# REPORT ON ISRAELI SETTLEMENT IN THE OCCUPIED TERRITORIES

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# Is Rabin's Figuring Better Than Shamir's?

One of the problems that bedeviled U.S. relations with Israel when Yitzhak Shamir was prime minister was Israel's official dissembling about the true rate of settlement construction in the West Bank and Gaza Strip. When Yitzhak Rabin came to power, he promised to deal honestly with Washington on this issue.

But Secretary of State James Baker, in Israel soon after Rabin assumed power in July, and President George Bush himself, during Rabin's visit to the United States in August, were deliberately given inaccurate information by the new government, according to an October 2 report in the newspaper *Hadashot*. Rabin's plan to build 10,000 units in the West Bank did not include 1,500 privately financed units, the newspaper reported.

"To say that Baker received incorrect numbers on building in the territories, it's like taking someone and killing him," explained Arieh Barr, director general of the Ministry of Housing and Construction, who compiled the figures. "When I gave the information to [Minister of Housing Benjamin] Ben Eliezer, I told him that it included only our [government] building or agencies with whom we have contracts. There was nothing in these numbers on private construction, because we have no power over it."

The government, however, does have control over and exact information about private construction in the territories. Permits for private construction of homes must be approved by the civilian administration in the territories and other official government bodies, and government-subsidized loans are awarded for such homes.

Barr himself admits that when he passed his estimate to the prime minister's office, he informed top Rabin aide, Shimon Sheves, that the figure of 10,000 did not include 1,500 additional units under private construction. (See, *Losing the Demographic War* and accompanying maps, pages 3–5.)

#### RABIN SHOULD TAKE MEASURES TO REVERSE SETTLEMENT COURSE

By Geoffrey Aronson

Yitzhak Rabin assumed the leadership of his party and country largely on his promise to reorder the national priorities established by Likud governments and pursued since 1977. Continuing Jewish settlement of the West Bank and Gaza Strip, and the de facto incorporation of these areas to Israel proper, was foremost among the Likud's aims—aims which Rabin pledged to recast.

Rabin has put the settlement movement on the ideological defensive in the months since he assumed power. The zealot settlers of Gush Emmunim and their end-of-the-world cohorts in the byways of Jerusalem's Old City are no longer Israel's most favored sons. Nor is their claim to state coffers as uncontested as they had come to expect from years of the Likud's state-supported patronage.

Although the settlement movement has suffered an ideological setback at Rabin's hands, his practical policies have so far failed to strike at the sustainability of a government-directed enterprise that continues to attract new settlers and that further entrenches itself with every passing day.

If the Rabin government, often described as the most moderate that Israeli democracy can produce, succeeds only in returning the dynamics of Jewish settlement in the occupied territories to the situation that prevailed before the beginning of the 1990 housing boom, then settlers may emerge from the Rabin years more confident of Israel's permanent control over the territories than they might have if the Likud had retained power.

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#### TO OUR READERS

In recent comments, Prime Minister Yitzhak Rabin has devised a distinction between Israel's military presence in the occupied territories, which he acknowledges is governed by UN Security Council resolutions, and its civilian settlements, which he maintains are not. Rabin has made what can only be described as a disingenuous claim that UN resolutions exempt settlements from their provisions calling for Israeli withdrawal from territories captured in June 1967. "The UN resolutions do not make any mention whatsoever of the removal of settlements," Rabin asserted. At the time Resolution 242 was passed, no settlements had been established.

The Labor Party has traditionally regarded settlements as serving two principal aims: one, establishing the perimeters of Jewish and, after the establishment of the state, Israeli sovereignty in Palestine; and two, legitimizing the presence of the Israeli army in foreign lands. As Moshe Dayan once explained, without the settlements in the territories, the Israel Defense

Forces would merely be an occupying army.

Prime Minister Rabin's recent declaration, however, suggests the intrusion of another purpose more common to Likud partisans whom he defeated in the last elections, namely that settlements were intended not merely to be an instrument of Israeli policy but its raison d'être.

Perhaps Rabin's assertion means that he is willing to permit settlements to remain under Palestinian sovereignty, but that is doubtful. In any case, his reasoning only complicates Labor's commitment to territorial compromise and heightens concerns that Rabin intends to exclude the settlement issue from negotiations altogether.

This stance is a far cry from the call for a change in national priorities that struck such a resonant chord among the Israeli electorate and raised the hopes of many Americans that Rabin's election would usher in a new era in Israel's policies.

