REPORT ON ISRAELI SETTLEMENT IN THE OCCUPIED TERRITORIES

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NEWS

Israel has a new government—one that gives even greater prominence than did its immediate predecessors to settlement in the occupied territories. The Netanyahu victory highlights an Israeli intention to maintain permanently all settlements in the lands occupied in June 1967.

Israel's military redeployment in Hebron is high on the list for attention by the Netanyahu government. Originally scheduled for March, the oft-postponed redeployment in the city, where 400 Israelis live, may not occur for some time, however.

Settlement leaders, meanwhile, are putting their demands at the top of the new government's agenda. (See story on page 2.)

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NETANYAHU PROMISES A NEW LOOK FOR ISRAELI POLICIES

Nineteen years ago Menachem Begin defeated Shimon Peres, becoming Israel's first Likud prime minister. One of Begin's first official acts was to travel to Elon Moreh, a rough Israeli settlement perched on a hilltop outside Nablus. There, among the faithful, Begin proclaimed victory on behalf of the proponents of Greater Israel.

"There will be many more Elon Morehs," he thundered. "This is liberated Israeli land, and we call on young volunteers in the country and the diaspora to come and settle here."

Today Greater Israel is dead, defeated by the intifada and buried by the Oslo agreements. Begin's heir, Benyamin "Bibi" Netanyahu, acknowledges that the Likud dream of Greater Israel is beyond his grasp.

"We are entering into an era in which we have to recognize that we cannot always fulfill our dreams," Netanyahu explained to the *Jerusalem Post* shortly before his election.

Netanyahu was born and bred in the Herut Party, the ideological heart of the Likud. His support for the main tenets of the party is second nature: Israel's right to rule over Greater Israel between the Jordan River and the Mediterranean Sea; the right of the Jewish people to

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LABOR'S SETTLEMENT LEGACY: MORE SETTLERS, NO EVACUATION

by Geoffrey Aronson

The Labor-led governments of Yitzhak Rabin and Shimon Peres have bequeathed to the Netanyahu government a settlement infrastructure more secure and sustainable than Labor had inherited in July 1992.

The Settlement Report of January 1993 noted that, "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 approximating that which prevailed before the beginning of the housing boom that began in 1990, 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."

This is, in fact, what has happened. The Oslo process stands out as a milestone in winning Palestinian and international acceptance of the existence of Israeli settlements in territories occupied in June 1967—settlements that had hitherto been condemned as illegal under international law and criticized as an "obstacle to peace" by successive U.S. governments. The engagement of the official representatives of the Palestinian people in a process which envisages the

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TO OUR READERS

The election of Benyamin Netanyahu has stirred an interest in settlements not seen since the dark days of the Shamir government.

The change in Israel's government has already brought about a return to the rhetoric and ideological assumptions of the proponents of "Greater Israel." Their statements have been enough to spark concern about an issue which the United States, among others, had relegated to a mere "complicating factor" in relations between Israel and the Palestinian Authority.

Readers of the Settlement Report during the governments of Yitzhak Rabin and Shimon Peres, however, are well aware of the extent to which settlements have not only grown and prospered but have also won unprecedented legitimacy. These gains were all but ignored in an atmosphere conditioned by the fanfare of peacemaking.

The Netanyahu election marks the end of this era. If he builds only what Peres intended, Netanyahu will not easily be able to escape, as Labor did, the critical scrutiny of the international community and the Arab world. If he goes beyond what Peres intended, even more trouble lies ahead.

Lais J. Bettle

Settler Agenda for the Netanyahu Era

In its first meeting after the Netanyahu victory, YESHA, the umbrella organization representing settlements throughout the occupied territories, drew up a wish list for action by the new government.

The list includes:

- Thickening of existing settlements.
- Canceling the approximately 80 military orders limiting the movements of settlers and rightwing activists imposed after the Rabin assassination.
- Protection of Jewish religious sites in the West Bank.
- Shelving the Hebron redeployment. If the plan is nonetheless approved, settlers demand that the interests of the city's 400 settlers be protected by the continued IDF presence over wide areas on the hills surrounding the Jewish community.
- Assurance of the unity of Jerusalem through Jewish settlement in every part of the city, and the closing of Palestinian Authority institutions operating in the city, including Orient House.
- Obtaining for settlements the same status (regarding benefits and subsidies) as the "confrontation line" communities along the Lebanese border. Obtaining "A" development status for certain industrial and tourism areas located in settlements.
- Renewal of massive, large-scale construction to prevent the future possibility

that small settlements will be evacuated. According to Israel Harel, chairman of the YESHA council, settlers will be satisfied if Netanyahu "will do just what Peres promised." Harel outlined a plan for the construction of 20,000 units in the West Bank by 2000—one-third allocated to the settlements in Greater Jerusalem, another third in larger settlements along the Green Line such as Ariel and Alfe Menache, and another third spread throughout the 60 smaller "political settlements" located along the mountainous spine of the West Bank.

