

REPORT ON ISRAELI SETTLEMENT IN THE OCCUPIED TERRITORIES

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NEWS

Likud's settlement policies were not on the agenda during the visit of Israeli Prime Minister Netanyahu to Washington in early September. Israel's redeployment from Hebron, postponed since late March, is still not on the horizon. Nor are there any plans to begin discussing the first stage of Israel's "further deployment" out of unspecified parts of Zone C, as called for in the Oslo II accord.

Settlement leaders are frustrated by the slow pace of anticipated changes in Likud's settlement policies inherited from the previous Labor government. The YESHA Council has announced that expansion will begin even before required permits are awarded. The minister of defense is currently considering 200 construction plans.

Also in this issue:

Golan Heights Activity	3
Palestinian Protests	5
Likud's Policy Mirrors Labor's	8

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NETANYAHU GOVERNMENT HIGHLIGHTS SETTLEMENT PROGRAM

The settlement policies of the government of Benjamin Netanyahu remain a work in progress, three months after the defeat of the Labor government led by Shimon Peres. While initial government intentions for settlement expansion during the coming four years do not exceed Labor's settlement program, the idea of settlement is enjoying a renaissance and the settlers themselves are being welcomed once again into the Israeli political mainstream.

Minister of Finance Dan Meridor put the Likud's intentions into proper perspective and offered an important insight into how one of the more thoughtful Likud leaders views the set-

tlement issue in the context of relations both domestic and foreign. Meridor responded to a question about the new government's intentions to prevent once and for all the possibility of withdrawal from the occupied territories in a July 19 interview in the Israeli newspaper *Yediot Aharanot*:

"In this regard we have to praise Yitzhak Rabin, may he rest in peace, and Shimon Peres who during the last four years raised the number of Jews in Judea and Samaria by 40 percent. During their tenure, thousands of homes were built in Judea and Samaria and the

LIKUD POLICY, *continued on page 6*

SHARON EMERGES AS KEY PLAYER IN LIKUD SETTLEMENT POLICY

By Geoffrey Aronson

Ariel Sharon is very good at two things. He knows how to make headlines . . . and he gets things done.

An early communiqué from his newly formed Ministry of National Infrastructures announced in late July that construction would commence before year's end on two new West Bank roads, the rehabilitation of a third, and construction of new bridges linking Israel and the Golan Heights.

Sharon does not like doing things quietly. As minister of agriculture after Camp David, he set up "dummy" settlements in Sinai to rattle the Egyptians. As Yitzhak Shamir's minister of hous-

ing, he exasperated former U.S. secretary of state James Baker by building thousands of homes in West Bank settlements and creating new "Baker" settlements on the eve of the secretary's numerous visits. He has earned the nickname "bulldozer"—ignoring or brushing aside whatever obstructs his path.

Now under a new prime minister he is keeping to form and establishing for himself a mandate to expand Israel's civilian presence in the West Bank and Gaza Strip.

The very day that Benjamin Netanyahu, in a meeting with settlement lead-

SHARON, *continued on page 7*

TO OUR READERS

One of Israel's major achievements in the Oslo process was in winning the Palestinian leadership to a view of settlements not inimical to its own. According to this view, settlements are an impediment to Israeli-Palestinian agreement, but not an insurmountable one. Under the Oslo formula, settlements and peace are not irreconcilable objectives. Rather, each can be accommodated. And the result could be peace—with settlements.

The election of Benjamin Netanyahu changed the context in which settlements are viewed and their impact analyzed. Previously, Palestinian concessions concerning settlements and a host of other issues could be rationalized as necessary way-stations along the road to eventual independence. The Netanyahu election and his government's actions and words since June have made this underlying presumption far more difficult, if not impossible.

We have seen how the profile of settlements has risen in the last few months—not so much because of specific decisions the new Israeli government has made, but more so because the new government is proving unable to follow the Labor example of "building quietly." For the fact of the matter is, Netanyahu will not have an easy time matching Labor's settlement achieve-

ment of increasing the settler population in the West Bank and Gaza Strip by close to 50 percent in four years. Visibility of the issue has become too high.

