

# REPORT ON ISRAELI SETTLEMENT IN THE OCCUPIED TERRITORIES

A Bimonthly Publication of the Foundation for Middle East Peace

Volume 23 Number 5

September-October 2013

## ENDING OCCUPATION—THE BEST AND ONLY CONFIDENCE-BUILDING MEASURE

By Geoffrey Aronson

In a series of reports during the last decade, international institutions led by the World Bank and International Monetary Fund (IMF) have highlighted the vital contribution of strong institutions to state building in the Palestinian territories.

This interest and extraordinary support offered to the Palestinian Authority (PA) has a broader political context. In the era when the international community, led by the United States, was content with Yasser Arafat's leadership and focused on implementation of the "further redeployments" called for in the Oslo II agreement, international concern was all but absent for the coherence, transparency, and governance of Palestinian institutions created as a consequence of agreement between Israel and the Palestine Liberation Organization (PLO).

The change in this policy was initially the product of a political decision by the administration of President George W. Bush to "empower" Mahmoud Abbas in the newly created position of PA prime minister at the expense of PA chairman Arafat, who had run afoul of the United States and Israel in the wake of the failed talks at Camp David in mid-2002 and the subsequent second intifada.

In what has become known as the "vision speech," Bush, two months after Israel's Operation Defensive Shield had resulted in the reoccupation of Area A by the Israeli military in April 2002, declared, "And when the Palestinian people

In recent years, some international parties have tried to convince the world that solutions begin by removing a roadblock or allowing ketchup and mayonnaise into Gaza. The Israeli government argues that giving Palestinians some work permits and allowing a few trucks into Gaza are "confidence building measures." But what Palestine needs is ending the Israeli occupation, which is the only way for Palestine to reach its full economic potential. No "confidence building measures" will end the theft of Palestinian resources nor the catastrophic social consequences of the Israeli occupation policies.

PLO negotiator Muhammed Shtayyeh, "The Real Cost of the Occupation," *Ha'aretz*, October 22, 2013

have new leaders, new institutions and new security arrangements with their neighbors, the United States of America will support the creation of a Palestinian state whose borders and certain aspects of its sovereignty will be provisional until resolved as part of a final settlement in the Middle East."

Under the leadership of Abbas, as Arafat's successor as head of the PA

and PLO chairman, and with critical support and credibility lent by former IMF official Salaam Fayyad as prime minister, the PA set about implementing the reform agenda demanded by the international community.

"Palestine—Ending the Occupation, Establishing the State," a two-year plan for setting up the administrative infrastructure of a Palestinian state, was unveiled by Fayyad in August 2009. In April 2011, the IMF reported that that the Palestinian Authority "is now able to conduct the sound economic policies expected of a future well-functioning Palestinian state, given its solid track record in reforms and institution-building in the public finance and financial areas."

Strong, transparent, and well-run institutions are certainly desirable, but such institutions and practices, while vital to effective policy making and execution, have never been a prerequisite for sovereignty or statehood.

Sovereign and autonomous control of territory remain the time-tested *sine qua non*s for national liberation, and it is precisely at this critical point—the ability to control their own territory—where Palestinians are at a woeful and deliberate disadvantage.

More than three decades ago, long before the Oslo era, Israeli planners and politicians mapped out a territorial division of the West Bank, including East Jerusalem, that reflected two related Israeli objectives: to establish the administrative and political basis for Israel's

OCCUPATION, *continued on page 5*

## TO OUR READERS

Leaders in Israel's far-right coalition seem to believe in an alternate reality in which Israel is immune from the lessons of history and from international rules of state behavior.

For example, they believe that Israel can succeed in its project of conquest and settlement of the post-1967 Palestinian territories and defeat the Palestinians' quest for a state of their own. But this project is so out of step with modern values of equality, democracy, and human rights that it is doomed to fail.