# QUOTES

"We proposed to the Syrians a withdrawal, and we did not go into any details. In any event, this means pulling back the IDF [Israel Defense Forces] not pulling back settlements, or in other words, removing them. We also emphasized the difference between the two. . . . The UN resolutions do not make any mention whatsoever of the removal of settlements."

Prime Minister Yitzhak Rann on Israeli Television, November 1

\* \* \*

"Rabin seems to have accepted the need to apply the principle of "peace in exchange for territories" to negotiations with Syria... but this principle does not apply to the West Bank or Jerusalem. For Israel, these are clearly not 'occupied territories.' How can you otherwise explain the fact that the Labor government has decided to build 11,000 apartments in the West Bank and Gaza, and a further 14,000 in

Jerusalem?... I would just like someone to explain to me what those apartments have to do with Israel's security?"

PLO Chairman Yasser Arafat in L'Unita (Italy), October 29

\* \* \*

"It is inconceivable that Jerusalem will be without the Etzion Bloc, Betar, and Givat Ze'ev [West Bank settlements]. This is the ring that defends Jerusalem."

Labor Minister of Housing and Construction Benjamin Ben Eliezer, Yediot Abaranot, October 10

\* \* \*

"They want Palestinian blessing for legitimizing the expropriation of our land and the annexation of certain parts of our territory."

> Palestinian spokeswoman Hanan Ashrawi on November 20, at the end of the seventh round of Israeli-Palestinian negotiations

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#### LOSING THE DEMOGRAPHIC WAR

Israeli settlement in the West Bank is failing to win the demographic war against Palestinians in the West Bank, according to a recently completed major study. Israel's settlement program has not succeeded in achieving its main purpose of surrounding West Bank Palestinian towns and villages with large numbers of Israelis, the study concludes. Rather, the approximately 110,000 Israeli settlers in the West Bank live today as a minority of less than 11 percent—in "pockets" surrounded by 1.15 million Palestinians.

The study and accompanying map, prepared by Israel's Peace Now organization, show the relative West Bank and Gaza Strip populations of 398 Arab towns and 144 Israeli settlements. Because no official Palestinian census has been carried out in the West Bank for 25 years, the figures noted by the survey are based on projections using information supplied by the government and previous work done by Meron Benvenisti's West Bank Data Project. The report cites the "tremendous importance of a public debate based on the facts on the ground. Questions about the borders of the autonomy (council), the level of Palestinian control over territories during the interim period, the ability to evaluate border rectifications in the future," notes the report, "highlight the centrality of the demographic relationships established in the last 25 years."

The study charges that the Likud "distorted" reality in the territories by seeking to convince Israelis that settlements had in fact created a new demographic reality in the West Bank. Maps that erased the pre-1967 border and purported to show blocs of settlements surrounding and isolating Arab towns were all part of a campaign to encourage Israelis to settle across the pre-1967 border.

The map accompanying the survey (see pages 4-5) is described as the first "real map" of the demographic situation on the ground. To those who would argue that an equally daunting demographic imbalance in pre-1948 Israel was changed by the flight of Palestinians during the 1947-48 war, the report suggests that the expulsion of Palestinians in the territories in time of war is no longer an option. Nor, it adds, will a resumption of large-scale immigration from states of the former Soviet Union bring enough settlers to the territories to create an Israeli majority there. "Right-wing hopes" that the massive construction campaign of the last two years, which will provide for an Israeli settler population of at least 160,000 by mid-decade, would "convince" Palestinians to emigrate have also been confounded. Indeed, in the post-Gulf War era, Palestinians are remaining in the territories in greater numbers.

The study estimates that 1.946 million Palestinians currently reside in the occupied territories, 1.15 million in the West Bank, and 796,000 in the Gaza Strip. This figure does not include 150,000 Palestinians living in annexed East Jerusalem and 270,000 others with Israeli-recognized residency rights who live abroad.

Of the 144 Israeli settlements in the West Bank and Gaza,

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## Peace Talks Focus on Land Issues

West Bank land and Israeli settlements featured prominently in the recent round of Israeli-Palestinian negotiations in Washington. In important respects, the Rabin government has abandoned its concept of an interim Palestinian self-rule that would be applicable only to Palestinians and not to the lands where they reside.

In the November round, Israel presented a breakdown of land ownership in the West Bank (excluding East Jerusalem, which has yet to be addressed in the negotiations). Israel acknowledged that 61.5 percent of the West Bank's 1.4 million acres is privately owned by Palestinians; 30.5 percent is "state land" administered by Israel as the de facto sovereign; and 8 percent belongs to Israeli settlements. Of this 8 percent, 6.5 percent is state land and 1.5 percent is privately owned Jewish property (from the pre-1948 era).