- "Annexation in stages" of parts of the West Bank to Israel according to a formula to annex areas where a Jewish majority exists. Political leaders of settlements in Greater Jerusalem have presented a plan to Netanyahu for the annexation of their settlements—from the Etzion Bloc in the south to Bet El in the North.
- Annexation of the Jordan Valley to Israel, preserving sole Israeli control over the valley's water and land, along with a program for the valley settlements' revitalization. This includes joint tourist and agricultural projects with Jordan.
- Increase the presence of IDF and border police units in the West Bank, more roadblocks, and a return of the IDF's initiative against any Palestinian armed attacks. ◆

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SHARON OUTLINES SETTLEMENT PLANS

Ariel Sharon, a cabinet member in the new government, is to have as yet undefined powers on central aspects of land and settlement policy. The following report appeared in Ha'axetz on May 21, 1996.

Question: What is your assessment of Labor's settlement policies?

Sharon: The Labor government also invested in settlement: there has been extensive construction at Givat Ze'ev, in Ma'ale Adumim, and Alfe Menache. Considerable growth continues. I estimate that if the Likud was now in power, the proportions would be even greater, but even so settlements grew.

When I was minister of construction I ordered the planning of bypass roads that would enable the normal life of the [settlement] communities to continue even if an autonomy plan was implemented. Along came the Labor government and froze this project in the context of "a new order of priorities."

At the time I told Rabin: 'It is a pity that you are stopping the paving of roads; because it is necessary also to implement your plans, and after that you will be pressed for time.'

The paving of bypass roads was done according to my plan, but because of its earlier postponement Labor did it under the pressure of time, at a price higher than planned, and of an inferior quality in most places.

Question: Did the settlers manage to create facts on the ground during the last four years?

Sharon: The local councils broke open roads connecting communities, which the government would not have done. There was also the necessity to expand the area of the communities and grab the hills around them, hills which dominate them. State lands were grabbed, most often lands within the master plans, in order to prevent their capture by Arabs—roads were built, guard towers were constructed. This was done in tens of communities: in Ariel, Itamar, Elon Moreh, Bet El, in Efrat.... In order to do this I went from place to place for four years; in order to strengthen settlements and to prepare them for a possible siege."

Question: Does a critical mass of settlers exist to prevent evacuation of settlements?

Sharon: This is an irreversible process. It is impossible today to reverse the settlement enterprise—completely impossible.

Question: A structure of facts has been created on the ground, in order to prevent the establishment of a Palestinian state. But since the arrival of the Peres-Rabin government a second system of new facts has been established alongside what was done by the Likud government. Settlements did not prevent the withdrawal from the Palestinian cities.

Sharon: I didn't wake up one morning and decide to establish a settlement on a hill. I was influenced by security considerations and the operational plans of the IDF: areas of

deployment, warning stations, and military storage depots. There was once a Labor minister who said, when speaking about settlement in the Jordan Valley, that it was a mistake to establish these communities because they would complicate future negotiations. I contend the opposite: the situation here is so complex and complicated and can be so very dangerous—so much so that there will not be simple solutions.

What needs to be done? This peace is so painful, almost like a war, it is not possible to reach an arrangement without broad agreement among the Zionist parties in Israel. It is necessary to arrive at a situation in which no one side will get everything that it wants, but it is possible to reach an agreed-upon plan.

Question: What will happen in the territories if the Likud wins. Will there be many more Elon Morehs?

Sharon: It is clear to me that the existing communities will grow. This expansion is, in any case, outlined in the master plans and will occur on state lands. I would add settlements in security areas, parts of which are described today in the Oslo accords as Area C, not within Arab populations. For example, communities east of the Green Line: there is no reason that next to Pedual and Alei Zahav, next to Bet Arieh—there are areas empty of population—not to establish a new community.

