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Memorandum on Arab immovable property in Palestine
falling within the area occupied by the Jews

Note on the safeguarding of Arab immovable property
in the territory of Palestine occupied by the Jews
and income therefrom pending final settlement of the
problem

These two papers were written by Mr. Sami HADAWI, who
was Land Officer in charge of valuation in the Taxation
Section of the Department of Land Settlement of the Government
of Palestine. (+)

The first deals with certain specific aspects of the
problem of compensation in Palestine and makes some suggestions
for solving it.

The second deals with the protection of Arab immovable
property in Israel by appointing a Trustee, whose functions
are analyzed in paragraph 11.

(+) Mr. Sami Hadawi submitted to the Conciliation Commission
a "Memorandum on the subject of Arab Property and Losses
in Palestine as a result of the Jewish Occupation"
(document ORG/33).

Letter dated 21 October 1950
addressed to the Economic Adviser of the Commission
by Mr. Sami Hadawi

I enclose herewith a memorandum covering the points which we discussed at our meeting of the 9th of October, 1950.

The memorandum embodies :-

- a) some of the important difficulties which will be encountered when dealing with the problem of Arab refugee immovable property within the territory of Palestine occupied by the Jews;
- b) comments on some of the points raised; and
- c) proposals for the setting up of an organization to investigate claims and the manner in which I suggest the investigation should be conducted.

2. It will be observed that reference is made throughout the memorandum to "Arab refugees". It should be noted that there are Palestine refugees other than Arab, such as, Armenians, Greeks, Germans, British, etc. who will have to be compensated if they are unable to return to their homes and property.

3. I am always at the service of the Commission to furnish further information on any point which may not be clear or is not sufficiently explained in the memorandum.

Yours sincerely,

Sgd/ (Sami Hadawi)

Department of Land Taxation
Ramallah, Jordan.

MEMORANDUM

on Arab Immovable Property in Palestine
falling within the area occupied by the Jews

By SAMI HADAWI, M.B.E.,
Director of Land Taxation, Western Jordan,
Formerly Land Officer in charge of Valuation
for Taxation Section of Department of Land
Settlement, Government of Palestine.

1. It is noted with great satisfaction that the Palestine Conciliation Commission is now considering more seriously the necessity of dealing with the problem of Arab immovable property which now falls within the territory of Palestine occupied by the Jews irrespective of the political outcome whether or not the Arab refugees will be allowed to return to their homes and property.
2. The Syrian Government, on the other hand, has taken the initiative and has entered into agreement with me to set up a department to deal with the immovable properties of the 85,000 refugees who reside within the boundaries of Syria. This action was as a result of the memorandum prepared by me and submitted to the Palestine Conciliation Commission by the Ramallah Refugees Congress early this year. Copies of this memorandum had been circulated in various quarters and the Syrian Government was the first to respond.
3. The step taken by the Syrian Government is appreciated, but it must be realized that the task will be incomplete if it is restricted only to the refugees in Syria. It is hoped that this small effort of the Syrian Government will shortly be included in an organization of the United Nations to cover all Palestine Arab refugees wherever they may be. Since it is admitted that the problem must be faced, the sooner it is undertaken the better, as continued delay can only act to the detriment, and add to the

/misery of

misery of the refugee whose position has now become intolerable.

4. The intention of this second memorandum is to request the Palestine Conciliation Commission to earnestly urge the United Nations to take action without further delay. At the same time, I wish to draw attention to the fact that the task before the United Nations is not an easy one, particularly as the investigation will have to be conducted outside the boundaries of Palestine and with very little or no documentary evidence at the disposal of either the claimants or the investigators. I give hereunder examples of some of the difficulties which will be encountered, and I venture to offer comments on certain points which affect the issue and make proposals, in general terms, as to how I believe the survey could be successfully completed within the shortest period possible.

5. Land tenure in Palestine is classified under five main classes or categories and these will have to be taken into account in dealing with the valuation of the property. For example, the value of two similar holdings each falling in a different category may not be identical.

Briefly, the land categories in Palestine may be summarized as follows: -

(a) Mulk - Privately-owned land where the owner has complete liberty over his holding;

(b) Miri - State or feudal land. The bare ownership is vested in the State but the enjoyment or user is the individual or body. This class of land consists mainly of agricultural land, but owing to the extension of town and village areas following the British Mandate, buildings are now found standing on Miri land;

(c) Waqf - Land held theoretically by the Deity and for practical purposes by the properly constituted Waqf (religious authority) or Trust;

(d) Mawat -

- (d) Mawat - Dead or undeveloped land. This class of land belongs to the State, but where such land is revived, it may be transferred to the reviver on payment of its unimproved capital value. The category of such land is then changed to Miri;
- (e) Matruka - Land reserved for public or communal use, such as roads and pastures. This class of land is held by the State or local authority.