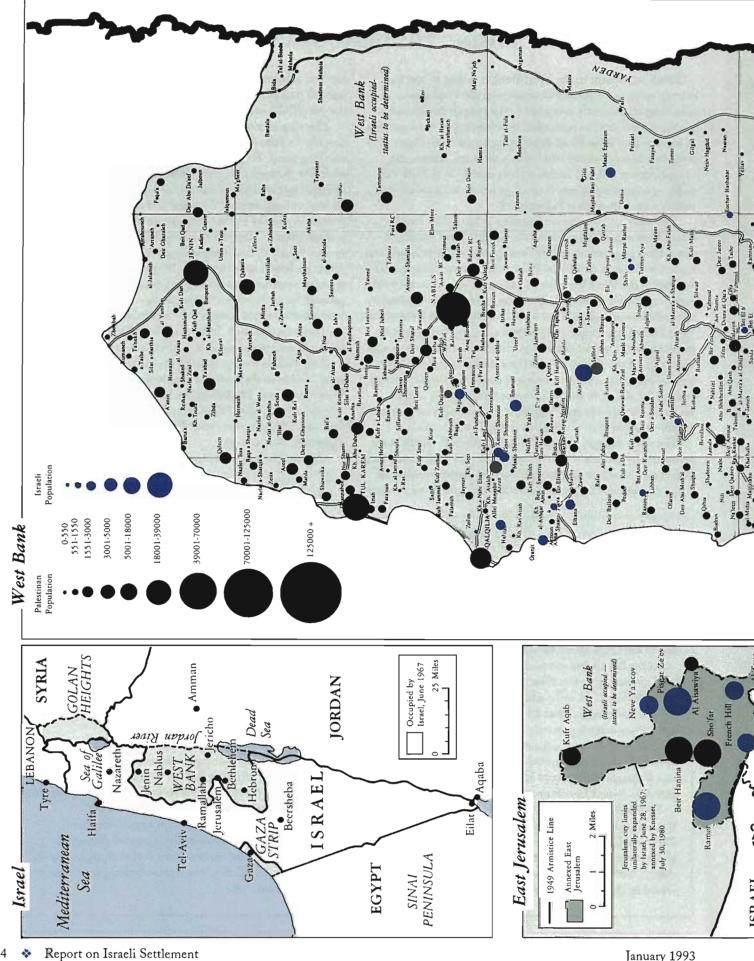
In the December round, Israel presented a plan for a three-tiered division of authority over land in the West Bank and Gaza Strip. It proposed that Palestinians control all town and village lands now possessed by or "allocated to them"; it offered settlers control over all lands currently possessed by them or "allocated to them"; and it proposed the

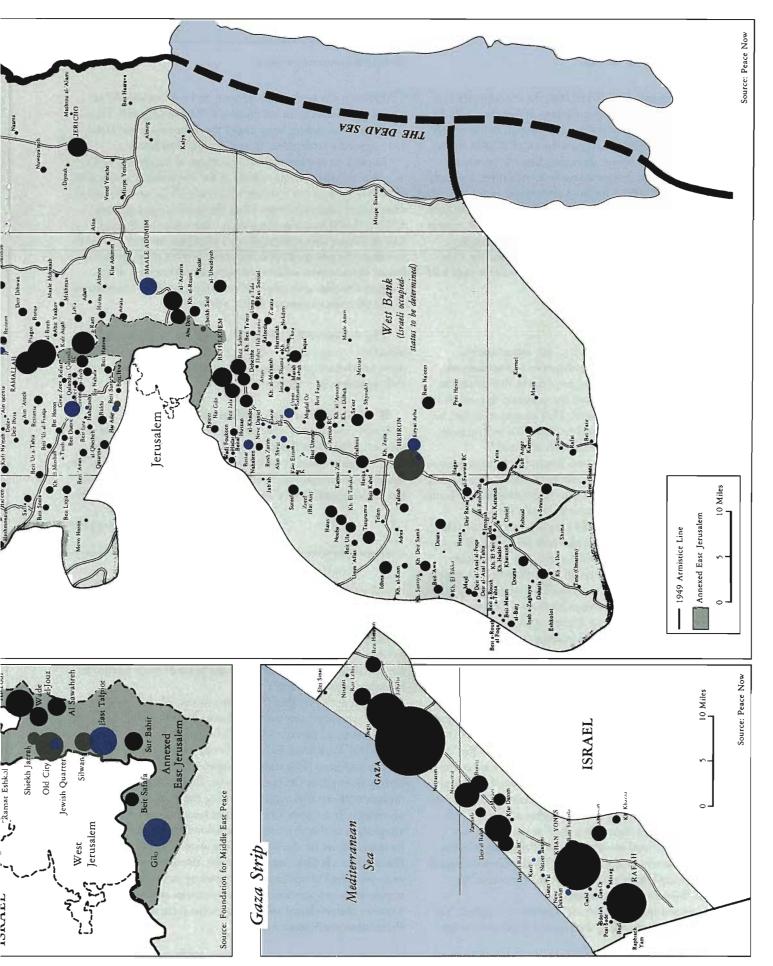
joint administration of all remaining lands.