It is possible even to call this an expansion of an existing settlement. In the beginning these communities will seem like isolated points: in the end it will become a territorial continuity.

It is necessary to settle in areas that are required for the protection of a Jewish majority in Greater Jerusalem and along the ridges that dominate the coastal plain. Also between Jerusalem and the north of the Dead Sea, in the space between Wadi Kelt and the Kidron stream, more communities will be established. Ma'ale Adumim will be expanded in this fashion.

If I take Jerusalem, the place most appropriate for the "build your own house" program is from Ma'ale Adumim eastward. But settlement will be primarily the expansion of existing communities.

Question: How many settlers will there be after four years of a Likud government?

Sharon: Kiryat Sefer will be transformed into a big city of 10,000 dwelling units: Ma'ale Adumim can reach 200,000 people in the future. If there are today 5,000 people in Emmanuel, there is no problem to see a future population of 15,000. There is enough room for everyone, without confiscating more land. Without difficulty it is possible to settle in Judea and Samaria one-half million Jews, but this will take more than four years."

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U.S. POLICY STATEMENTS ON SETTLEMENTS

Department of State Daily Briefing, May 9, 1996

Q: Did you happen to notice the Likud people are speaking now of reviving settlement activity if they should win? I wonder if the State Department has an opinion on that subject?

Mr. Nicholas Burns, spokesperson: On settlements?

Q: The possibility that if Likud wins, which isn't remote—there is a possibility—that they would then resume the settlements that Labor and Likud have encouraged in past years?

Mr. Burns: We're aware of the comments made during the campaign. In the past, settlement activity has created a great deal of tension and it has been a complicating factor in the Middle East, and in relations between Israel and the Palestinians and others. We certainly believe that to be true.

I think its also true that Israel and the Palestinians have decided to resolve this question, if they can, in the context of the final status talks which began last Sunday at Taba. So it's up to them now to resolve that problem, but it has been a matter of tension and complication in the past, certainly.

Q: Well, at present, is it the U.S. view that that would have a negative effect if there were further settlements? Would that have a negative effect? Let's look at a U.S. viewpoint from the Secretary's hopes of broadening the peace accords.

Mr. Burns: What I'd like to avoid is commenting directly on what Mr. Netanyahu has said in the course of their campaign there, because if I answered your question, I'd be doing that. So I'd rather just take the step back that I did, Barry, and just say that our position is, it has been complicating and it has produced tension—"it," being the matter of settlements. I think that's clear for all to see.

Secretary of State Warren Christopher on "Face the Nation," June 2, 1996

Q: I take it that we oppose settlements on the West Bank. Is that still U.S. policy?

Secretary Christopher: I think we'll have to adapt our policy to the current situation. That was our policy. There's been no change in that policy. But I would want to keep open the situation of adapting our policy to the situation as it develops, as this new administration forms its government and begins to develop its own policies.

Q: Well, that's interesting, Mr. Secretary. How might we adapt our policy? Traditionally, its been that settlements are an obstacle to peace; that under the loan guarantee agreement, as I understand it, Israel undertook commitments not to build settlements outside the Jerusalem area—new settlements. How might it be adapted?

Secretary Christopher: I'm not going to go any further than I've gone. I simply made what I regard as a prudent comment. I told you we're not going to change the policy that we made. At the same time, circumstances do change, and we'll move into dealing with this new Israeli administration wanting to have a good arrangement with them—wanting to have the

same kind of close arrangement, close discussion, trust and confidence that we had with the prior administration. So I don't want to take any adamant positions here as they begin to form their government.

Hearing of the House International Relations Committee, June 12, 1996

Chairman: Rep. Benjamin Gilman (R-NY) Witness: Assistant Secretary of State for Near Eastern Affairs Robert Pelletreau

Rep. James Moran, Jr. (D-VA): We have substantial leverage with Israel. . . . It seems to me that we have some responsibility to use our leverage in furtherance of a peace in the Middle East because that is in our national direct interest.

Now, we've read stories in the Washington Post about Arab families who have lived for generations in their home being displaced so that Jewish citizens could take over their home. That was just this week. We've seen renewed or—or actually, I should say—expanded settlements in the administered territories in the West Bank. We have seen a total intransigence at least from a rhetorical standpoint in terms of even letting the status of Jerusalem be on the table in the peace process. We agreed that it would be a matter to be decided as part of the peace process.