Notes:- (i) During the period of the Mandate, the Palestine Government restricted the conversion of Miri land to Mulk except in cases where the property was required to be dedicated by a recognized religious body into a trust or waqf. Mulk properties held by individuals were acquired during the Turkish regime and exist mainly in the older parts of towns.

- (ii) Property of the Waqf category is held by recognized institutions or bodies for the benefit of the community. There are, however, certain private waqfs dedicated during the Turkish regime for the benefit of the members of certain families. These waqfs are administered by Metwallis (Guardians).

6. The majority of the land in Palestine was, at the time of the British Mandate, either unregistered in the Land Registry, or, where there was registration, this was so much out of date that it was valueless. The Government, therefore, decided in 1927 to carry out a settlement of title to land. The area settled and proper titles issued in respect thereof between the period 1928 and 15th May 1948, amounted to some 5 million dunums out of a total land area for Palestine (excluding the Beersheba-Sub District) of 13 million dunums. Of the 5 million dunums of settled / land,

land, about 250,000 dunums now fall within the area occupied by the Egyptian forces, and approximately 225,000 dunums fall in the western part of the Jordan. Out of the total area of 20 million dunums in Jewish hands, 12 million dunums comprise the Beersheba Sub-District, better known as the Negev, thus leaving about 8 million dunums for the rest of Palestine. Of this 8 million dunums, about $4\frac{1}{2}$ million dunums are settled, and it might be safe to assume that about half of the remaining $3\frac{1}{2}$ million dunums are recorded in the Land Registry, leaving the other half as unregistered property.

7. In order to have an idea of the complications that will confront the organization entrusted with the task of carrying out the investigation, I quote below examples of some of the problems that will be encountered:

(a) Ownership may be held: -

- (i) as a result of land settlement of title operations;
- (ii) by registration through the medium of the land registry;
- (iii) on the grounds of possession.

Property is held in individual or undivided ownership.

In the case of the latter, the co-owners of one parcel may sometimes exceed 200 names and these are not likely to be found in one place.

There is another complicated form of undivided land tenure called the "Masha" system. One example of this form of holding is that every male of the village or clan alive on a certain date has a right of cultivation that season; the area and location of each cultivator being decided by drawing of lots;

- (b) Property held in partnership between Arabs and Jews;
- (c) Documents of proof of ownership may not be available;
- (d) Ownership disputed between two or more persons;
- (e) Property unregistered. Possession only proof of ownership.

/ (f) Land owned

- (f) Land owned by one person and the trees or other fixtures in the land owned by another;
- (g) A building in an urban area is separately owned. In some cases even the rooms are held in separate registered ownership;
- (h) Owners have left the Middle East and have not appointed agents to represent their interests;
- (i) Owners have died leaving their successors with no information as to their property or interests in land;
- (j) Mortgages and other charges in land or buildings, such as rights of way, cultivation rights, grazing rights, etc.;
- (k) Rights of the Waqf (Moslem Religious) Administration to the taxes payable on the lands of certain villages.

(Note:- There are in Palestine 340 villages which are considered as wholly or partly waqf and the Waqf Administration is entitled to the taxes payable on their lands. In 1934, the Palestine Government came to agreement with the Waqf to compound their rights in the taxes payable, and a fixed sum of LP.30,000 per annum was agreed upon. This figure was, however, increased in 1944 to LP.80,000 when the taxes were raised to four times their previous rates);

- (l) Arab share in Government-owned immovable property, such as state lands and buildings, roads, railways, ports, etc., and other assets of Government, such as telephones, telegraphs railway rolling stock, etc.

(Note:- It is noted from paragraphs 7 and 8 of the Anglo-Israeli financial agreement dated 30th March, 1950, that the British Government had transferred its rights in land to the Israeli Government);

- (m) Property owned by the local authority of an Arab town or village whose inhabitants have been displaced;

/ (n) Many

- (n) Many town and village houses have been demolished and fruit plantations destroyed or uprooted after the date of Arab displacement.