If today the Palestinian Authority longs for the golden days of Peres and Rabin, it is not because their settlement policies led in absolute terms—in "facts on the ground"—to fewer Israelis moving across the Green Line. Labor convinced the Palestinian leadership to accept the seductive concept that peace and settlements were not mutually exclusive objectives. The current Israeli government, in contrast, has resurrected the idea of Greater Israel and, alongside it, a fierce unequivocal opposition to Palestinian independence anywhere between the Mediterranean Sea and the Jordan River.

In this environment, settlement once again becomes a battleground.



Settler Population 1992–1996

	Population		Total
	West Bank	Gaza	
January 1, 1992	97,800	3,410	101,210
June 1, 1996	145,000	5,500	150,500
Population Increase	47,200	2,110	49,290
Percentage Increase	48%	62%	49%

■ Number of settlements gaining population since 1992: 109

■ Number of settlements that lost population since 1992: 13

Source: *Settlement Watch Report* No.8., July 31, 1996, Peace Now, Jerusalem; Foundation for Middle East Peace, Washington, D.C.

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BUILDING QUIETLY ON THE GOLAN

"Quietly, quietly," begins an August 13 article in the Israeli newspaper *Yediot Aharanot*, "without media scrutiny, 130 families have moved to the Golan Heights in the last three months. Thirty more families will have moved before the end of August. Why of all times now?"

Today, some 15,000 Israelis live in 32 settlement communities established in the wake of Israel's 1967 capture of the Golan Heights. Yehuda Wallman, head of the Golan regional council, estimates an increase of 1,000 during the next year.

These newcomers will purchase apartments built during the tenure of the Rabin-Peres government. Two thousand dwelling units are in various stages of construction.

In the months before Netanyahu's election, this picture was already changing. After the collapse of negotiations with Syria in February, Prime Minister Shimon Peres ordered the sale of many of these apartments and made building plots available for private construction. By this time, the final 700 units built during the last three years at Katzrin, the largest settlement, had already been sold. Katzrin's population grew by 50 percent during this period from 4,000 to 6,000. A full 20 percent of the town residents have arrived in the last year. Planning and site work for 1,000 additional units is now under way. One hundred fifteen new units for the Eliad settlement were approved in April. And, in May, the Golan Regional Council began a drive to sell 250 units scattered throughout the area's 32 settlements.

"Demand has increased tremendously," said Uri Meir, head of the Company for Golan Development, two months before Peres' defeat, "and every free apartment is being snapped up."

The election of Prime Minister Benjamin Netanyahu has only increased the momentum.

"It is clear to us that Netanyahu has frozen the matter of peace with Syria, at least as it concerns evacuation of the Golan Heights, so there is no reason not to live here," explained Anat Shapira, who recently moved with her husband from the posh Tel Aviv suburb of Herzliya. "We've worked hard all our lives. Now we rented our house and bought a house in Katzrin at a ridiculous price—half a dunam for \$55,000. Here you have quality of life, here the air is terrific, so why not populate the Golan?"

Even as it raised the prospect of withdrawal from the area, the Rabin-Peres government compiled an unchallenged record of investing millions in the Golan Heights—building and sell-

ing hundreds of dwelling units. Funds were principally spent, however, in development projects in tourism, industry, and agriculture. The government invested in the Golan as if there were no Assad and conducted negotiations as if there were no investments.

During 1995, the government invested \$30 million in infrastructure development alone. The 1996 budget totals almost \$50 million. Investment in tourism projects alone will total more than \$2 million in 1996. Income from industry, tourism,

and agriculture in the Golan, according to the Company for Golan Development, grew from \$300 million in 1994 to \$360 million in 1995. Among the most prominent projects now under way are a \$130 million tourism and hotel project at Hamat Gader (El Hama), claimed by both Syria and the Palestinian Authority; a deal between McDonalds and the kibbutz settlement of Merom Golan to grow potatoes for the company's french fries on 300 dunams; and at the settlement of Ortal, a \$4.5 million dairy, the largest in the Middle East.