According to a recent report by the Israeli Civilian Administration for the West Bank, the 398 Palestinian communities now have only 68,310 acres—less than 5 percent of the entire West Bank—under their direct jurisdiction. This area is far less than the 144 Israeli settlements, which now control 110,000 acres. The Israeli proposal raises the prospect of additional "allocations" to each sector while providing for a continuing Israeli role in the joint administration of all unallocated land, much of which may be privately owned Palestinian property.

Israel continues to insist that questions relating to settlements and their administration be excluded from current negotiations, confirming Rabin's October 26 statement that "responsibility for the life and security of the Jewish settlers and settlements will lie with the State of Israel."

One member of the Palestinian negotiating team, however, insists that measures inaugurated during the interim period "must make settlers feel as though they are under a new jurisdiction"—a feature lacking in the current Israeli proposal.





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with a combined population of 115,000, the report notes that fully 75 percent, or 107, have populations of less than 500. In 27 settlements, there are fewer than 100 people. Although no Israeli settlement currently has a population of 20,000, there are 16 such Palestinian towns, including Gaza City, which together with the Shati refugee camp in its midst has a population approaching 250,000. Despite a population imbalance of 17 to 1, authorized Palestinian housing in recent years has been only twice the settlements' allotment—1 million square meters for Palestinians—while settlement housing has grown by 500,000 square meters. The annual rate of increase for Palestinian construction in the West Bank (1.5 percent) is only half the annual rate of population growth.

#### Settlements Harm Security

"Settlements harm Israeli security," the report asserts.
"Because of the small size and the dispersion of settlements, large military contingents are now required to defend and to guard the entry and exit roads used for commuting to work in the Jerusalem and Tel Aviv regions. This requirement for the defense of settlements and settlers on the roads will increase during the interim period of Palestinian self-rule."

More than 300,000 Palestinians live in the Greater Jerusalem area, from Ramallah in the north to the Bethlehem region, including East Jerusalem. "The separation between East Jerusalem and this area is artificial," concludes the study.

Nevertheless, the map, as well as the report's principal figures, do not include annexed East Jerusalem's Palestinian population of 140,000 or the 150,000 Israelis who now reside there. Including these Israelis would more than double the West Bank settler population and would increase to 20 percent Israel's demographic share in this critical area. The report estimates that by the year 2000 the settler population will almost double to 185,000, comprising 13 percent (as opposed to 11 percent in 1992) of the West Bank population of 1.34 million.

#### Demographic Majority

The pursuit of a demographic majority has been a major aim of Israel's settlement policies in East Jerusalem, but it has not been a central planning factor for settlements in the West Bank, and even less so in Gaza. Since the Likud's accession to power in 1977, Israeli settlement plans have been based first on achieving territorial and ideological dominance over Palestinians rather than on securing a demographic advantage. In 1978, for example, at a time when there were fewer than 10,000 settlers scattered among 700,000 Palestinians in the West Bank, the settlement plan of the World Zionist Organization had already begun to use the term "minorities" to describe the Palestinian population.

"The proposed settlement blocs," explained the plan, "are situated as a strip surrounding the [central highlands] ridge . . .

Yet this is the path Rabin appears to be following. After returning to Israel from his August 1992 meeting with President Bush, Rabin sought to dispel the impression that Israel had imposed a settlement "freeze" in the West Bank.

"Look, I do not know what you mean when you say settlement freeze, when we are talking of the continued construction of 11,000 units in the territories," he said. "I do not remember a time when, even after canceling the construction of some 6,000 to 7,000 housing units, such a drive ever took place. . . . The Arabs are very critical of the United States in view of the fact that, the way they see it, not only is there no settlement freeze, there is even a hastened pace of construction when compared to two-and-one-half years ago. . . . The construction of 11,000 units continues. Is this a freeze?"

The Settlement Report has prepared some suggested policy initiatives consistent with the Rabin government's commitment to reorient national policies away from a consolidation and expansion of settlements.

#### Reduce West Bank settlement housing.

Israeli government projections estimate that the settler population of the West Bank will grow at a faster rate than the Jewish population of Israel proper over the next four years. The Rabin government will preside over the greatest expansion of the settler population in the West Bank and East Jerusalem in

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both between the minorities population and around it."

"This perception is totally out of touch with reality," wrote Israeli professor Yossi Amitay in the newspaper *Hadashot* recently, "... unless someone imagines that the whole area between the Jordan River and the Mediterranean should actually be taken as a single entity on the basis of these territories being annexed to Israel."

The report notes that 60 percent of the West Bank's 1.4 million acres are today under exclusive Israeli control. In Gaza, Israel retains 35 percent of its 125,000 acres.

"In the West Bank and Gaza Strip," the study concludes, "lives a complete [Palestinian] people which develops and continues to grow. On the one hand, there is nothing to the dreams of those who suggest pushing the Palestinians out by one means or another. On the other hand, those who suggest annexation of the territories to Israel must understand now its implications for the future of the state of Israel and its character as a Jewish state. Therefore, the only route to coexistence with the Palestinian people residing in the occupied territories is cooperation between countries and a border between them—Israel and a Palestinian state or a Jordanian-Palestinian confederation."

the history of the occupation—up to 50,000 in the West Bank and a similar number in East Jerusalem-without a change in policies toward government-supported and private housing construction.

Considering Israel's housing demand as a whole, there is no need to complete the 11,000 units currently under construction in the West Bank. As a result of the building boom of the last two years, and the failure of Russian immigration to reach anticipated levels, Israel today suffers from a glut of available housing. By the end of 1993, the government will have spent \$3.3 billion to purchase 42,000 homes in Israel for which no buyers can be found. Many of these homes are located in areas of relative economic privation, but the government's commitment to facilitate private sector construction initiatives in the center of the country will assure that Israel's housing needs can be adequately addressed without continued expansion of housing in the occupied territories. If no market exists for the 11,000 homes now under construction in the West Bank, as officials now claim, money can be saved by canceling construction now rather than waiting until the government is required to purchase unsold units upon completion.

As a response to the current housing glut, the government has removed itself from direct participation in future public housing construction in Israel as well as the occupied territories. But it has not suspended state support for private construction in the territories. For example, building permits are still being granted for private home construction in settlements throughout the West Bank. Currently, 1,500 such homes are under construction. Officials lamely claim that they have no jurisdiction over this building. A government ban is in order.

#### Increase the cost of West Bank housing by removing subsidies.

The measures implemented until now suggest that the Rabin government only intends to reduce the economic advantage of West Bank settlement housing over similar construction in Israel, not to eliminate it and certainly not to penalize those who choose to reside there. Should the government choose to equalize prices with those in Israel, the government could, for example, phase out all mortgage subsidies on existing housing; add land values and infrastructure costs of \$15,000 per unit to sale prices; and bring construction codes applicable to West Bank settlements up to standards required in Israel. This discrepancy alone permits savings of \$100,000 on a settlement home that would cost \$230,000 in Israel.

Should Rabin decide to actively discourage increases in the settler population, settlers could be handicapped by a variety of surcharges. A fee for extraordinary security costs, for example, could be assessed.

## End administrative measures supporting settlement.

Relevant government ministries, such as the education

ministry, have yet to devise or to implement many purely administrative decisions that would reflect a change in priorities away from support of settlement consolidation and expansion. The Ministry of Education has not reassessed the allocation of tremendous resources in the settlements for basic educational services far superior to those available in Israel (including class size, school facilities, and subsidized bus transport). Nor has it moved to close pork barrel projects such as the numerous religious institutes that have been established in settlements to employ settlers. The Education Ministry is one of the largest employers of settlers; half are said to be public employees while within Israel proper only 30 percent of the labor force is on the government payroll.

The Ministry of Housing has announced that it will no longer pay for security for the 400 settlers living in the Muslim and Christian quarters of Jerusalem's Old City. The impact of this welcome decision has been lessened by suggestions that the Ministry of Police will instead assume these costs.

