sector, resulting in similar property-oriented layouts. With the focus on creating a tract development scheme that parcels each site into individual private plots and a system of primary and secondary roads, the different schemes were very alike and relied on the same planning principles. Lacking an apparent hierarchy, the proposed outlines were concentrated on the private house, the privacy of the nuclear family and car accessibility. The implementation of these principles varied, as the planners had to adjust to each site’s restrictions and topographical characteristics. The outline of Tzoran, a site with minimal height differences and size limitations, consisted of an open grid of primary roads and cul de sac streets that could have continued endlessly having not been bound; thus, forming an abstraction of the contemporary suburban ideals. In all other sites, which were located on a hillier terrain and closer to the Green-Line, highways and other localities, the planners had to project the abstract suburban grid seen in Tzoran, on the given topography while squeezing it between the fixed boundaries. Nevertheless, despite small nuances, the suburban characteristics of all plans were quite evident, promoting the formation of homogenous communities housing car-dependent commuters (Figure 5).

As an early example of the supply-side approach, the initial strategy regarded the future settlers as part of the supplying side, and the state sought to motivate their interests as a means to stimulate the development process. Therefore, the state first planned to develop the Stars in the method of organized housing associations, non-profit organizations in charge of constructing houses for its registered members. First, the MCH planned and
authorized the new settlements and then commissioned one of the governmental construction companies, *Shikun U Pituah* or *A’rim Ltd*, to conduct the preparation works and to develop the needed infrastructure. Subsequently, turning the clean slates of each site into parcelled compounds to be tendered out to different housing associations, which were basically exclusive marketing agencies that ensured the suited profile of upper-middle-class [Jewish] families. Consisting of registered and admitted members, the new associations received the power to shape the character of their future communities; consistently, enacting different selection criteria that ensured a homogenous ethnic and socioeconomic composition, which fitted the new mode of neo-settler colonialism. For example, the first membership rules for one of the associations that would inhabit parts of Matan and Lapid, being Jewish was listed as one of the main demands for joining members (*ZP Association, 1990*, p. 5). Later, this demand was eased into a more ‘politically correct’ one, listing military service as a necessity, which as the Arab population in Israel is not mandatorily drafted, practically also means Jewish (*Yahad Shiveti Yisrael Association, 1991*, p. 5).

Eventually, due to the amateur nature of the non-profit association and the state’s interests in mass development, the MCH was quite reluctant to continue in this model and began relying more on private corporations, enhancing its supply-side approach. While a few associations were able to manage the process efficiently, in the long run, both the

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*Figure 5. Outline Plans – Upper-row: Tzur-Yigal; Matan; Lapid – Lower-row: Bat-Heffer, Tzoran; 1991 (ILA).*
MCH and ILA saw them as inefficient and unreliable partners (MCH, 1993, pp. 137–151). This was an outcome of the first tenders from 1992, where the majority of associations that the ILA granted compounds to were unable to keep with the demanding schedule and witnessed a significant loss of members. With demands being significantly high, the MCH was not in need for the bluntly discriminating criteria of the association and it began tendering entire compounds to private contractors instead; shifting to a seemingly less biased mode of production. Consequently, in Tzur-Yigal, Matan, Lapid, and Tzoran more than half of the settlement’s area was tendered to private developers, whereas in Bat-Heffer, which was developed later, all of the different compounds were exclusively tendered to private developers (Figure 6).

The supply-side mechanism enacted by the MCH significantly homogenized the new settlements, implementing limited suburban models and housing types. While the initial homogenization in the association-led development was basically on the urban scale, with the corporate turn this continued into the level of the housing typologies; applying significantly limited housing models implemented in the different lots (Emek Hefer local construction committee 1995; Drom HaSharon local construction committee 1993). Consequently, each part of the settlement received an obvious and undeviating

Figure 6. Allocation of the areas, 1996: Upper-row: Tzur-Yigal; Matan (Yarhiv); Lapid (Kfar-Ruth) – Lower-row: Tzoran (Pink/Yellow are parts for associations, Orange/Blue/Green/White are private developers); Bat-Heffer (Dana-Ing).
character; forming compounds of reproduced white cubes covered with red roofs and surrounded by stripes of green, roads and parking places, which turned into the hallmark of Israeli suburbia along the Green-Line. The spatial homogeneity was backed by a societal one, which derived from selective marketing campaigns enacted by the MCH and the private developers that ensured the ethnic rationale of the national geopolitical project in times of increasing privatization. Accordingly, the presence of Palestinian Citizens of Israel, which make more than 20% of the local population, is non-existent; guaranteeing Jewish demographic dominance on the one hand and the creation of attractive, exclusive and profitable housing projects on the other.