8. The records which will be required to be consulted during the course of the investigation are: -

- (a) The land registry and land settlement records, to obtain particulars of ownership; shares, areas, attachments and other encumbrances; and a record of prices paid where transfer of ownership took place;
- (b) The urban and rural property tax records to obtain particulars of possession in the case of unregistered property and to check on statements of claimants as to the extent and nature of the fixtures in land; and
- (c) Village plans on the 1/10,000 scale, and in the case of settled land, the block plans on the 1/2,500 scale.

9. It will not be possible to carry out the investigation and obtain satisfactory results through contact with the owners only. Nor will the task be complete if particulars were taken from the land registry and land taxation records alone. It will be necessary to combine both, first obtaining whatever information the refugee can give and then check this with whatever official records are available. I am therefore of the opinion that the investigation should be conducted broadly along the following lines: -

- (a) A questionnaire or memorandum of claim should be drawn up to cover the points enumerated in paragraph 7 above;
- (b) The refugees should be contacted according to a laid down programme and requested to furnish answers to the items in the questionnaire;
- (c) Each parcel should be dealt with as a separate unit. Properties or interests of one individual should not be grouped and entered on one form;
- / (d) Claimants

- (d) Claimants should be required to submit any supporting documents in their possession. Receipts should be given for these;
- (e) The claims received from the out-stations should be sorted out in the Head Office and all claims referring to the same parcel should be placed in one file;
- (f) When it is clear that all documents in respect of a parcel have been received, these should be checked with the material obtained from the land registry and tax records;
- (g) Where the ownership or interest is disputed, the file should be referred to the Legal Department;
- (h) If ownership is not disputed and all particulars have been checked and found correct, the file should be referred to the Valuation Department;
- (i) The file should then be returned to the Statistics Department for tabulation and passed to the Finance Department for payment.

10. Other problems which will have to be considered and decided in the early stages of the investigation are: -

- (a) The basis of the valuation;
- (b) If the valuation is to be based on an average of the prices paid in cases of transfers of ownership, the period which should be taken; and
- (c) The currency in which the valuation should be made and compensation paid.

11. I have the following comments and recommendations to make on the points raised in paragraph 10 above: -

- (a) Basis of Valuation: I propose, for the purpose of this memorandum, to divide immovable property into three categories, namely: -

(i) Buildings;

/ (ii) Land in

- (ii) Land in urban and village built-on areas; and
- (iii) Agricultural land used for cereal or vegetable cultivation; uncultivable land including sand dunes; fruit plantations and forests.

(i) Buildings: It has been rumoured that the Jews have stated that in assessing the value of Arab immovable property, they intend to rely on the figures appearing in the urban tax records either by taking the capital value or by capitalizing the net annual value. As the officer in charge of the Valuation Department for urban and rural taxation purposes throughout the country, and in view of my long and intimate experience and knowledge of conditions prevailing in every area, I can quite positively and with a clear conscience state that the figures appearing in the tax records are inaccurate and do not represent the true value. My reasons for this statement are: -.

- The law provides for assessment to be carried out by committees composed of two official and two non-official members. Except for one member who had received some training in valuation, the three other members had no idea of its principles, and the result was that the qualified member found himself in the minority. Inspections were rare owing to shortage of staff and this also affected the valuations badly.

I pointed out this unsatisfactory state of affairs to the Government and recommended that the law should be amended whereby assessments should be carried out only by properly trained valuers. While agreeing in principle to the suggestion, the Government decided, for political reasons, to make no change.

- The capital value bore no relation to the assessment of the net annual value on which the tax was based and so the figures of capital value were entered without proper study or consideration. Furthermore, any figures given were based

/ on pre-war

on pre-war costs of construction. Attempts were made by me to use these figures for other purposes but it was realized how unreliable they were so I gave instructions for the "capital value" column in the tax records to be ignored.

- Rents were legally restricted in 1940, but notwithstanding, landlords managed to obtain increases in their rentals, whilst cost of construction and land value continued to rise. Despite all this the net annual value in the majority of cases remained on the 1939 levels.
- An illustration is given in the enclosed statement showing the position of actual rentals received by the owner of a building in Haifa as compared with the assessment for the tax for 1947-48. The figures of income shown in the statement are supported by documentary evidence.