#### Order official registration of untitled West Bank land.

Soon after Israel occupied the West Bank in June 1967, the military government operating there ordered the suspension of a land registration campaign then under way. The purpose of the registration effort was to standardize, by means of government-issued land titles, what had heretofore been a haphazard system of proving land ownership. When Israel banned this effort, approximately 60 percent of West Bank land remained without a standard form of ownership title. The ambiguity surrounding land ownership and the military government's assumption of responsibility for adjudicating Palestinian ownership claims became key elements in facilitating Israel's subsequent land confiscations for settlement construction.

In 1980, Israel conducted a \$600,000 survey of the West Bank to identify sites for further confiscation. Release of this survey would provide a valuable resource for the current Israeli-Palestinian negotiations. Israel needs to create an independent court for the adjudication of land claims and permit Palestinians to claim legal, enforceable title to parts of the more than 60 percent of currently untitled, but privately owned, West Bank land, some of which is now used for Israeli settlements. Only then can the true dimensions of Palestinian land ownership be clarified and the area of potential settlement expansion be limited.

#### Cancel the Jerusalem-Efrat road project.

This \$42 million project is perhaps the Rabin government's most significant contribution to the expansion of settlement in the critical region around Jerusalem. (See November 1992 Settlement Report, page 5.) Completion of this project to link the settlement bloc south of Jerusalem to the city center will considerably enhance the "quality of life" advantages of Israeli settlement and economic development in one of the more productive and populous sectors of the West Bank. The unequal competition between Israelis and Palestinians for resources will only be heightened as a result of the transformation of the settlements in this region into expanding bedroom suburbs of Jerusalem.

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#### AMERICAN COLLEGE POSTPONES CAMPUS IN WEST BANK SETTLEMENT

Opposition in Israel, the United States, and among Palestinians has scuttled plans to establish a branch campus of an American university—the University of New Haven (UNH)—in the West Bank settlement of Elkana.

Plans for the establishment of the university's "Campus of the Sharon" had been approved by the former Likud government. But the current government's minister of education, Shulamit Aloni, in a letter to the president of UNH, a private institution in Connecticut, warned him not to continue with plans to open the West Bank campus.

Aloni noted that "it has been brought to my attention that you wish to establish an annex to your university in the occupied territories which are outside the jurisdiction of the State of Israel and are currently under military rule.

"I wish to know," she continued, "if this information is known to you. Does action of this sort comply with American foreign policy and international public law, considering that the basis for this institute is a policy of segregation that overlooks the Palestinian population, which constitutes the majority in this area."

In his October 6 response, the UNH president, former Congressman Lawrence DeNardis, said that because of his inability to locate a campus in Israel, "the next best location in the Tel Aviv area outside the boundaries of the State of Israel was sought. Therefore, we have plans to establish a branch campus in a location just over the 'green line'. . . . We do know that the Elkana area, though only approximately 18 km from Tel Aviv, is in fact under the jurisdiction of the Ministry of Defense."

Aloni believes the campus to be illegal. The State Depart-

ment has noted that "to the extent that the University of New Haven's plans to open a branch campus . . . contributes to settlement activity, we find it unhelpful."

U.S. Ambassador to Israel William Harrop told Aloni that because UNH is a private institution, the United States has no control over its plans, the newspaper *Ha'aretz* reported. Harrop explained to Aloni that only if it becomes clear that laws against discrimination are being violated will the U.S. "have a case" for intervention. But, in private discussions with DeNardis, State Department officials registered their opposition to the project.

UNH has been working in partnership with the Bio-Technical Institute of Tel Aviv, an educational institution headed by an important figure in the National Religious Party (NRP), whose son graduated from UNH. The institute boasts a number of prominent Americans and Israelis on its governing boards, including Edward Teller, the institute's international honorary president, and Foreign Minister Shimon Peres, its international honorary chairman.

The Elkana settlement where the campus was to be located was founded by NRP members when Peres was minister of defense in the mid-1970s. The former minister of education in the Shamir government, NRP member Zvulen Hammer, is the one who approved plans for the campus. The NRP still plays a considerable role in the settlement itself, where it won more than 50 percent of the settlement's votes in the last election.

On January 5, DeNardis announced that the campus would not open as planned and that alternative sites were being explored.

"Too much has been invested in building housing units. The government of Israel in the last year, this year, and next year will need to buy 42,000 housing units for which there is no buyer. . . . It will cost 8 billion shekels [\$3.3 billion], and we don't even know when it will be possible to use them in an effective way."

Prime Minister Yitzhak Rabin September 7, 1992

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