The Stars are a geopolitical project based on descending order of supply-side mechanisms that eventually led to a new settlement typology. To stimulate the housing market, the government regarded upper-middle-class families as part of the supplying-side; giving them the option to affordably purchase a new suburban house as a means to ‘supply’ vacant apartments in the coastal plain. With the desire for a more efficient development, the government eventually chose to gradually involve private developers by tendering out entire compounds, thus enabling them to optimize construction and to ‘supply’ the demanded private houses in a faster and more feasible manner. The supply-side approach had a great effect on the seemingly monotonous new suburban environments that consisted of repetitive rows of private houses and reproduced residential compounds. In the later developed sites, the supply-side factor would be even more enhanced, leading to an even more evident monotony that camouflaged the geopolitical interests further.

The high-rise Star – Tzur-Yitzhak

The last developed Star, Tzur-Yitzhak, included a greater involvement of private capital and concluded in a unique hybrid of a high-rise suburb; representing an advanced stage of the privatization of the Israeli geopolitical project. It began as an integral part of the Stars Plan and turned into a new, denser and urban-like variation of it. It was initially referred to as Tzur-Nathan B, or simply the Tzur-Nathan project, as it was planned to expand the nearby rural settlement bearing the same name. Like the other Stars, it was initially under the responsibility of the MCH’s rural division and it was supposed to resemble the low-rise suburban settlements previously built in the area. Accordingly, the first ideas included a new small-scale settlement of around 1500 housing units. Nevertheless, with the change in the ministry’s policy, the project began including more dwelling units, as well as higher and denser housing typologies (MCH Directorate of Rural Construction, 1995a).

With the increasing metropolitan-based approach, the MCH began endorsing a more ‘urban’ image to the area while enhancing the supply-side approach, affecting Tzur-Yitzhak’s mode of development. Consequently, the MCH moved the project, together with all the other Stars from its rural division to its urban one (MCH Directorate of Rural Construction, 1995b). As all other settlements were already under construction or in advanced planning phases, this decision did not really affect their nature. The Tzur-Nathan project, however, was in its first steps, which meant that the ‘urban’ characteristics of its future environment would be much more evident.

The new vision for an urban complex caused several objections from the nearby rural settlement of Tzur-Nathan, which were appeased only after the latter was enabled to take
part in the new mode of production. As the commissioned planner, Meir Nir, began composing an outline scheme for the new project that would turn the site’s clean slate into marketable parcels, the nature of these parcels was not yet clear. The MCH and the ILA were interested in a residential project of 5000 units, while Tzur-Nathan and the regional council were interested in maintaining the area’s small-scale rural characteristics. Eventually, it was agreed between the different parties that the new site would include around 3000 units, while Tzur-Nathan, which was the lessee of the location of the project, would have the right to develop 49% of the area, containing a third of all future units (Tal, 1999a; 1999b). In the meantime, the administrative status of the future project was also not clear. Afraid that the new urban compound would change its rural nature, the Tzur-Nathan council was not interested in the new project becoming part of its settlement. Therefore, the Israeli Government, after receiving the recommendations of the MCH, ILA and the regional council decided that the new project would be an independent locality named Tzur-Yitzhak, called after the former Prime Minister Yitzhak Rabin, who was murdered in 1995 while in office (National Committee for Planning and Construction, 2012).

The proposed outline proceeded with the fragmentation and homogenization of space while creating a new residential environment that is caught between urban and suburban models. The layout consisted of a system of wide roads, not streets, that created three main residential areas. Each area was defined by a circular road and a core with an open green space or a public institution. Seemingly urban, Nir’s vision was based on strong references to the surrounding suburban environment; lacking any apparent hierarchy, commercial uses, and other functions that go beyond the settlement’s role as a dormitory town. Semi-urban, Nir insisted on a relatively moderate height of buildings, mainly two-five stories, with one exception of a ten-story tenement in the middle of the project. Additionally, Nir asked to dictate a suburban appearance by enforcing a tilted roof for all buildings and by planning a vast system of open green spaces and connecting paths (Figure 7) (Nir, 2019 [Interview]). The project was hence planned as an enlarged and expanded version of the previous Stars and while the former layouts fragmentized and homogenized space two-dimensionally, the new one did so three-dimensionally.