I therefore maintain that the only equitable method of valuation is as follows: -

- (A) In the case of first class constructions, costs of duplication of the building at the prices prevailing in say 1947 should be accepted as the basis of the valuation;
- (B) In the case of second class constructions, the same principle as above should be applied except that a certain percentage should be deducted to cover depreciation;
- (C) In the case of old buildings and village houses, these should be assessed according to their present state,

(ii) Land in urban and village built-on areas: This type of land should be assessed on the basis of capital value. It will be necessary for this purpose to consult the land registry records. I must here point out that the declared values did not represent the true values, as both parties to the transaction connived to evade the payment of the full land registry fees and it was often necessary for the Land Registrar to

/ make his

make his own assessment in the light of the prices prevailing in the same locality. I am therefore of the opinion that in the majority of cases at least 30% should be added to the declared value.

(iii) Agricultural land: It may be argued that the value of such land should be fixed in relation to productivity. Land values in Palestine never bore any relation to productivity and the public paid the market value which was governed solely by supply and demand. It will be found, for example, that the sand dunes to the north of Tel Aviv although in the rural area were far higher in value than the best type of agricultural land between Tulkarm and Natanya in the Maritime Plain.

I suggest that Palestine should be divided into its seven known topographical districts or regions, namely: -

The Galilee and Judean Hills;

The Maritime or Coastal Plain extending from Ras el Naqura in the north to Gaza in the south;

The Plain of Esdraelon;

The Valley of Jezreel;

The Jordan Valley;

The Hule Basin;

The Beersheba Sub-District or Negev.

Each region should then be divided into zones of equal capital value.

With regard to plantations in rural areas, I suggest that after valuing the land on the basis stated above, a valuation should be made of the costs incurred in the initial outlay of the plantation plus the annual costs of maintenance during the years before the plantation became full bearing.

(b) Price of Land: It is suggested that the values prevailing prior to the termination of the Mandate should be taken as a guide in the valuation of property. As the country was in a state of unrest between the period 30th November, 1947 (i.e. the date of the decision of the

United Nations to partition Palestine) and the 15th of May, 1948, (the date of the termination of the Mandate) I suggest that an average of the prices prevailing during 1947 should be accepted subject to the qualification stated in paragraph 11 (a) (ii) above.

(c) Currency: The question is continuously being asked in refugee quarters as to the kind of currency which will be used when it is decided to compensate the Arab refugee for his losses. It has been argued that as the Israeli pound has replaced the Palestine pound, the former only is now legal tender in Israel. The Arab is not a citizen of Israel neither does he reside within its territory, and when the Jews laid hands on Arab property, the Palestine pound was legal tender. The Jews know full well that the value of their pound is so much depreciated that if compensation were made in Israeli money they and they alone would benefit thereby both economically and financially. The only use to which the Israeli pound can be put to by the Arabs is to purchase Jewish goods. The effects of such a proposal would be to flourish Jewish economy and would be disastrous to Arab economy. Furthermore, there are the political implications to be reckoned with and it is certain that the Arab States would never agree to it. In the circumstances, I suggest that the Palestine pound should form the basis of valuation and compensation.

12. I should like to point out at this juncture that the present proposed assessment of Arab property is not governed by the usual normal circumstances, that is that the property is being offered for sale by a willing seller and that it is being purchased by a willing purchaser in the open market. It is in effect a forced wholesale transfer of Arab ownership in which the individual owner has no choice or say. This being so, I consider that whatever system of valuation is applied, the refugee has the right of compensation for disturbance in addition to the value of his property or interest, and I therefore suggest that the valuation should be divided into two parts, namely: -

/ (a) Value of

- (a) Value of the property as such; and
- (b) Compensation for forced disturbance. This, I suggest, should take the form of a percentage added to the assessed value of the property.

13. The refugee continues to harbour fear that compensation may be paid in a lump sum to the Arab State in respect of those refugees who reside within that Arab State's territory for the purpose of resettlement. The refugee is aware from statements made by Arab politicians on behalf of their countries that his presence in their territories is undesired, and therefore, with the exception of the Jordan, it is not likely that the Arab States would approve the settlement of the Palestine refugees permanently in their countries in return for a lump sum. Assuming they do, the refugee will definitely refuse to forego his individual rights in his property. Such a step would be contrary to the simple democratic principles of equity and justice, and certainly would not be in keeping with the United Nations Charter. In defiance of these rights which are being enjoyed by the citizens of the United Nations, the Palestine Arab has been driven out of his home and country; his belongings looted; his means of livelihood destroyed; and he is now being forced to part with his hard-earned property. The least that the refugee now demands is to be allowed to choose his place of future residence if he is not to be allowed to return to his home, and to choose his own mode of living. For these obvious reasons, I am of the opinion that individual payments should be made under the auspices of the United Nations.

14. On the assumption that individual payment will be made, it has been suggested that partial compensation should be paid as soon as possible and without awaiting a final settlement. The suggestion in my opinion is not practical until it is proved that the claimant has a right to compensation. Besides, the amount may be insufficient for re-instatement and will therefore not serve the purpose intended. It is, however, realized that compensation

must be paid within the shortest time possible, and I can only suggest that the investigation should be carried out in such a way as to make it possible for the maximum number of claims to be paid off soon after the commencement of the investigation.

15. I have often been asked to give an estimate of the value of Arab property in Palestine. I am unable to answer this question without some study. It will, however, be possible to give a rough estimate within a reasonable margin of accuracy after about six months from the date of commencement of the investigation.

16. It is estimated that there will be at least 250,000 persons to be interviewed affecting some half a million parcels or one million claims to be dealt with. For example, one claimant may own several parcels or shares in parcels whilst one parcel may be co-owned by as many as 200 persons. Claimants to other rights in the parcel, such as mortgages, must also be considered. I estimate it will take at least five years to complete the investigation except in cases of dispute.

17. Finally, I suggest the immediate setting up of an organization under the direct auspices of the United Nations to carry out the investigation and settlement of claims. The organization should, in my opinion, be headed by a committee of three whose duties should be to lay down and direct the general policy and procedure to be followed. The membership of this committee should consist of: -

A legal expert;

A financial expert; and

An expert who from previous experience has an intimate knowledge of the country; its soil; methods of cultivation; and systems of land tenure, land settlement and land taxation; including the principles of land valuation.

/ The work should

The work should be centralized in a Head Office which should comprise five Departments, as follows: -

- (a) Department of Statistics - To be responsible for the examination and tabulation of claims;
- (b) Department of Valuation - To be responsible for the valuation of property and other interests in land;
- (c) Legal Department - To deal with all legal matters including the checking of supporting documentary evidence of ownership or other rights and the settlement of disputes;
- (d) Finance Department - To deal with all financial matters including the payment of compensation;
- (e) Administration Department - To deal with all matters of administration including the appointment of staff.

A District Office should be opened in each Arab State where refugees exist, and as many sub-offices in each District as may be required.

A Chief Inspector should be appointed in the Head Office to act as liaison between the various District Offices to ensure uniformity of procedure and to supervise progress. Local inspectors will also be required for the Districts.

A staff of investigators will be required and their number will depend on the amount of work in each District or area.

It will not be easy to obtain suitable recruits, as all men of ability and knowledge have not remained idle until now. The work of this organization is most important and urgent, and therefore only men of ability and undoubted integrity should be selected, particularly for the "key" positions. Salaries must be sufficiently attractive to obtain the best men.

Ramallah
18th October, 1950.

(signed) SAMI HADAWI

APPENDIX
to Memorandum dated 18th October, 1950 on
Arab Refugee Immovable Property in Palestine.

(Referred to in Para. 11 (a)(i) - page 8 of Memo)

1. Particulars of Property:

- a) Owner - Dr. Emil Saleh Farah.
- b) Town - Haifa.
- c) Quarter - Herzlia.
- d) Street No. - Herzlia No. 5.
- e) Block No. - 10860.
- f) Parcel No. - 32/1 and 32/2
- g) Registration - Land Registry Vol. 29, folio 352, Deed No. 1182 dated 9.12.1931.
- h) Area of Land - 1493 square metres.
- i) Declared value on purchase - Palestine Pounds 1170.-

2. Description of Property:

Two houses constructed of stone with cement ceiling between the years 1934 and 1937. Construction of high quality which has been well maintained. Particulars of buildings are as follows: -

- a) Parcel 32/1: Basement - 154 square metres.
Ground floor - 307
1st Floor - 307
2nd Floor - 214
Out-building - 12 994 sq. metres
- b) Parcel 32/2: Ground Floor - 221
1st Floor - 218
Out-building - 5 444 " "
- Total building area: - 1438 sq. metres

3. Details of Buildings:

a) Parcel 32/1:

Letting No.	Floor No.	No. of rooms & offices	G.A.V. 1947-1948 LP.	Name of Tenant	Rent per month LP.mils	Date of letting
1	Basement	2 rooms hall kitchen lav.	37	Bension Rappaport	5.-	1.1.40
2	"	2r,h,k, Bath,l.	39	Naftali Stolsberg	5.-	1.6.40
3	Gr. Fl.	4r, h,k, l, b-l.	90	Meir Florsheim	10.-	15.9.39
4	" "	3r,h,k, l, b-l.	72	Nissan May	8.-	15.4.40
5	1st Fl.	4r, h,k, l, b-l.	90	Zipser & L. Shutsman	10.-	17.10.40
6	" "	3r,h,k, l, b-l.	72	Meir Teister	6.25	1.7.40
7	2nd "	2r,k,b,l.	90	Shalom Fverstein	10.-	15.1.48
8	" "	3r,h,k,l,b-l.)		Owner-occupier	15.- assessed	
9	O/B	1r,l.	-	Sarah Feinbaum	6.-	3.2.47
Total Gross Annual Value:			490.-	Total:	75.25	
				Total per annum:		LP,903.-

b) Parcel 32/2:

Let- ting No.	Floor No.	No. of rooms shops and offices.	G.A.V. 1947- 1948 LP.	Name of Tenant	Rent per month LP, Mils	Date of letting
1	Gr. Fl.	1 shop	45.-	Max Adler	5.500	1.9.39
2		1 shop	45.-	Pal. Govt. (Post Off.)	8.333	1.6.46
3		1 shop	45.-	Julius Baum	5.250	1.3.41
4		1 shop	45.-	David Peremolnik	5.500	1.1.41
5		2r, k, b-1.	42.-	Sigmond Berger	6.-	15.9.41
6		1r, k, b-1.	36.-	David Sendovsky	6.-	15.1.48
7	1st Fl.	4r, h, k, l, b-1.	80.-	Zion Dassa	11.-	1.1.40
8		3r, h, k, l, b-1.	63.-	Mordechai Meis	14.-	1.1.47
9	O/B	Kiosk	-	Joan Shulhoff	6.-	15.5.47

T o t a l s : - 401.-

67,583 or

811,000 per annum

Total for both

buildings: - LP, 891.-

LP, 1714.- per annum

4. Valuation:

a) On basis of Gross Annual Value

for urban property tax purposes: -

LP, 891.-

Years Purchase at 5% -

20 years

Capital Value: -

LP, 17820.-

b) On basis of actual rents (Rents
subject to Rents Restriction Ord.) -

LP, 1714.-

Years Purchase at 5% -

20 years

Capital Value: -

LP, 34280.-

c) On basis of market rental value
of years 1947-48: -

LP, 2170.- (for details
see para.5)

Years Purchase at 5% being first
class building and very well

secured investment: -

20 years

Capital Value: -

LP, 43400.-

d) On basis of Construction:

i) Parcel 32/1 -

m, sq.

Net area of land -

826

LP, 4,000.-

LP, 3,304.-

Net area of building -

982

LP, 25.-

LP, 24,550.-

Net area of out-bldg -

12

LP, 15.-

LP, 180.-

ii) Parcel 32/2 -

Net area of land -

594

LP, 5,000.-

LP, 2,970.-

Net area of building -

439

LP, 25.-

LP, 10,975.-

Net area of out-bldg -

5

(Actual cost)

LP, 220.-

iii) Fencing and terracing (120 metres run)

LP, 800.-

iv) Cistern

LP, 200.-

v) Supervision & Architects fees at 6%

LP, 2,591.-

Capital Value: -

LP, 45,790.-

5. Details of valuation of market rental value
(See paragraph 4 (c) above)

Parcel No.	No. of rooms or shops	Actual rentals		Assessed rental value LP.
		Monthly LP.	Yearly LP.	
32/1	2 rooms	5.-	60.-	84.-
	2 rooms	5.-	60.-	96.-
	4 rooms	10.-	120.-	180.-
	3 rooms	8.-	96.-	144.-
	4 rooms	10.-	120.-	180.-
	3 rooms	6.250	75.-	144.-
	2 rooms	10.-	120.-	102.-
	3 rooms	15.-	180.-	180.- *
	1 room	6.-	72.-	72.- *
		75,250	903.-	1,182.-

32/2	1 shop	5,500	66.-	100.-
	1 shop	8,333	100.-	100.- *
	1 shop	5,250	63.-	100.-
	1 shop	5,500	66.-	100.-
	2 rooms	6.-	72.-	96.-
	1 room	6.-	72.-	72.- *
	4 rooms	11.-	132.-	180.-
	3 rooms	14.-	168.-	168.- *
	Kiosk	6.-	72.-	72.- *
		67,583	811.-	988.-

Grand Total: -

LP, 142,833

LP, 1,714.-

LP, 2,170.-

Monthly
Yearly
Yearly

* It will be observed that assessed rental value agrees with actual rentals.

N O T E.

on the safe-guarding of Arab immovable property in the territory of Palestine occupied by the Jews and income therefrom pending final settlement of the problem.

By
SAMI HADAWI, M.B.E.

1. The General Assembly of the United Nations took a decision on the 12th of December, 1948, confirming the right of payment of compensation for losses sustained to property and to those Arabs who have no desire to return to their homes in Palestine.
 2. Ever since that decision was taken nearly two years ago, we continued to hear declarations by statesmen of the Big Powers that the refugees must be allowed to return to their homes and that those who did not wish to return should be compensated. But no suggestion how and when this should take place, or any practical effort has so far been made to deal effectively with the problem, with the result that the decision has remained a dead letter.
 3. The "refugee" problem has now come up again before the United Nations, and from statements so far made in the Political Committee as a result of the Reports submitted by the Palestine Conciliation Commission and General Kennedy, Head of the UNRWA, it appears that the discussion is centered mainly on the provision of an additional 50 million dollars needed to carry on the work of the UNRWA. And so it continues palliative after palliative in the hope apparently that the Palestine problem will solve itself.
 4. A proposal re-affirming the decision of the General Assembly of 1948 has been tabled before the Political Committee, but the representative of the Jews has expressed in clear language Israel's refusal to comply with the decision of the United Nations to allow the refugees to return and has also gone so far as to state that Israel was unable financially to pay compensation even apparently to the extent of the value of Arab immovable property in Israel. Never has such a state of affairs existed in the history of the world, and no such thing as wholesale confiscation of property without value has been heard of.
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The Arab believes that the very same methods complained of by the Jews against Germany are now being exercised by them against the Arabs.

5. The appointment of a Custodian of Property of Absentees in Israel as required by international law and practice in times of war, is nothing but another camouflage to pretend to the world that the interests of the absentee are being safe-guarded until peace is restored. The refugee knows full well from his past experience of Jewish mentality and behaviour in Palestine, the real intentions of the Jews that there is nothing to expect from the Custodian when ultimately final settlement of the Palestine issue is made. Otherwise why are the activities of this Department so confidential? And why are those Arabs (and non-Arabs) now resident in Israel still deprived from the income derived from their properties? They are even not allowed an inspection of the accounts of the Custodian which relate to their properties.

6. It is understood from Jewish sources that the Custodian has so far allocated about 73,000 houses of absentees to some 200,000 Jews and that there remain approximately 60,000 persons to be provided for, not to mention the stream of immigrants that are entering the country each month. And so the Arab looks on to see his property occupied by strangers whilst the United Nations stands idle in an age in which we hear so much of such expressions as "rights of man", "freedom of mankind", "democracy", justice and equity for all", etc., etc. It remains to be seen, however, what effect such a policy on the part of the United Nations will have on the inhabitants of the Middle East in the future.

7. What the refugee demands from the United Nations is not charity through an extension from year to year of the activities of the UNRWA, but his natural rights to his own property in the same way as all citizens of democratic countries are allowed to exercise their rights freely over their properties. The United Nations are responsible for the creation of the present state of affairs and so far they have failed to give justice to a people who through no fault of theirs were ousted from their homes and country. The least that is now expected from this world organization is to safe-guard the interests of absentees from further exploitation and destruction until a solution can be found to the political issue.

8. It is realized that many practical difficulties will confront the return of the refugees to their homes even were the Jews to agree to it. It is also realized how impossible it will be for the Jews to purchase the immovable properties of absentees en bloc, just as it is

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unreasonable to expect the United Nations to foot the bill on behalf of the Jews. But no matter how long it will take to solve the Palestine Problem, the individual right of ownership of immovable property is unquestionable and cannot be confiscated or expropriated without its full value. The case will ultimately have to be dealt with and the sooner it is the better for all concerned.

9. Although it has been stated that the activities of UNRWA - as its name indicates - are only to provide relief for the refugees until a solution is found to the problem, we are aware that the real intention is to settle the refugees as permanently as possible. I must here point out that the greater part of the activities of this Agency is directed to the peasant and poorer classes whilst the land-owner and landlord type is not benefitting from this relief or semi-permanent re-settlement. The fact that he was obliged to lease accommodation in neighbouring countries at exorbitant rentals and provide himself with furniture to maintain to an extent his previous standard of living has virtually reduced the majority of them to a state of financial embarrassment which is likely to undermine their very existence if an urgent solution to their problem is not forthcoming. It is this type of refugee who is suffering most and who now requires the sympathy and help of the United Nations, and I believe it is the duty of this world organization not to allow the cream of the Palestine people to degenerate because of want at a time that the income from their properties in Israel is sufficient to maintain them until their fate is decided.

10. It is therefore imperative that the United Nations should this time take immediate and firm action to settle the question of the return of immovable properties to their owners without awaiting the settlement of the political issue, whether absentees are allowed to return to their homes or not, and I believe this is possible if only the Arab refugee can find a hearing at Lake Success. The Arab, however, is aware that the Jews will strongly oppose such a proposal because, by holding Arab property, they will continue to profit financially and economically, and in addition hope that the owner-refugee will sooner or later compel the Arab States to make peace with Israel on the latter's terms. The United Nations should not be deterred from giving justice notwithstanding the objections raised by an aggressor.

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11. I therefore venture to make the following proposals which, if considered in the spirit in which they are submitted, will help restore justice to a people who have by now suffered enough :-

- (a) The United Nations should at once declare a trusteeship over the immovable properties of absentees and should appoint an Administrator to administer these properties. The Administrator should be assisted by a foreign staff recruited from persons other than Jews and Arabs;
- (b) An Arab Advisory Board should be established to advise the Administrator on all matters relating to absentee interests in Israel;
- (c) The Administrator should have the same powers as those now enjoyed by the Custodian of Property of Absentees in Israel with regard to lease, sale, maintenance, etc., of immovable properties of absentees;
- (d) The first duty of the Administrator should be to check the accounts of the Custodian with regard to the period 15th May, 1948, to date of his appointment and arrange to take over the administration;
- (e) The Administrator should arrange leases in respect of all properties which can be leased, and rentals should be fixed in relation to market values. The United Nations should ensure that the Jews do not introduce an one-sided law detrimental to the interests of the absentees;
- (f) Where an absentee desires to dispose of his property, the Administrator should offer the property for sale in the open market. In this connection attention is drawn to my memorandum dated 18th October, 1950, which deals with the method of valuation of property;
- (g) Where property is acquired by the Israeli Government by expropriation, the Administrator should act on behalf of the absentee to protect his interests. It should be noted that the Israeli Government has already acquired by expropriation certain Arab lands on a valuation fixed by themselves. The Administrator should reconsider the valuation in the light of the principles suggested in my memorandum of 18th October, 1950;
- (h) All monies accruing from property of absentees should be paid into a United Nations Fund

specially opened for the purpose;

- (i) Payment should be made to the owner through the United Nations in the currency of the country in which the absentee resides, less, say, 6% to cover collection and administration charges..

It is realized that the transfer of currency will raise a problem, but the United Nations through its proper agency should be able to deal with this.

12. It is realized that not all owners of immovable property will benefit from the scheme proposed as it will not be possible to lease all agricultural lands in Palestine either because of lack of a sufficient agricultural population in Israel or that the parcels are too small or the land is not sufficiently fertile to justify their cultivation. There will also be many orange groves which for want of care have been allowed to dry up, and to revive them or uproot the trees to utilize the land for other purposes will require much expenditure and labour. The same may be said of buildings in urban and rural areas that have become either unfit for occupation or have been demolished by the Jews. In such cases, the Administrator should be empowered to use his discretion by either arranging sale of the property after consultation with the owner or by carrying out the necessary repairs to make the building fit for occupation.

Where the sum realized is in respect of rental, this should be paid to the owner, but where the sale price is small, the money should not be turned over to the owner but should be deposited in the Fund to be used in any scheme of re-settlement of the refugee whether within or outside the boundaries of Palestine.

13. The above are but general outlines of the proposal and if acceptable will have the following results :-

- (a) Relieve the present mental strain and fears of owners of property and safe-guard their interests;
- (b) Put an end to the continued exploitation of Arab property by the Jews and contribute towards the efforts of peace in the Middle East ;

- (c) Restore Arab faith in the justice of the United Nations;
- (d) Reduce the amount of compensation due to the Arabs before the sum payable becomes beyond the ability of the Jews;
- (e) Make it possible to liquidate gradually over a period of years the immovable property of absentees who do not wish to return to their homes; and
- (f) reduce the expenditure now incurred by the United Nations through UNRWA on relief since those landlords who have sufficient income from their property will no longer need the help of the Agency. Where, however, an owner's income is insufficient or his property is not income producing as yet, he should continue to receive the help of the UNRWA.

(Sgd.) Sami Hadawi.

8th November, 1950.