Netanyahu's election has changed the context in which Israelis evaluate the prospects of a life on the Golan. Since Likud's victory, housing prices have appreciated by 50 percent in some settlements. Even so, on July 9, Office Depot, a U.S. company, pulled out of a manufacturing joint venture on the Golan Heights because of the Golan's uncertain future. This action appears to be the exception rather than the rule, however.

"Today the future seems a bit brighter than in the past," said Wallman, "and so many families from different areas of the country are moving north. Housing prices are comfortable, with mortgages amounting to 85 percent of the property value, so you are speaking about a good deal."

At meetings with Golan settlers, Netanyahu reiterated his commitment to increase Katzrin's population to 15,000 during his tenure. He also announced his approval of their "Golan 2000" plan presented to him before the election. The plan calls for a \$202 million public sector investment in infrastructure and new housing construction in 10 settlements to reach the goal of increasing the plateau's Israeli population by 10,000 during the next four years.

"We will work to strengthen settlements," said Netanyahu. "We will expedite the development of roads and invest in infrastructure in order to produce suitable conditions for investors to invest on the Golan." ♦



PALESTINIANS CONDEMN NETANYAHU'S SETTLEMENT ACTIONS

Deteriorating relations between Israel and the Palestinian Authority (PA) have led to increasingly vocal Palestinian attacks on the Netanyahu government's settlement policies.

PA Chairman Yassir Arafat described the changes in settlement policy announced by Israel on August 2 as "the most dangerous" threat the Palestinians are encountering:

"Nobody is going to confront settlement before we do. Settlement is a flagrant violation of the agreement. This is a conspiracy not only against us, but against peace. The most important thing is to confront this demon that swallows up everything including the peace process."

"One more settlement here or there will not improve the security of Israel," said Saeb Erekat, minister of local government, who leads the Palestinian delegation to the talks on final status. Erekat accused Israel of creating a "Little Bosnia" in the West Bank through its settlement policy: "Israel must understand that peace and settlement do not go together."

Palestinian Protests

The escalation in Palestinian rhetoric toward settlement has been accompanied by continuing isolated clashes in scattered villages throughout the West Bank and Gaza Strip between Palestinians and Israelis over land seizures. On July 19, for example, 200 Palestinians protested the seizure and fencing off of 400 dunams of agricultural land by settlers from the settlements of Shilo and Shvut Rachel, north of Ramilah. The 10,000 residents of the village of Samua near Hebron were placed under extended curfew after they destroyed machinery being used to build a bypass road. Residents oppose the confiscation of their agricultural land for the road. They also fear that the road will endanger their access to thousands of dunams of agricultural lands located between the new road and the Green Line.

In an August letter to Egyptian President Hosni Mubarak, Arafat warned that an "explosion between Palestinian landowners and settlers is approaching, as a result of the Israeli government's support for expanding settlements."

Popular protests throughout the West Bank have often accompanied the creation of the extensive system of roads connecting settlements. These roads were approved by the PA as part of the Oslo II agreement signed last year.

Palestinians have long maintained that settlement expansion is prohibited by Article 31 of the Oslo II agreement, which notes that the "integrity and status" of the West Bank and Gaza Strip are to be maintained during the interim period scheduled to last until 1999. The agreement prohibits each party from "initiating or taking any step that will change the status" of the occupied territories during this period.

Israel rejects the applicability of these clauses to settlement. During the Labor era, Palestinian concerns about settlements were muted, and the PA's agreement to Israeli demands such as the bypass roads facilitated settlement expansion.

Arafat described Israel's August 12 decision to place mobile

homes in West Bank settlements as "a new breach of what had been agreed upon and what had been signed."

"We see how these mobile homes become permanent," said Hanan Ashrawi, minister of higher education. "You cannot say you are part of a peace process based on land for peace and continue to confiscate land. Violations which lead to settlement expansion and land confiscation," she charged, "undermine the foundations of the Oslo process."

Ashrawi criticized the U.S. for not opposing Netanyahu's policy: "When Netanyahu speaks of the settlements and expanding them, no US official sought to emphasize that settlements are illegal and unlawful and run counter to the peace process."

In an additional reflection of the popular antipathy toward the settlements, Hamas issued a communiqué on August 15 calling for an uprising against settlements. Dr. Mahmoud al-Zahhar, Hamas leader in the Gaza Strip and the key speaker at a rally called to oppose settlements, suggested a number of anti-settlement actions, including scattering nails on roads frequented by settlers, staging sit-ins to block roads to settlements, and installing loudspeakers to disrupt settler life.

At the first meeting of the joint steering committee overseeing the implementation of the Oslo accords, PA representative Jamil Tarifi declared, "Israel now speaks of 'no peace without security' so we are adding that there will be no peace with settlements."

Ashrawi condemned the August 28 approval to build more than 3,500 new settlement dwellings: "These are the real actions. We are not interested in statements of appeasement and promises in the air. . . . The real proof is in this decision to build thousands more housing units, to confiscate more land, to expand settlements and settlement activities."

Negotiations Stalemated

The unprecedented Palestinian attention to settlement policy decisions by the Netanyahu government during the summer owes less to the changes that these decisions signal in Israeli settlement policy than to the general deterioration in the atmosphere of Israeli-Palestinian affairs that followed in the immediate wake of Netanyahu's victory. Announcements regarding settlement expansion are now occurring in an overall atmosphere characterized by diplomatic stalemate and the new Israeli government's opposition to objectives at the heart of Palestinian strategy—the creation of a Palestinian state with Jerusalem as its capital.

At a meeting of the Likud central committee on September 5, Netanyahu vowed, "There never will be a Palestinian state between the [Mediterranean] Sea and the [Jordan] River."

In contrast, while settlement expansion policies during the Labor era were the source of never ending Palestinian frustration, Palestinian leaders became reconciled to them as a necessary cost of the negotiating process. Similar policies are now viewed in a more critical light. ♦

MUBARAK AND CLINTON ADDRESS SETTLEMENTS

On July 30, U.S. President Bill Clinton and Egyptian President Hosni Mubarak were asked about the Netanyahu government's settlement policies.

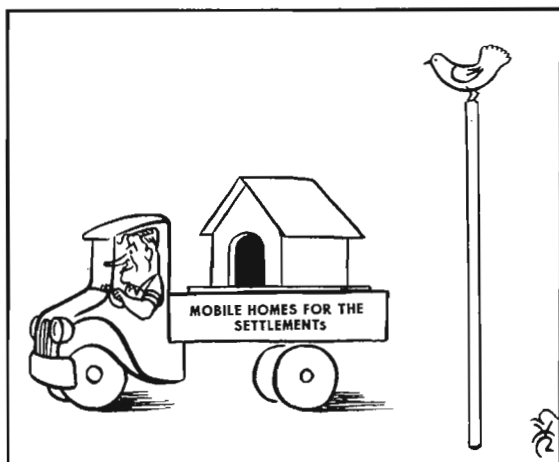
President Mubarak: First and foremost, a just and fair peace must be based on a formula which was proposed by the cosponsors of the Madrid Peace Conference of October 1991 and accepted by all parties. The core of this formula is Security Council Resolutions 242, 338, and 425, and the principle of land for peace and the joint political rights of the Palestinian people.

These terms of reference constitute the solid foundation of the peace process. Hence, all the parties must abide by them. Activities which are inconsistent with the requirements and spirit of peace, such as settlement activities and the confiscation of lands, should be terminated.

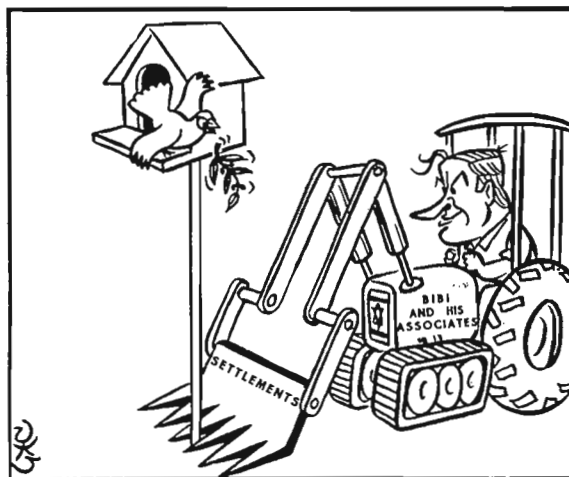
Q: President Clinton, President Mubarak, a new plan by Israel to build new roads into the occupied areas and new bridges seems to signal a return to a hard line by Israel. My question very simply to both of you is, can there be peace in the Middle East if the new Israeli prime minister carries out his campaign promises to his own people?

President Clinton: Well, first of all, I have, like you, seen the reports of the proposed road-building campaign. But I do not—I don't know whether they're new roads, expansions of existing roads, nor do we know for sure that the government of Israel has adopted that policy. We know that—the report is that a member of the government has proposed that. So until the government of Israel adopts that as policy, it is—I don't want to blame them for something they haven't done yet.

We are concerned about anything that could affect the peace process adversely. And we expect and believe that Israel will adhere to the agreements it has already made, including the Oslo Accords, the agreements that were signed here. And the Prime Minister assured me that that was so. So until I have evidence that that is not so, I don't think I should go further.



Ha'aretz, August 14, 1996



Ha'aretz, July 30, 1996

I'm concerned about the reports I've read, but I don't know precisely what the plan is, and my understanding is it has not yet been adopted by the government. And the government's commitment is to continue the peace process and not to do anything inconsistent with the commitments made by the Israeli government before it. So we'll have to see what happens.

Q: My question is for President Clinton. It was reported yesterday that the Israeli government is considering lifting the ban on the settlement activity. So if this happened, what will be the U.S. position with regard to this issue? And is this going to change its longstanding stand with regard to this issue?

President Clinton: Well, first of all, we haven't changed our positions on any issues as a result of the election in Israel. Our positions are just what they were. So we haven't changed. The settlement issue under the Oslo Accords is a matter for determination between the parties as we move to the end of the negotiations. And we have encouraged everyone not to do anything which would weaken the chances of peace.

And so, again, we need to know exactly what it is they're thinking about doing, because in the previous administrations, Prime Minister Rabin and Prime Minister Peres, the existing settlements expanded more or less with population growth in the State of Israel. And that was not considered to be a serious violation of the understandings that were existing at that time.

So before we—again, I say before I say anything I would need to know exactly what it is they intend to do. But my position on these issues is the same today as it was the day before the election in Israel. None of our positions have changed and they won't change.

White House Press Conference,
Washington, D.C., July 30, 1996

number of Jews increased from 100,000 to 140,000.

"But we need not be thankful only to them. We should also praise the Israeli left which didn't utter a word about this for four years; and to the American government which knew but didn't care. And also we should give thanks to the Palestinian Authority which saw that we were building but did not permit this to disrupt the peace process.

"It is clear as can be that we will not do less in this regard [settlement construction] than the Labor Party. I already told the American ambassador that he can rest easy about one thing—that Labor's policy of massive settlement will not change. Maybe we will do it a little differently. . . . But it is clear that if we are serious in our intention not to return to the 1967 lines, words alone will not suffice. Settlement is one of the things that determines the map of the country. Therefore, if we stop settlement in one place or another it means that we have surrendered that place. . . . but it is necessary to continue the settlement enterprise in Judea and Samaria in a sober and controlled manner, and within our economic limitations. There are communities which for sure were dried out in recent years, and that will certainly be rectified."