The urban turn and the increasing dependence on private developers delayed the completion of the project in additional five years, causing the MCH to find alternative supplying sides. Therefore, despite the approval of the plan in 2000, construction on-site did not begin until 2005. One of the main reasons for the delay was the MCH’s inability to market the project. By the end of the 1990s, after an extensive period of state-sponsored construction, the local building industry witnessed a state of recession. More than a decrease in the demand for new dwelling units, this recession caused a severe decrease in the willingness of developers and entrepreneurs to invest in large-scale projects; and this severely withheld the construction of Tzur-Yitzhak. Unable to attract private developers, the MCH first tried to involve the IDF personnel branch, hoping to market several compounds to military officers as a means to regenerate development (Maor, 2002). Eventually, it began by involving the private association of The Pioneers of Tzur-Nathan, which had previously mentioned its interests in finding ‘suitable housing’ while participating in ‘settling thousands of Jews in the area of Tzur-Nathan, up to the outskirts of Taybeh’ as part of the mission to ‘stop the Arab expansion’ (Rabin, 1999, p. 2). Therefore, to encourage development, the MCH was willing to enact a more evident ethnic-based privatization, hoping that the
association’s relatively homogenous and selective character would attract a critical mass of upper-middle-class families that would then ignite the investment interest in the project (Lori, 2011).

To promote the stagnated marketing process, the MCH and the governmental construction corporation of A’rim ltd acted to ensure the profitability of future developers by granting them the power to re-parcel the site. The pro-development line was not new, and along the planning process of Tzur-Yitzhak, A’rim was well aware and attentive to the demands of private developers. While each urban outline plan usually includes an architectural appendix, here, A’rim argued that such an appendix is redundant as private contractors will eventually compose one of their own, which would better suit their economic interests; thus, giving away the state’s responsibility for the nature of the future built environment (Bar, 1999). Later, the MCH, ILA, and the regional committee initiated and supported a series of new spot planning schemes that would make Tzur-Yitzhak more attractive for investment. These included enlarging the number of overall dwelling units, raising the height of the buildings, merging parcels and increasing the permitted buildings per lot; all in order to ‘optimally use the building rights’ (Golan Architects, 2006, p. 2) and to adjust the existing outline plan to ‘the demands of the market’ (Cohen Lifshitz Architects, 2008, p. 2). Then, once private entrepreneurs were interested in the project, the MCH gave up the ethnic-based associations and relied on the ‘free market’ to promote the desired demographic dominance, which derives from minimizing the access of Arabs to apartments as a means to prevent decline in property values (Moran, 2019).

With the private developers receiving the power to form space, they were able to re-fragmentise and re-homogenise space and to secure the profitability of their projects. The changes they proposed were seemingly minor and were thus subjected to the local planning committee, ensuring an easier and quicker bureaucratic procedure. Such minor modifications cannot enlarge the overall permitted area for residential use, yet they can redistribute the inner functions inside the settlement, exchange lots and alter the total number of units, buildings and floors; ensuring the feasibility of construction. For instance, the original plan designated a strip of housings along the northern edges of the project that created marketing problem due to the proximity to the Arab town of...
Taybeh, not a quality that upper-middle-class Jewish families were seeking (Lori, 2011, p. 2). Two local outline plans, from 2008 to 2010, authorized exchanging the residential lots with the inner ones designated for public institutions (Mintz-Melamed Architects and Planners, 2010). Consequently, the schools and kindergartens, which were not subjected to marketing and real estate interests, were to be located in the strip close to Taybeh. Thus, relocating public functions to areas with substantially less economic potential while securing a higher value for the residential real estate. Likewise, the construction of the same residential square meterage in a smaller number of buildings, with a larger number of floors and apartments was also of the developers’ interests (Drom HaSharon local construction committee, 2007a, 2007b, 2008). In doing so, they were able to enlarge the number of apartments sharing a common staircase and elevator; consequently, decreasing construction costs while creating higher apartments that could be marketed as luxurious lofty ‘villas in the air’ (Figure 8) (Y.H. Dimri, 2017).

