

A year following Operation Protective Edge and business owners are still under duress

## **Did the Government Help Us? You Must Be Joking**

*Hundreds of Southern [Israeli] business owners took emergency interest-free loans of 15 million ILS in total from a non-profit which provided aid: "If the fighting were to re-ignite today, we would be unable to withstand this financially – we would have to close our business and leave."*

Written by Yuval Bagno September 2, 2015

**A year following the fighting down south, Hamas' digging of terror tunnels returns to the headlines, and fear of rocket fire is on the rise. All of this is happening while Southern small business owners have barely managed to recover from the events of Operation Protective Edge. An owner of a dairy farm from the region surrounding the Gaza Strip states that "If the fighting were to re-ignite today, we would be unable to withstand this financially – we would have to close our business and leave."**



*Tamir Cooper, Wisla Restaurant*

Indeed, new data shows the scale of loans that business owners had to take in order to survive, but those loans came not from the banks and not thanks to the government. From data acquired by *Maariv – HaShavu'a*, with the help of the Israel Free Loan Association (IFLA) we find that during the past year, hundreds of Southern businesses took loans from IFLA totaling no less than 15 million Shekels, handed out to 382 businesses, all located at a range of 40 kilometers from the Gaza Strip.

It is worth noting that IFLA is a non-profit founded 25 years ago by Professor Eliezer Jaffe, offering an alternative to regular loans (with interest) with the help of donations, collected by the organization mostly from the USA.

During the year following *Operation Protective Edge*, small businesses in the south that couldn't find alternative sources of funding relied on IFLA's services in order to survive the period of hardship.

IFLA's data shows that for the most part these businesses are clothing shops, coffee houses, hair salons and the like, whose monthly business income is below 150 thousand shekels, each taking a loan of up to 90 thousand shekels.

The Eliyahu family from Moshav Pa'amei Tashaz, located in the Merhavim Regional Council, own a dairy farm. Last year, while mortar and rocket fire landed in the area, their cows became distressed, and their milk production suffered.

Furthermore, the farm lacked laborers and technicians to fix the equipment. A year later Sarit Eliyahu tells *Maariv – HaShavu'a*, "It took us three to four months until we could even start our recovery from the financial damage from *Operation Protective Edge*. The small loan we took seemed huge from our perspective, it was a real lifeline. We are contracted to produce a minimum quantity of milk, and the situation resulted in cumulative losses for us. The loan was not only used to cover these losses, but also to take care of our cows."

Eliyahu told us about the need for the loan, that "IFLA was so readily available, with so little bureaucracy. It's not only about it being an interest-free loan, because banks offer large and tempting loans, but we knew that we only need a sum of money that will give us the breathing room to survive, and they acted like an anchor for us."

### **Did the government help you?**

"You must be kidding. Were fighting to erupt now - we would be unable to withstand this financially. It would have been better for us to close the business and move to a place where we can find work as salaried employees."

Even further away from Gaza's border the lack of sufficient government aid was felt by small businesses which were harmed by the hostilities.

Tamir Cooper (36) and his partner opened the "Wisla" restaurant in Gedera only a year before *Operation Protective Edge*, and they did not imagine that their town would become a "Confrontation-line Community," suffering from rocket fire. "We used to have 150 clients per day, and then suddenly the numbers plummeted to 15 a day. We only started to recover four months after the war," explains Cooper.

He adds that "The government was not in the picture, like a mother who tells her child 'it will be fine' but does nothing. Only after months, we received a grant of 25 thousand shekels, and this is after we reported losses of 200 thousand shekels. At the time we needed money immediately, and this is why we went to IFLA, whom we felt were like our oxygen supply. A week and a half after we first contacted IFLA we already received the money".

It is worth noting that the small grant Tamir received from the government was immediately used to cover some of the losses accumulated during *Operation Protective Edge*. Had he been dependent on the state to pay his employees and suppliers on time – he would have had to close the business. In answer to the question of their ability to withstand another round of fighting Tamir answers, "Considering all we went through, I don't think so."