But the belief that Israel is exceptional and can make its own rules is not entirely delusional. Israel's policies have been influenced by the extraordinary and unconditional support it has received from the United States, which many Israelis now take for granted. For decades, the United States has protected Israel from international law and criticism at the United Nations concerning its occupation and settlement policies, even these initiatives reflect U.S. policy.

The protective cocoon of the United States has bred a reckless overconfidence, especially among Israel's right-wing leaders, that the interests of Israel's best friend and ally can be opposed with impunity. Among recent examples are Prime Minister Benjamin Netanyahu's confrontational lobbying against President Barack Obama's nuclear diplomacy with Iran, contemptuous warnings by Netanyahu's senior ministers that the peace talks being pushed by Secretary of State John Kerry are going nowhere and that there will be no Palestinian state.

Ultimately, alliances are based on mutual interests, not phony slogans about their bedrock permanence. Obama and Kerry should convey to Israel's leaders and the Israeli public that Israel is acting like an adversary, not an ally, regarding Washington's top priorities in the Middle East, Palestine and Iran, and that this is bad for the relationship. The Israeli public will listen carefully.

*Philip C. Wilcox, Jr.*

### FOUNDATION FOR MIDDLE EAST PEACE

*Merle Thorpe, Jr.*

Founder  
(1917-1994)

*Philip C. Wilcox, Jr.*

President

*Geoffrey Aronson*

Director, Research and  
Publications, Editor, *Report on  
Israeli Settlement in the Occupied  
Territories*

*Philip Sweigart*

Editorial Assistant

*Jesse Thomas*

Intern

#### IN MEMORIAM

*James Cromwell  
Stephen Hartwell*

#### DIRECTORS

*Landrum R. Bolling*

*Calvin H. Cobb, Jr.*

*Edison Dick*

*Joseph Englehardt*

*Arthur H. Hughes*

*Richard S.T. Marsh*

*Richard W. Murphy*

*Jean C. Newsom*

*Gail Pressberg*

*William B. Quandt*

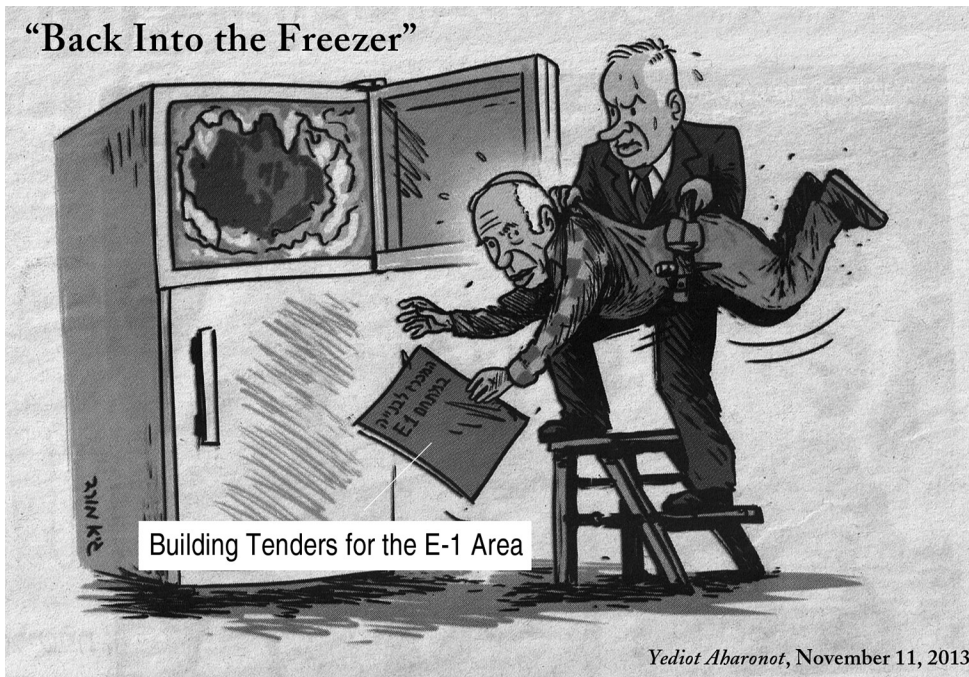
*Nicholas A. Veliotis*

*Philip C. Wilcox, Jr.*

The Foundation for Middle East Peace has prepared a presentation of maps illustrating the evolution of the conflict from the UN Partition Plan in 1947, and depicting the growth of Israel's occupation and settlement project from the 1967 War to the present. To download the presentation visit: <http://www.fmep.org/resources/publications-1/map-progression-1948-1967>.

Copyright © 2013

### "Back Into the Freezer"



*Yediot Abaronot, November 11, 2013*





## SETTLEMENT TIME LINE

**June 19** *Ha'aretz* reports that the Netanyahu government's security cabinet has classified groups of settlers carrying out price tag attacks as "illegal associations," in an attempt to strengthen law enforcement agencies' capabilities in the West Bank.

**June 20** *Ha'aretz* reports an agreement between Defense Minister Ya'alon and settlers to legalize the Havat Gilad outpost in exchange for the settlers' voluntary withdrawal from four structures in Area B of the West Bank slated for demolition.

**June 21** *Yediot Yerushalaim* reports on local authorities' approval of plans to add eight housing units to Beit Orot, a settlement building in the Mount of Olives.

**June 23** *Ha'aretz* reports a Jerusalem regional labor court ruling that Palestinians employed in industrial zones in West Bank settlements are entitled to the salaries and benefits provided under Israeli law.

**June 24** Israeli authorities serve eviction notices to several residents of villages near Nablus, claiming that their land is required for military use. In East Jerusalem, settlers slash the tires of more than 20 cars. (Ma'an News)

**June 25** An Israeli bus driver is fired on while traveling near Nablus. (Israel National News, Ynet News)

**June 26** After McDonald's rejects opening a franchise in a new mall in the West Bank settlement of Ariel, Burger Ranch owner Eli Orgad announces plans to open a store in McDonald's place. (*Ma'ariv*)

The Jerusalem Local Planning and Building Committee approves building 69 additional homes in the East Jerusalem settlement of Har Homa. The announcement coincides with the start of U.S. Secretary of State Kerry's fifth trip to the Middle East. (Jerusalem Post)

Israeli forces demolish 10 structures in the village of al-Hadidya and 35 in Khirbet al-Ras al-Ahmar, in the northern Jordan Valley. (UN OCHA, Occupied Palestinian Territories, "Protection of Civilians Weekly Report")

**June 28** Israeli forces serve demolition orders for 10 homes near Hebron as well as 29 other structures, including four wells, a health clinic, a community center, and the village council. (PMG-NAD)

**July 1** A military appeals committee issues a ruling that could let Hebron settlers buy a contested building opposite the Tomb of the Patriarchs. (*Ha'aretz*)

**July 2** The Israeli government approves the construction of 900 housing units in the East Jerusalem settlement of Har Homa. (PMG-NAD)

**July 3** Settlers install a barbed-wire fence around 10 dunums (2.5 acres) and plant Israeli flags on 70 dunums of Palestinian land near Hebron. (PMG-NAD)

**July 4** The Israeli government informs the High Court of Justice that it will evacuate the West Bank outpost of Amona by July 15, excluding plots that have been purchased by settlers pending the Jerusalem Magistrate Court's ruling on the legality of those purchases. (IBA News)

Israeli security forces arrest a Palestinian security officer who they claim was involved in a drive-by shooting in which an Israeli was injured near the West Bank settlement of Kedumim. (*Jerusalem Post*)

**July 5** Settlers attack and injure a 71-year-old Palestinian man from the al-Jib neighborhood of East Jerusalem, leaving him hospitalized. (PMG-NAD)

**July 6** Israeli settlers torch 120 dunums of land and olive trees belonging to the village of Kafr Qalil, near Nablus. (PMG-NAD)

**July 7** Israeli settlers slash tires on four vehicles in Huwwara, near Nablus. (PMG-NAD)

**July 9** Light sentences are handed down for three Israeli youths responsible for severely injuring Jamal Julani in East Jerusalem in August 2012. The primary attacker was given eight months in jail. (*Yediot Aharonot*)

**July 10** Two armed Israeli settlers invade a Palestinian home in East Jerusalem, assaulting the owner and his friend. (Ma'an)

A Jerusalem district court orders the state to allow settlers access to the West Bank Land Registry, which contains information on the identities of Palestinians who own land near settlements. (*Ha'aretz*)

**July 11** Israeli settlers cut down 1,150 olive trees in groves owned by Palestinians near Nablus. (Ma'an, PMG-NAD)

A report released by the Israel Defense Forces showed a 70 percent reduction in the

number of stone-throwing and firebombing incidents in the West Bank in recent months. (*Ma'ariv*)

**July 13** Settlers destroy 70 olive trees belonging to the village of Burin, near Nablus. (PMG-NAD)

**July 14** Israel issues eviction orders for four homes in the Nablus village of Aqraba for being built without permits. (Ma'an)

**July 15** Israeli settlers destroy 40 olive trees near Ramallah, stone vehicles near the settlement of Beit El, stone shepherds in Jericho, and assault a Hebron resident. (PMG-NAD)

**July 16** The European Union publishes guidelines forbidding member states to fund, cooperate with, or award scholarships, research funds or prizes to anyone residing in West Bank and East Jerusalem settlements. All agreements made with Israeli recipients must include a clause stating that the settlements are not part of the State of Israel and are therefore not covered under the agreement. (*Ha'aretz*)

*Ha'aretz* reports that Israeli cellular companies pay local settler councils in the West Bank thousands of shekels every month to allow communications equipment to be located on privately-owned Palestinian land in Jebel Artis. (*Ha'aretz*)

**July 18** Israeli authorities approve plans to build 732 housing units in the West Bank settlement of Modi'in Illit. (PMG-NAD)

**July 19** Israeli authorities authorize the construction of 16 apartment blocks, consisting of 165 housing units, in the Neve Ya'akov settlement. (PMG-NAD)

**July 21** Settlers destroy 250 olive trees near Bethlehem. (PMG-NAD)

An Israeli court orders Nathira Siyam to evacuate her home in the Sheikh Jarrah neighborhood, East Jerusalem, by August 1 and pay more than \$16,000 in fees, on the grounds that the home is absentee property. Siyam claims that she has rented the home since the 1960s, and that since the death of the owner the Custodian of Absentee Property has been attempting to evict her from the house. (PMG-NAD)

**July 24** Three Dutch retail chains announce a boycott of settlement products. (Ynet)

widespread colonization of the West Bank, and in so doing, deny Palestinians the territorial base upon which they could build a truly sovereign national existence. At the time, Prime Minister Menachem Begin described this zero-sum objective as “autonomy for the people, not the land.”

By 1981, in its thirteen-year survey of the occupation, Israel’s Ministry of Defense was able to speak positively of the “disappearance of the Green Line, *de facto* if not *de jure*,” as good for both “the areas’ inhabitants,” that is, Palestinians as well as Israelis.

Nothing that has transpired in subsequent decades—including more than twenty years of negotiations after the signing of the Oslo II agreement and the appearance of permanent, widespread restrictions on movement, most notably the separation barrier—has modified this Israeli objective.

Indeed, the principal diplomatic event of the last generation is the Oslo II accord and its division of the West Bank into Areas A, B, and C, with a separate status under Israeli control for East Jerusalem. This agreement marked the PLO’s recognition of a territorial division of the West Bank that placed 60 percent of it outside any Palestinian jurisdiction. For the PLO, the Oslo process and the map it created were viewed as a temporary way-station on the road to ending the occupation, evacuating settlements, and independence—assumptions that remain unrealized after more than two decades.