The re-fragmentation and re-homogenization of Tzur-Yitzhak transformed the initially planned suburban residential environment to a high-rise housing semi-urban development. Though the changes made to increase the profitability of the project could be also explained as beneficial for future inhabitants, it is quite hard to make such a claim in this case. For example, while the original plan suggested underground parking and positioning the buildings at the height of the access street, the new plan allowed aboveground parking places, while also raising the level of the ground floor over the entrance level. This resulted in severe height differences between the buildings and the street while creating long, continuous and closed supporting walls as main façades (Drom HaSharon local construction committee, 2009). These differences are not an outcome of the local topography, but rather made to create a separation between the ‘garden apartments’ in the ground floor, providing them with a better sense of privacy (Figures 9 and 10) (Drom HaSharon local construction committee, 2009). Additionally, the new plans enabled ‘mushroom-like’ buildings, where the upper floors were larger than the buildings’ footprint; optimizing profitability by shifting the overall permitted residential areas towards the upper floors.

Figure 8. Initially proposed buildings (left) and eventually constructed buildings (right) – illustrated by the author.
where real estate value is higher (Figure 11) (Drom HaSharon local construction committee, 2008).

The transformations in the supply-side development approach of Tzur-Yitzhak created an undefinable settlement type. Entirely suburban, yet with 16-story residential towers, it is entirely different from previously constructed settlements nearby. This new type of high-rise suburbia was not implemented exclusively in Tzur-Yitzhak, and since the late 1990s it began decorating the entire area along the Green-Line, be it in new settlements like Ela’ad, Modi’in, Modi’in-Illit, Shoham and Harish, or in expanding previous low-rise ones like Rosh Ha’ayin or Alfei-Menashe (Schwake, 2020b). Nevertheless, in Tzur-Yitzhak this was not only a question of appearance and design but also an issue of managerial and municipal governance. With its low-rise suburban neighbours refusing to merge with it (Levi, 2016), Tzur-Yitzhak is officially a Community Settlement, a definition that is usually used for small-scale semi-rural settlements (Schwake, 2020c). Practically, it is more a hybrid of suburban ideas and seemingly urban ones; functioning as a gated compound of high-rise residential buildings on a hilltop while forming a scaled and market-oriented version of pre-state frontier settlements.
Conclusions

Supply-side territoriality, as seen in this paper, is the attempt to expand the state’s control over space by harnessing the interests of the private sector. Therefore, while Brenner and Elden, in their analyses of Lefebvre, present the state mode of production and its territorial mechanism as a means to repeatedly ensure the survival of capitalism, the cases studied in this article illustrate a reverse scenario. The subordination of the economic to the political, in this case, was a state-led and controlled effort to implement the capitalist mode of production as a means to ensure the continuation of the state’s territorial mechanism. Consequently, these efforts concentrated on promoting the formation of a real estate market that parcelled the former frontier area into feasible and marketable units of land, creating the homogeneous residential environments that characterize the Green-Line. Nevertheless, as we have seen in the constant modifications and alterations, the new settlement mechanism was not static and continued reshaping space in order to promote capital accumulation and commodity exchange; regenerating the state’s territorial mechanism once again while securing its power over space.

As mass-produced projects, the suburban models introduced in the Stars were the product of the new supply-side perspective and the growing involvement of the private sector. With the shift from low-rise to high-rise suburbia the earlier focus on the detached private house was not forsaken, but rather enhanced, as the new residential projects could be understood as vertical tract housing developments, subdividing a certain area in all three dimensions. Moreover, while the common scholarship on Israeli suburban settlements in the West-Bank sees them as a territorial phenomenon that uses mundane and banal civilian practices and housing typologies to normalize occupation, the Stars illustrate a similar, yet also unique western counterpart. In this case, the geopolitical agenda is not
normalized through picturesque suburban dream-houses, but rather through the seemingly colour-blind and impartial logic of the market. The ethnic-based settler-colonial strategy is thus naturalized, presented as ‘pregiven features of the physical landscape or as purely technical dimensions of the built environment rather than as politically mediated manipulations’ (Brenner & Elden, 2009, p. 373). The built environment is thus not a tool to enhance territorial control, but rather an artefact of the new settlement mechanism that privatizes the power to form and commodify space, in order to enhance the state’s power over it.

Notes

1. A different group from the neighbouring Kibbutz Yad Hannah that was established in the 1950s.
2. (lit: ascent) A term that is used to refer to Jewish immigration to Israel; a Jewish immigrant is referred to as O’le (plural: O’lim)

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Notes on contributor

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Interviews: