REPORT ON ISRAELI SETTLEMENT IN THE OCCUPIED TERRITORIES

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NEWS

Israel's first redeployment from Area C according to the Wye timetable fell .2 percent short of the agreed-upon amount. The shortfall may be rectified in future transfers, none of which are expected to occur during Israel's extended election campaign. (See story opposite.) The Wye map on page 3 offers a detailed look at the redeployment in the Jenin region.

In its internal deliberations for implementation of the now post-poned second Wye redeployment, Israel was having difficulty identifying the agreed-upon 5 percent of Area C to transfer to Area B status in the Ramallah region.

Despite their confused attitudes toward the survival of the Netanyahu government, settlers have been actively pursuing a policy of "creating facts" on the ground. The time line beginning on page 6 reports on their activities in detail.

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Settlement Housing Starts 2 Ma'ale Adumim Story & Map 3-4

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WYE MEMORANDUM IMPLEMENTATION ON HOLD AS ISRAEL PREPARES FOR ELECTIONS

The first casualty of the fall of the Netanyahu government is the schedule of two Israeli redeployments from the West Bank agreed upon at the Wye Plantation in October 1998. Until Israel's political situation is settled many months from now, perhaps not before summer, Palestinian Authority (PA) chairman Yasser Arafat can expect no more land or progress on final-status arrangements from Israel.

There was no certainty that the second and third pullbacks promised in the Wye agreement would have been implemented in a timely manner even had Netanayhu's governing coalition survived. In early December, before the arrival of U.S. president Bill Clinton in Gaza, Benjamin Netanyahu had made clear that the second redeployment, due in mid-December 1998, would not be implemented on time. This lack of commitment to the timetables is nothing new to the Oslo process. It was former prime minister Yitzhak Rabin, after all, who first insisted that "there are no sacred dates."

Netanyahu managed to alienate everyone in his political entourage, not so much because of his policies, which remain popular, but because of his inveterate political scheming.

His negotiations with the Palestinians were highlighted by the division of Hebron and the Wye agreement promising Palestinians an unprecedented U.S. role mediating Israeli-Palestinian differences, along with a measure of control over 41 percent of the West

Bank and 80 percent of Gaza. For Netanyahu's right-wing base, the concessions on Hebron were more painful than the transfer of lands around Jenin in mid-November 1998. Yet, because of Netanyahu's right-wing credentials, he was able to implement commitments made by his Labor predecessors that they themselves—witness the Hebron agreement—were incapable of effecting.

Netanyahu's policies were consistent with those Rabin envisioned, and in some respects more generous, not because Netanyahu looked with greater favor upon the Palestinians than Rabin, but because of his inattention to strategy and his inferior negotiating skills.

"Our differences of opinion with Netanyahu are not about whether or not there will be a Palestinian state, but about what its size and borders will be," noted Palestinian negotiator Saeb Erekat. "That is the truth."

Despite his support of the Oslo bargain, Netanyahu's hold on political power rested upon a contradictory imperative—the need to placate a block of right-wing politicians opposed in principle to any territorial concessions in the occupied territories. So while he progressed along the road laid out by the Oslo agreements, he did so hesitantly and without any commitment. To the Americans and the Palestinians he said both yes and no to Oslo. To his right-wing backbenchers he insisted that he too remained one of them, even as he

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TO OUR READERS

This millennium will almost certainly see the establishment of a Palestinian state in a portion of the West Bank and Gaza Strip. The visit of President Clinton to Gaza in December brought the world closer to accepting this reality and will no doubt be viewed by historians as a symbolic milestone in the quest of the Palestinian people for independence.

President Clinton should be applauded for his efforts to establish a moral and political climate hospitable to Palestinian aspirations. Yet, while symbols play a vital role in mobilizing for political sovereignty, the litmus test of the Oslo process must remain the creation of a truly independent and territorially viable Palestine, not an ersatz state with the trappings, but little of the substance, of sovereignty. Such a parlous state, when it comes into being, will be a historic moment in the history of the

Middle East. But it will not signal the achievement of enduring promise of Oslo—an end to the century-old struggle for Palestine. A crippled state, lacking a sensible territorial form and the means to assure its integrity, will satisfy neither popular Palestinian expectations nor, as a consequence, the popular Israeli yearning to put the struggles of the Zionist era behind them.

As the future Palestinian state takes shape, it is essential to look beyond the minimal requirements toward a long-term view aimed at creating conditions for a politically sustainable Palestinian state—a basic ingredient for regional peace.



Housing Starts in the West Bank and Gaza Strip, 1997-1998

Housing starts in settlements in the West Bank and Gaza Strip (excluding East Jerusalem) during the first half of 1998 increased by 136 percent when compared to a similar period in 1997, according to a December 16, 1998, report by Peace Now. Only four settlements—Ma'ale Adumim (1,100), Betar (520), Efrat (500), and Kiryat Sefer (900)—account for almost 60 percent of the more than 5,000 units currently under construction.