The Israeli government in Oslo agreed: one, to redeploy troops in Hebron and still-to-be-determined areas of Zone C; to release security prisoners; and to create a land passage between Gaza and the West Bank. We were in agreement with that. There was never any indication that we were not fully supportive of that agreement on the part of the Israeli government... Would we object if those troops were not redeployed from Hebron?

Mr. Pelletreau: We would expect that the discussions which will take place between the new government and the Palestinian Authority would be discussions about implementation of existing agreements as well as how they go ahead, and would hope and expect that the two sides would continue to work together to implement the agreements that have been reached.

Rep. Moran: Well, what you just said was that, sorry, but there—at this point there is no point at which we would find objection to a violation of the agreement in the Oslo accords. You know, not to answer a question is to answer one. And you'll excuse us because—you know, we have a role, too, and its not just simply to assuage everyone.

... Is there any point of difference between U.S. policy and the announced policy on the part of Prime Minister Netanyahu with regard to the peace process? Is there any point of disagreement?

Mr. Pelletreau: Let me say that U.S. policies and U.S. support for the peace process have not changed, and the new

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GUIDELINES OF THE GOVERNMENT OF ISRAEL – JUNE 1996

The following guidelines were approved by all of the constituent parties represented in the Cabinet headed by Benyamin Netanyahu.

The Government presented to the Knesset will act on the premise that the right of the Jewish people to the Land of Israel is eternal and indisputable, that the State of Israel is the State of the Jewish people, whose democratic government guarantees equality for all its citizens, and whose main goal is the ingathering and integration of the Jewish people

The Government will work to achieve the following goals:

- 1. Achieving peace with all our neighbors, while safeguarding national and personal security.
- 2. Reinforcing the status of Jerusalem as the eternal capital of the Jewish people.
- 3. Increasing immigration to Israel, and integrating new immigrants in all walks of life.
- 4. Creating conditions for a free, thriving economy and social welfare.
- 5. Strengthening, broadening and developing settlement in Israel.

I. PEACE, SECURITY AND FOREIGN RELATIONS

- 1. The Government will negotiate with the Palestinian Authority, with the intent of reaching a permanent arrangement, on the condition that the Palestinians fulfill all their commitments fully.
- 2. The Government of Israel will propose to the Palestinians an arrangement whereby they will be able to conduct their lives freely within the framework of self-government. The Government will oppose the establishment of a Palestinian state or any foreign sovereignty west of the Jordan River, and will oppose "the right of return" of Arab populations to any part of the Land of Israel west of the Jordan River....
 - 8. In any political arrangement, Israel shall insist on ensur-

ing the existence and security of Jewish settlements and their affinity with the State of Israel. The Government of Israel will continue to bear full responsibility for the Jewish settlements and their residents.

9. The Government views the Golan Heights as essential to the security of the state and its water resources. Retaining Israeli sovereignty over the Golan will be the basis for an arrangement with Syria.

II. JERUSALEM

- 1. Jerusalem, the capital of Israel, is one city, whole and undivided, and will remain forever under Israel's sovereignty.
- 2. Freedom of worship and access to the holy places will be guaranteed to members of all faiths.
- 3. The Government will thwart any attempt to undermine the unity of Jerusalem, and will prevent any action which is counter to Israel's exclusive sovereignty over the city.
- 4. The Government of Israel, through its ministries and through the Jerusalem Municipality, will allocate special resources to speed up building, improve municipal services for Jewish, Arab and other residents, and to reinforce the social and economic status of the Jerusalem metropolitan area.

VI. SETTLEMENT

- 1. Settlement in the Negev, the Galilee, the Golan Heights, the Jordan Valley, and in Judea, Samaria and Gaza is of national importance, to Israel's defense and an expression of Zionist fulfillment. The Government will alter the settlement policy, act to consolidate and develop the settlement enterprise in these areas, and allocate the resources necessary for this.
- 2. The Government of Israel will safeguard its vital water supplies, from water sources on the Golan Heights and in Judea and Samaria.

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Israeli government has not yet developed its policies. What you have out there are some campaign statements, but the new Israeli government is in the process of negotiating through a process of give and take between those parties that are going to eventually be represented and be party in the government. And when that policy is formulated and we've had a chance to consult on it, we will.

Rep. Moran: Well, Mr. Assistant Secretary—what you are saying is that we should not take Mr. Netanyahu at his word; that you're assuming that he will change his word with regard to expanded settlements in the West Bank; with regard to there being no discussion on the status of Jerusalem; with regard to redeploying troops from Hebron, et cetera.

We should not take him at his word because it was in the context of a political campaign.

Rep. Lee Hamilton (D-Ind.): Mr. Secretary, our policy with respect to the settlements has been in the past, as I recall, that we thought that increasing or strengthening the settlements was an obstacle to peace, if I recall the phrase, or unhelpful. Is that still our policy today?

Mr. Pelletreau: Our policy has not changed, Mr. Chairman

Rep. Hamilton: All right And if you find settlement activity increasing, what would be the effect of that with respect to current U.S. law, Section 226-D of the Foreign Assistance Act? That's the complicated section you may recall that requires a reduction in the loan guaranties for money Israel spends on settlements. That's in the law today-

Mr. Pelletreau: Absolutely, and we would expect that amounts spent on settlements would be deducted from loan guaranties.

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settle throughout this area; and a relationship with the Arab world based on Israel's superior military power. It is not at all clear, however, how Netanyahu will mold these beliefs into policy. He is, like no other Israeli leader before him, driven by a quest for power rather than by an articulate vision of the world he wants to shape.

The absence of a concrete program may presage an Israeli government characterized by flexibility and pragmatism. It may, however, set the stage for a government in which those who *do* have an idea fill the vacuum in leadership to implement their vision of the future.

Netanyahu's Agenda

There appear to be some general principles that Netanyahu will follow. First, he believes in a not too subtle demonstration of power in Israel's relations with the its Arab neighbors—particularly Syria and the Palestinians. The Palestinian Authority, rather than the long suffering Palestinian population in Gaza and the West Bank, is more likely to be the address for an Israeli response to continuing security or terrorist incidents.

Second, he appears to prefer restraining the aggressive ideological rhetoric favored by his party. He has not, as Menachem Begin did in 1977, begun his tenure by declaring, "There will be many more Elon Morehs." Nor will he repeat Yitzhak Shamir's gratuitous creation of the "Baker settlements"— established on the West Bank on the eve of the U.S. secretary of state's many visits to the country after the Gulf war.

This is not to suggest that a Netanyahu government will not proclaim Israel's right to the Land of Israel or that it will not settle or establish new outposts in the West Bank. It certainly will. But, if he can restrain the enthusiasm of people like Ariel Sharon, Netanyahu will work in a manner resembling the Rabin-Peres years, when the settler population grew without particular Palestinian or international complaint. Like them, and like many of the more sophisticated settler leaders, he will prefer to build quietly.

Third, the new government is not bound by Labor's commitments to hold referenda on agreements made with the Palestinians and Syrians. It retains the power to decide.

Palestinian leaders and negotiators have spent thousands of hours with Labor Party leaders in forums throughout the world. They have even conducted an ongoing dialogue with settlers. With the Likud, however, there has been no contact whatsoever. This lack of communication may necessitate an extended period where each party takes the other's measure. For this reason alone, it is unlikely that the timetable for unspecified "further deployments" of the Israel Defense Forces outlined in the Oslo II accords will be met.

There is also the more fundamental strategic question of the basic relationship between Israel and the Palestinian Authority. Both Rabin and Peres viewed Arafat and the PA as "strategic partners." This strategic partnership is the cornerstone upon which the Oslo edifice has been constructed.

Netanyahu has acknowledged support for Oslo, but he has yet to decide whether there is a strategic partnership with Arafat. Early post-election indications suggest that he is leaning in the direction of reaffirming the alliance—a critical component for maintaining the Oslo process.

Most of the fruitful diplomacy between Labor governments and the PA was done in secret channels. Netanyahu has not yet decided how to construct a negotiating framework, and he and his aides are considering whether it should include a back channel to Palestinian negotiators.

But what will he negotiate about? For the short term, next to nothing—with the exception of a probable Israeli redeployment in Hebron, which was to have been implemented in March. He will likely reopen discussions on Israel's oftpostponed redeployment in Hebron, which he views as a "final status" issue. Like Peres, Netanyahu has no intention of ever evacuating any of the 140 West Bank and Gaza settlements or their 150,000 inhabitants, and he will make lands and money more easily available to nurture their expansion. He is more interested in the early application of Israeli sovereignty over unspecified parts of Area C—some 70 percent of the West Bank and 10 percent of Gaza, where the settlements are located.