When Netanyahu met U.S. President Bill Clinton in Washington in June the two leaders reaffirmed the understandings reached between President George Bush and Prime Minister Yitzhak Rabin in August 1992. This agreement gave U.S. assent to a policy of settlement expansion according to the ambiguous definition of "natural growth," but not to the construction of new settlements. Where Rabin promised Bush not to construct new settlements, Netanyahu gave no commitments, nor did he commit Israel to any limitation on settlement expansion.

"When we come to things that we have not agreed upon," Netanyahu was reported to have told Clinton, "I will inform you straight away. We will not surprise you. We will not place caravans on hilltops." This last comment was a reference to the "Baker settlements" demonstratively established by the Shamir government on the eve of the U.S. Secretary of State James Baker's many visits to Israel in the aftermath of the Gulf War.

Netanyahu on U.S. Stand

Netanyahu outlined his view of U.S. policy in a July 12 interview on Israeli television:

"The United States understands that there is a natural process of development of the Jewish settlements in Judea, Samaria, and Gaza. I showed President Clinton and Congress the table demonstrating the expansion, the growth of the Jewish population in Judea, Samaria, and Gaza by 50 percent under the Labor government, not the Likud government. It is the outcome of natural growth. . . . Natural growth within the framework of the municipal boundaries of the existing settle-

ments is not something that appears to be in dispute. The other thing on which there is agreement is the bypass roads, which were agreed upon in the Oslo process, which is something I welcome since they reduce the friction between the Jewish and Palestinian populations. . . . Regarding new settlements, we will have to discuss in the cabinet and decide how and when to do it. We have not yet decided. The areas of agreement up to now have in fact permitted a 50 percent natural growth of the Jewish population in Judea and Samaria, which is not unimportant."

Government Decisions

On July 29, the director general of the prime minister's office, Avigdor Liebermann, who himself lives in a West Bank settlement, announced the new government's commitment to the economic vitalization of the settlements, including an intent to restore unspecified benefits and subsidies that were denied by the previous government to some settlements.

On August 2, the government decreed an end to restrictions placed on settlement expansion by the previous Labor governments, including the rental or sale of 1,500 apartments whose disposition was frozen by Labor. The government has empowered the minister of defense to rule on all new residential construction planning and zoning applications in the settlements.

"We are stopping the artificial drying out that was the previous government's policy for the Judea and Samaria settlements," explained Netanyahu in an interview the day the new policy was announced. "The previous government imposed all kinds of decrees, restrictions, chains, and bonds on the natural

development of the settlements. It did not impose similar restrictions on the Arab settlement of Judea, Samaria, and Gaza, nor did it impose such restriction on Jewish settlements inside the Green Line. Naturally, we do not accept this policy. Hence, today we lifted the ban. At the same time, every orderly government has its checks and balances and means to control building and settlement policies, which are part of today's resolution. This is what it means:

"Lifting the ban; we have not decided yet what we will do as far as initiated policy is concerned. If [the issue of establishing new settlements] comes up as part of the cabinet policy, we will bring it up for the ministers to decide. We did not decide so today. Today, we created room to maneuver, if you will. We canceled past restrictions, but we left the issue of policy for our future discussions. . . . I cannot tell you now what the scope of our decision will be, the amount of resources we will invest in Judea and Samaria, or whether or not we will set up new settlements. This is for the future. What could be more natural for a government with a commitment to Jewish settlement in Eretz Yisra'el and to full equality between all the citizens of the State of Israel than to lift these bans?" ♦

"I already told the American ambassador that he can rest easy about one thing—that Labor's policy of massive settlement will not change."

ers, counseled them that loud declarations to the press can be counterproductive. . . . Sharon's announcement produced headlines in papers around the world and was the subject of the first question asked at the joint White House press conference of President Bill Clinton and Egyptian President Hosni Mubarak. A reluctant American president responded, "I don't want to blame them for something they haven't done yet."