In recent years, the international community has reached important and related conclusions about the value of its focus on the reform of Palestinian administrative and economic institutions. First, it recognizes that well-run institutions are not enough. Indeed, reformed governing institutions have proven all but irrelevant to Palestine’s battle for sovereignty, failing to impress Israel to the degree that it is prepared to abort its colonization agenda or emboldening the international community to insist on an end to the occupation.

It is the occupation, rather than shortcomings in PA governance, that suffocates the economic prospects of Palestine, imposing unbridgeable structural limitations on the model of economic development pursued under international guidance during the last two decades. The World Bank, in its 2011 report, “Sustaining Achievements in Palestinian Institution-Building and Economic Growth,” acknowledged that “[Palestinian economic] growth has been unsustainable, driven primarily by donor aid rather than a rebounding private sector,

which remains stifled by Israeli restrictions on access to natural resources and markets.”

Notwithstanding the failure of its past efforts, the international community, led by the Barack Obama administration, continues to pursue a development strategy that assumes the creation of a sustainable foundation for Palestinian economic growth under conditions of continuing occupation. But the international community has now begun to see more clearly that in order to succeed, Israel’s powers have to be reduced, and the territorial basis of Palestinian access and control expanded beyond the 40 percent of the West Bank included in Areas A and B. As the World Bank noted in its September 18, 2011, economic report to the Ad Hoc Liaison Committee, “[U]ltimately, in order for the Palestinian Authority to sustain the reform momentum and its achievements in institution-building, remaining Israeli restrictions must be lifted.” The bank’s 2013 report to the Ad Hoc Liaison Committee makes this point in

even stronger terms, detailing the broad and comprehensive impact of Israel’s continuing exercise of control over the occupied territories:

The most significant impediment to economic viability in the Palestinian Territories is the multi-layered system of restrictions imposed by the GoI [government of Israel]. The system of restrictions constrains investment, raises costs for doing business, and hinders economic cohesion. Restrictions on access and movement also negatively affect the PA’s capacity to deliver public services. While some actions have recently been taken by the GoI to relax certain restrictions, stronger measures to significantly ease pervasive remaining obstacles that currently prevent private sector-

led economic growth are warranted.

This analysis makes an important contribution to understanding the costs of occupation and the critical role that the absence of sovereign Palestinian control over territory plays in the march to statehood and independence.

But these recommendations are weakened by a major conceptual flaw. The system of occupation, with the Palestinians’ loss of control over land that is at its core, has not evolved naturally or unintentionally. And the consequent inability of Palestinians to behave in a sovereign and viable national manner is not viewed by Israel, which designed this arrangement, as a shortcoming in need of revision, but the intentionally designed, critical feature of a system that functions exactly

**The donor community in recent months has highlighted the costs to Palestine of Israel’s continued control of the natural resources in Area C, comprising 60 percent of the West Bank.**

**“In sum, the total potential value added (direct and indirect as a result of the alleviation of today’s restrictions on access to, and activity and production in Area C) is likely to amount to about USD 3.4 billion—or 35 percent of Palestinian GDP in 2011.”**