Jerusalem will remain the undivided capital of Israel forever. Labor said the same thing, but Netanyahu insists that *he* really means it.

Oslo Diplomacy

In Netanyahu's view, Oslo II, which has awarded the PA control of less than 30 percent of the West Bank and close to 90 percent of Gaza, marks the end of Israel's territorial concessions to the PA, not the beginning. To the limited extent that he has thought about it, he believes that the Palestinian leadership can sustain itself on this basis.

On some issues—notably the presence of Palestinian security services in East Jerusalem and the operation of Orient House—he is committed to rolling back powers that Labor governments conferred upon the Palestinian Authority. He is far more interested in crushing the militant Palestinian opponents of Oslo. If Arafat proves unable or unwilling to do so, it is likely that Netanyahu will depart from the script used by Peres. Instead of instituting collective punishments such as the closure of the territories as a means for forcing Arafat's compliance, Netanyahu favors direct action against the regime itself. So, for example, he has declared that the IDF will not refrain from entering Gaza or Palestinian cities—Area A—as part of Israel's anti-terror policy. Such an action would strike directly at the prestige of the PA itself. Netanyahu has said that the prospect of such operations may well be enough to move Arafat to greater efforts to subdue Israel's opponents.

Netanyahu has, however, endorsed the essential compromise at the core of the Oslo II accords. He accepts Palestinian control over the principal cities of the West Bank and Gaza

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retention of all settlements and their populations under Israeli control, and which provides for their expansion and safety, is a political achievement the Likud would not even have dreamed of in 1992.

Dialogue with the Palestinians has been conducted in parallel with a process of settlement expansion, in part facilitated by Oslo, which has also led Labor leaders to note their explicit endorsement of a policy of annexation of areas of the West Bank surrounding Jerusalem and along the Green Line. Notwithstanding vows of "a change in the order of national priorities" after the 1992 victory, the Rabin-Peres years witnessed a deliberate continuation of the expansion and consolidation of settlements, according to government plans and aided by government subsidy and direct allocation.

Settlements and Ideology

Rabin did place the settlement movement on the *ideological* defensive. Yet even as he refused to fan the embers of Greater Israel, his enduring commitment to remain in overall strategic control of the West Bank and Gaza Strip, combined with the legitimate demands of a growing settler community of 150,000, set the stage for Labor's unwillingness to strike at the sustainability of a government-directed enterprise which continues to attract new settlers and which further entrenches itself with every passing day.

On numerous occasions, including decisions to retain the settlement of Netzarim in Gaza and the Jewish community in Hebron, Rabin and Peres affirmed their intention to fashion a future for the occupied territories that would not require the relocation of any settlement.

In the months after Rabin's assassination, Shimon Peres, whose relations with the settlement movement have always been less vitriolic than Rabin's, led efforts to cool Rabin's ideological offensive. He moved Labor more explicitly in favor of a program supporting the permanent presence of Israeli-controlled settlements throughout the West Bank in any "final status" agreement with the Palestinians, accompanied by a policy of expanded settlement construction.

The recent elections in Israel confirm the existence not only of a majority of Israelis favoring a continuation of policy along these lines but also of a political consensus on the shape of future agreements with the Palestinians.

The Israeli daily, *Ha'aretz*, reported this summary of the views of outgoing Minister Yossi Beilin, a key architect of the Oslo process, in the days after Labor's defeat: "There is not today a meaningful gap between the stands of the two major

parties, but rather a joint understanding on the central issues, including a defined timetable for the peace process and a final solution that will be acceptable to most of the right-wing parties." This consensus is the most important political legacy of the Labor years.

The Israeli population in the settlements surrounding Jerusalem comprises almost one-third (47,000) of the West Bank settler population of 150,000. It was Peres' intention to construct 13,000 units in the 1995–1998 period—concentrated in towns like Ma'ale Adumim, Betar, Efrat, and Givat Ze'ev—providing housing for an additional 50,000 Israelis.

The creation of the system of bypass roads has facilitated the expansion of settlements throughout this area. This was, after all, their original purpose when they were first drawn up more than 15 years ago.

Israelis living in East Jerusalem now number close to 200,000—an increase of almost 50,000 since July 1992. This population is greater—according to some estimates far greater—than the Palestinian Arab population in the city. Construction plans for this sector of the city—plans first devised during the 1980s and confirmed by Labor governments—envision up to 5,000 construction starts annually for Israelis during the next few years.