Dreaded by the Americans because he doesn't much care what they think, Sharon forces them to confront issues—like the proposed roads—that Labor leaders were expert at finessing. He is an object of almost equal concern in Netanyahu's inner circle, and even among some settler leaders who fear his penchant for headlines will put the spotlight unnecessarily on their expansion plans.

As Elihakim Ha'etzni, a settlement leader close to Sharon, remarked, "If Netanyahu adopts an aggressive political line and a large-scale settlement campaign in the occupied territories, the last thing he needs is to write on his forehead is 'extremist.'" And Sharon has extremist written all over him.

Sharon's Agenda

At the top of Sharon's agenda today, as always, is creating physical and demographic obstacles to any Israeli retreat from territories captured in June 1967. Let the diplomats chatter, when the maps are drawn it will be the "facts" that Sharon has created in various posts since 1967 that determine the future. The Oslo II map, for example, is almost a mirror image of Sharon's "cantonization" plan, which envisages the creation of noncontiguous Palestinian cantons in the West Bank and Gaza Strip surrounded by Israeli settlements and roads.

The creation of Israeli settlements is the keystone of Sharon's strategy.

"Were there not Jewish settlements today on the Golan Heights and Judea and Samaria," declared Sharon in an interview last year, "Israel would long ago have returned across the Green Line. The Jewish settlements are the only factor that has prevented the agreement of this [Rabin] government to withdraw and created difficulties for it in negotiations."

The new Ministry of National Infrastructures, with a 1996 budget of one-half billion dollars, was created especially for Sharon. The powers that he has already been able to concentrate there offer him an extensive platform to advance his vision for the future of the occupied territories.

Most important, Sharon has wrested control of the Israel Lands Authority (ILA), which Netanyahu originally wanted under the direct control of the prime minister's office. The ILA, which controls over 93 percent of the land within Israel and tens of thousands of dunams in the occupied territories, provides Sharon with an enormous land reserve that he can allocate to suit his settlement objectives. Sharon has long considered the ILA a critical element of his executive power. As minister of agriculture under Menachem Begin, and as minister of housing under Yitzhak Shamir, he fought for, and won,

control of the ILA and the lands that it commands.

The ILA, Sharon explained, "Is not only a source of state revenue. As I see it, it is the main tool the government has to attain national goals"—foremost of which in Sharon's view is expanding control over land.

Sharon's promotion of new roads is a consequence of his authority over the Public Works Department, formerly in the Ministry of Housing. He views roads as a key element, assuring Israeli control of the occupied territories as well as the expansion of the Israeli presence there. In addition to the bypass roads, Sharon's ministry wrested control in July over the 1,500 km network of main and arterial roads in the West Bank and Gaza Strip from the civil administration. Sharon wants to tie the West Bank to Israel by creating a modern integrated road system of east-west and north-south highways, and he wants to establish a modern network tying the Israeli settlements to each other—the "bypass" roads—and the metropolitan areas of Tel Aviv and Jerusalem.

Extensive Powers

His assumption of the powers of the now abolished Ministry of Energy gives him authority over the provision of electricity to settlements, a key element in their ability to expand and accommodate industrial development, and it puts him face to face with Palestinians negotiators on this important subject.

Sharon will also lead negotiations with the Palestinian Authority, Jordan, Syria, and Turkey on water issues. This power places him at the center of Netanyahu's diplomacy with Israel's neighbors.

Sharon has established a consultative mechanism with the important Ministry of Housing and Construction to prepare a comprehensive plan for development and construction in the occupied areas. The Israeli press reports a renewed effort by Sharon associates to purchase thousands of dunams of land in the West Bank through companies established specifically for this purpose in Brazil, the United States, and Cyprus.

Control of land, water, electricity, and transport issues in a new ministry offers Sharon opportunities he will not fail to exploit—and dangers that may yet haunt Netanyahu.