**World Bank, “West Bank and Gaza: Area C and the Future of the Palestinian Economy,” October 2, 2013**

## SELECTED ISRALI SETTLEMENTS—PATTERNS OF GROWTH, 2012

Settlement	Population 2012	Construction Starts 2013	Construction Tenders 2013		
		January-June	March 18- November 7 <sup>3</sup>	March-July <sup>4</sup>	November 2012- March 2013 <sup>4</sup>
Ale Zahav	462	35		277	
Alfe Menashe	7,574		1		720
Almon	1,132	1			42
Alone Shilo <sup>1</sup>		3			
Ari'el	18,176	51	135		839
Barqan	1,502	5			
Bet Arye\Ofarim	4,166	52			
Bet Horon	1,149	10			
Betar Illit	42,467	39	274		
Bruchin	479				
Derech Ha'avot <sup>1</sup>		2			
Efrata	7,812		149		
El'azar	2,302	1			
Elqana	3,860	1	284		
Etz Efraim	864	51			
Gevaot <sup>1</sup>		11			
Givat Ha'hish <sup>1</sup>		1			
Giv'at Ze'ev <sup>2</sup>	13,466	136	102		
Hadar Beitar <sup>1</sup>		6			
Har Adar	3,701	10			
Har Gilo	952	13			
Hashmona'im	2,573	18			
Havat Yair <sup>1</sup>		14			
Hinnanit	945	4			
Karne Shomron	6,570	17	196		
Kedar	1,246	6			
Kedumim	4,124	17		290	
Kefar Adumim <sup>2</sup>	3,527	24			550
Kiryat Netafim	749	31			
Ma'ale Adumim	36,862	5	206		
Ma'ale Shomron	863	7			
Mattityahu	568	20			
Mevo Horon	2,147	20			
Mezadot Yehuda	414	9			
Modi'in Illit	55,494	108			
Nofim	437	5			
Oranit	7,195	83			
Pedu'el	1,315	17			
Revava	1,545	5			
Sansana	189	8			
Sha'are Tiqwa	5,100	8			

OCCUPATION, *continued from page 5*

as intended, safeguarding Israel’s expansive settlement and security agenda, and in so doing, preempting the creation of a national, sovereign Palestinian existence.

So for example, the creation of Area C under Israel’s exclusive control, comprising 60 percent of the West Bank, is not the consequence of some bureaucratic whim or oversight, but instead reflects a considered Israeli intention to settle and place beyond Palestinian reach the basic territorial assets vital to the ability to build an independent national existence. The creation of Area C—beginning with Ariel Sharon and World Zionist Organization planners in the late 1970s and formalized in the Oslo II accord in September 1995—was devised precisely to preempt the creation of effective Palestinian demand for real sovereignty and independence. This is why Israel remains adamant in its protection of its settlement, development, and security vision in this area despite Palestinian objections and the plaintive efforts of the international community.

The international effort to support Palestinian development within the territorial stranglehold established by the division of the West Bank into Areas A, B, and C and to accommodate the draconian restrictions imposed on the Gaza Strip has been on the whole welcomed by Israel as key elements in what some call a “deluxe occupation.” It should come as no surprise that Israel’s leadership, regardless of political hue, has no interest in supporting Palestinian economic growth that could reinforce effective demands for political and territorial sovereignty in the areas captured by Israel in June 1967.

The essential conclusion that occupation precludes Palestinian economic development and undermines good governance is beyond the limited mandate of the World Bank and similar international donors, including the effort spearheaded

**Lost Palestinian Economic Output Due to Israeli Control of Area C**

Sector	Value Lost (US\$ / year)
Agriculture	704 million
Dead Sea minerals	918 million
Marble and stone	241 million
Construction	239 million
Dead Sea tourism	126 million
Other tourism	4 million
Cosmetics (from Dead Sea)	165 million
<b>Costs Incurred</b>	
Movement restrictions	229 million
Water	37 million
Wastewater	Significant
Telecommunications	Significant

**Source:** World Bank, “West Bank and Gaza: Area C and the Future of the Palestinian Economy,” October 2, 2013.

by former British prime minister Tony Blair. It is nonetheless essential in order to mobilize international efforts to challenge the current territorial arrangement designed by Israel to prevent the very aim that the international community professes to support—independence, economic security, and sovereignty for Palestinians. ♦

**SELECTED ISRALI SETTLEMENTS—PATTERNS OF GROWTH, 2012**

Settlement	Population 2012	Construction Starts 2013	Construction Tenders 2013		
		January-June	March 18-November 7 <sup>3</sup>	March-July <sup>4</sup>	November 2012-March 2013 <sup>4</sup>
Shaqed	724	1			
Yakir	1,645				
Zufim <sup>2</sup>	1,484	47			260
Total		902	1,347	567	2,411

1. Settlement outpost established after 1996.

2. Settlement construction starts include starts for adjacent settlement outposts.

3. “Bibi’s Settlement Boom: March-November 2013,” Peace Now, November 12, 2013.

4. “Defense Minister approved 3,000 new West Bank homes in first four months of term,” *Ha’aretz*, December 2, 2013

**Source:** Peace Now, “Drastic Rise in Construction in the Settlements,” October 2013.

---

## JOHN KERRY SPEAKS OUT

Let me emphasize at this point the position of the United States of America on the settlements is that we consider now and have always considered the settlements to be illegitimate. And I want to make it extremely clear that at no time did the Palestinians in any way agree, as a matter of going back to the talks, that they somehow condone or accept the settlements. The Palestinians believe that the settlements are illegal. The United States has said that they believe the settlements are not helpful and are illegitimate. And there should be no connection. That is not to say that they weren't aware or we weren't aware that there would be construction. But that construction, importantly, in our judgment, would be much better off limited as much as possible in an effort to help create a climate for these talks to be able to proceed effectively.

Remarks by Secretary of State John Kerry after a meeting with Palestinian Authority President Mahmoud Abbas in Bethlehem, November 6, 2013

"Failure of the talks will increase Israel's isolation in the world," Kerry said. "The alternative to getting back to the talks is a potential of chaos. I mean, does Israel want a third intifada?"

I believe that if we do not resolve the issues between Palestinians and Israelis, if we do not find a way to find peace, there will be an increasing isolation of Israel. There will be an increasing campaign of delegitimization of Israel that's taking place on an international basis. That if we do not resolve the question of the settlements and who lives where and how and what rights they have, if we don't end the presence of Israeli soldiers perpetually within the West Bank, then there will be an increasing feeling that if we cannot get peace with a leadership that is committed to nonviolence, you may wind up with leadership that is committed to violence.

Remarks by Secretary of State John Kerry, Jerusalem, November 7, 2013

In 1997, the first demolition order was issued against the West Bank settlement outpost of Amona. In 2003, another demolition order was issued. In 2006, the state designed to raze a mere nine buildings. In 2008, the state admitted that construction on the site was illegal and announced that the entire outpost would be razed. In 2011, the state announced that the outpost would be evacuated by the end of 2012. By the end of 2012, nothing had happened.

Now, in mid-October 2013, 16 years after the first demolition order was issued, the state is asking the court for a postponement—yet again. Here's the explanation this time: "In the government's view, an evacuation on such a scale at a time like this is liable to harm Israel's diplomatic interests. . . . When there are weighty considerations on

one hand, and no concrete petitioner on the other . . . the diplomatic considerations take precedence." . . .

Amona is not just an outpost built through deception on privately owned Palestinian land; it is a symbol of a state that mortgages the future of its citizens to a messianic, anti-Zionist dream dictated by an aggressive, violent gang that has taken over the political and institutional centers of power.

The fact that even the prosecution is collaborating with these lawbreakers, and that Attorney General Yehuda Weinstein is backing this illegal takeover of private land, ought to worry every Israeli who desires to live in a sane country.

"The Amona Complex," *Ha'aretz*, October 16, 2013

Foundation for Middle East Peace  
1761 N Street, N.W.  
Washington, DC 20036  
Telephone: 202-835-3650  
Fax: 202-835-3651  
E-mail: [info@fmep.org](mailto:info@fmep.org)  
Internet: <http://www.fmep.org>

FIRST CLASS  
US POSTAGE  
PAID  
MERRIFIELD, VA  
PERMIT #2333