Likud's Inheritance

The new government has inherited a building program that envisages the construction of almost 30,000 dwelling units for Israelis in the area between Ramallah in the North, Jericho to the east, and Hebron in the south.

This larger area will see more construction for Israelis during the next 15 years than Jerusalem itself, which, according to Israeli plans, is fast running out of space for new Israeli and Palestinian housing. Fewer than 18,000 units remain to be built for Israelis in East Jerusalem, where 40,000 have already been constructed. No Israeli government can add significantly to that figure.

According to the settler magazine *Nekuda*, the Labor era of 1992–1996 witnessed a 50 percent increase in the number of settlers in the West Bank and Gaza Strip—from 105,940 in June 1992 to 151,324 in June 1996. This growth is consistent with projections made by the Rabin government in 1992, which envisaged a settler population of 140,000 in the West Bank and Gaza Strip by 1995.

A close reading of the plans and ideas of leading Likud and other partisans of settlement suggests a policy that, far from repudiating, builds on the undeniable political and practical territorial successes of the Rabin-Peres years.

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Strip as long as the future of Israel's settlements is secured.

Netanyahu, like his predecessors, will have to confront
the dilemma at the heart if Israel's Oslo bargain. Is Arafat or

the government he represents a friend and ally or an enemy? If Arafat is a friend, Israel cannot undermine his leadership without endangering its own interests. If he is an enemy, Netanyahu's choices are less complicated, but far more dangerous.

NETANYAHU—IN HIS OWN WORDS

"It is our responsibility to continue and to develop the settlement enterprise in the Golan at every opportunity."

— Netanyahu to the chairman of the Golan regional council, who presented Netanyahu with a four-year plan to increase the Golan population by 10,000 through the construction of 3,000 units in existing Golan settlements.

Ha'aretz, May 21, 1996

Netanyahu promised to "transfer to the settlements the billion dollars that Peres plans to give to Arafat."

Ma'ariv, June 6, 1996

"A government under my leadership sees advantage in Jewish construction beyond the Green Line..."

— Netanyahu in the context of promises to Israel's Haredi (ultra-orthodox) community to build at the West Bank settlement of Upper Modi'in.

Yediot Aharanot, April 17, 1996

Question: Jerusalem was the central idea in your election propaganda. In May 1995, the government announced that it would not expropriate more land in Jerusalem. Will you cancel that decision?

Netanyahu: On the spot. There isn't even a question.

Question: How do you view Jewish settlement in Silwan or the Muslim Quarter?

Netanyahu: What is this Silwan? Silwan is next to the City of David. I don't see here a problem and I also don't see a

problem if Muslims live in the Jewish Quarter or buy houses in Jewish neighborhoods. . . . If Jews don't live in the City of David, the site of the generation of the king and the prophets, where will they live?

Question: You have said that you will define areas of settlement and security that will not be part of the Palestinian self-rule. Will you place these areas under Israeli sovereignty?

Netanyahu: That is certainly possible. I want separation between areas of settlement and security, areas where Arabs do not live, and the autonomous areas, which are populated by Arabs. Hebron is a special case which will have to be handled in a special manner.

Interview in Ha'aretz, May 28, 1996

"In the long run, we must strive for Israeli sovereignty and the creation of a self-administration for the inhabitants, while reducing the friction with the population."

Yediot Abaranot, May 21, 1993

"Our Jewish heritage is not just part of our past. It is the basis for guaranteeing our future.... There is no other basis, and so we will act together to strengthen and foster our heritage. We will work to deepen our ties to the Land of Israel. We will keep Jerusalem united under Israeli sovereignty. I declare this here tonight, in Jerusalem, the eternal capital of the Jewish people, the city which will never again be divided."

Netanyahu victory speech, June 2, 1996

"Zionism is not dead. . . . We have a wonderful youth, willing to mobilize for national tasks. We will encourage this spirit; we will encourage pioneering settlement in the Land of Israel: in the Negev, Galilee, Judea and Samaria, and the Golan. The settlers are the real pioneers of our day, and they deserve support and appreciation.

But above all we will guard and strengthen Jerusalem, the eternal capital of the Jewish people, undivided under the sovereignty of the State of Israel."

Inauguration speech by Prime Minister Benyamin Netanyahu in the Knesset, June 19, 1996

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