The new road construction, for example, was first conceived in a plan authored by Sharon in 1984. The two routes were supported in principle by Rabin and Peres but no monies were allocated to construct them. The Netanyahu government has also not provided Sharon with the \$50-plus million budget specifically for their construction, but it is assumed that he will cobble together the necessary funds. The \$10 million rehabilitation of the main road through the Jordan Valley was budgeted by the previous government.

The announcement that caused so much controversy was therefore first and foremost a political statement. Sharon was informing his antagonists in America and the Arab world that he is back. And he was firing a shot across Netanyahu's bow as well, declaring that he will operate as he always has, not quietly, but with guns blazing. ♦

NETANYAHU AIMS TO MATCH LABOR SETTLEMENT RECORD

The policies announced by the Netanyahu government should increase the Israeli population in the West Bank and Gaza Strip by 50,000 settlers to 200,000 during the next four years. This increase is little different than the expansion recorded under the previous Labor government.

Pinchas Wallerstein, chairman of the Council for Jewish Settlements in Judea, Samaria, and the West Bank (YESHA), confirmed the expectation of an increase of these dimensions. Wallerstein estimates that 10,000 new dwelling units will be constructed during the coming four years at a rate of 2,500 annually. The anticipated increase was supported by reports noting the planned construction of 60,000 apartments by Israel during 1997 and 1998. The proportional share of settlement construction in the West Bank and Gaza Strip has historically hovered at between 8 and 10 percent.

Wallerstein noted that there is no practical need to establish new settlements, but that the ideological imperative to undertake such a policy cannot be disregarded.

"It is necessary to thicken and to strengthen that which already exists," he explained.

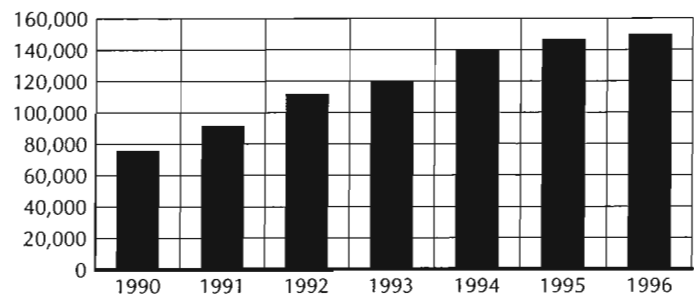
Wallerstein also anticipates that the growth of settlements will continue in much the same way as it has during the last four years—in communities close to the metropolitan areas of Israel—places like Adam near Jerusalem, and Na'ale and Ofarim near the Green Line.

Some disappointment in the settler community has been registered in view of the fact that the new government's declarations and decisions do not portend a significant departure from past construction activity.

Population growth, however, is only one of many settler objectives. The settler community, according to Shlomo Katan, head of the local council of the settlement of Alfe Menache, close to the Green Line, "believes that the most important undertaking is to renew the connection [between settlers] and the center of the country. Only if they understand that most of the settlers are actually urban and secular just like them will there be a possibility of renewing the connection and facilitating settlement expansionism."

Judging by the increase in housing prices in settlements from Gaza to the Golan, which in some cases have risen by 50 percent since Netanyahu's victory, settlements, in the words of one newspaper headline, "are once again on the map." ♦

Settler Population in the West Bank and Gaza 1990–1996*



* Not including Israelis living in annexed Jerusalem. Population figures vary (sometimes by as much as 20 percent) depending on the source. Numbers should be considered conservative approximations.

"Under the Labor government of Mr. Rabin and Mr. Peres, the Jewish population in the areas of Judea, Samaria, and Gaza grew by 50 percent—roughly at a rate of 10 percent a year.

This is natural growth. These are living communities; they have families, people get married, they have children. Because of the cost of housing in Israel, which is so high, people move [to these areas] to find cheaper housing. So there's been a natural growth in the existing communities. I assume that no one here is expecting us to do less than the Labor government on this point."

Prime Minister Benjamin Netanyahu at a joint press conference with President Clinton, Washington, D.C., July 10, 1996

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