Construction Starts (units)

Period	Public	Private	Total	
1-6/98	970	450	1,420	
1-6/97	290	310	600	
3-6/98	340	300	640	
3-6/97	160	130	290	

Housing units under construction

July 1, 1997	2,920
April 1, 1998	3,260
July 1, 1998	3,390
December 1, 1998	5,455

Publicly financed housing units under construction in the West Bank and Gaza Strip

January 1, 1998	1,660
July 1, 1998	2,340

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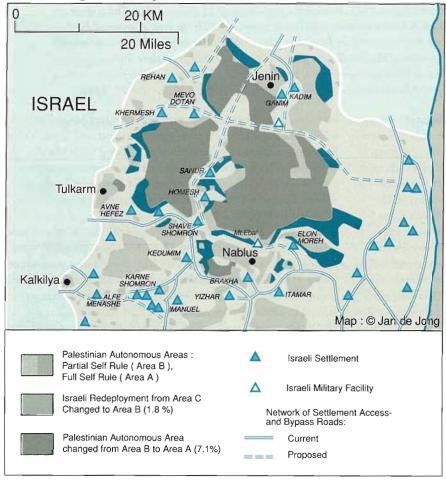
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The West Bank

After the First Stage of Israeli Redeployment According to the Wye Memorandum - November 1998





Territorial Division of the West Bank after the First Stage of Further Israeli Redeployment

Area A: 9.1 %
(Palestinian Se

(Palestinian Security and Civil Control)

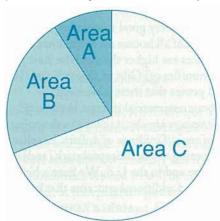
Area B: 20.7 %

(Joint Security Control, Palestinian

Civil Control)

Area C : 70.2 %

(Israeli Security and Civil Control)



Facts about Wye

- Settlers from Kadim and Ganim are discussing compensation for evacuating their settlements.
- At least 12 new bypass roads will be constructed by Israel at a cost of \$70 million.
- Settlers have established more than 12 new settlement sites throughout the West Bank in the aftermath of the Wye agreement.
- In a poll of settlers taken shortly after the Wye accord was initialed, 40 percent voiced disapproval of the agreement, 30 percent approved, and 30 percent were undecided.
- The November redeployment resulted in the transfer of 18 villages and 10 towns to Palestinian control (Area A).
- The Clinton administration plans to contribute \$1.2 billion to Israel as part of an aid package in support of the Wye memorandum.

MA'ALE ADUMIM—OBSTACLE TO A PALESTINIAN STATE

The settlement of Ma'ale Adumim was established in 1975. It reached a population of 15,000 in 1992. Today there are more than 25,000 residents, making Ma'ale Adumim the most populous settlement outside the area of annexed East Jerusalem. Seventy percent of the resident labor force works in Jerusalem. One-half of those employed in the settlement's industrial zone are Palestinians, and 85 percent of the Israeli labor force in the zone live in Jerusalem. Various government bureaucracies employ most of the resident labor force working in the settlement. The following excerpts are from an interview with Benjamin Kasriel, mayor of Ma'ale Adumim, published in Makor Rishon, September 25, 1998.

Q: Who was responsible for establishing the city?

A: The city was planned in 1975, under the Rabin government. But in 1977, when the Likud came to power, a group of ministers, including Ariel Sharon, pushed for its establishment.

From a strategic point of view, the city is very important for Jerusalem because it is located at the eastern gateway to the city. There is a gateway to the north of the country via the Jordan Valley and the Golan Heights until the Syrian border; a gateway to the south via the Dead Sea, and access to Jordan. Ma'ale Adumim is located at this most important crossroad.

In addition, let us consider all the Palestinian communities around Jerusalem. Jerusalem would be encircled by Ramallah to the north until Bethlehem and Beit Jalla in the south were it not for Ma'ale Adumim, which functions as a corridor between the Palestinian communities, preventing them from creating continuity of Arab construction around Jerusalem.

In addition, Ma'ale Adumim, together with the [settlement] communities around us—Kedar, Kfar Adumim, Mitzpe Jericho, Vered Jericho, Nofei Prat, Adam, and Kochav Ya'acov—is located exactly in the center of Judea and Samaria [the West Bank]. All of our development, in the direction of the Dead Sea, or Jerusalem in the west, will create a buffer that will prevent the creation of a Palestinian state, because every state requires [territorial] continuity.

Q: What are the advantages and disadvantages of administering a new city?

A: The disadvantage of constructing a new city, particularly in Judea and Samaria, is that it is impossible to know what to expect in the future from a political standpoint. One has to build in very large quantities which are at times in excess of the ability of the existing infrastructure to absorb. For example, in one neighborhood we built two thousand units at one time. There is no parallel in Israel for construction on this scale. Second, we don't have much experience with such a quick increase in population. For example, this year we opened two new schools and five day-care centers, no matter if the budget was available or not.

Q: Does the fact that the city is built outside the Green Line border deter residents of the city?

A: When we were a smaller community we spoke of Ma'ale Adumim as a place located on conquered land. But as we developed, we began to be part of the national consensus. Members of the Knesset, including those from the Labor Party, have visited us. When they saw our development and understood our strategic importance in relation to Jerusalem, they understood that it was necessary to recognize it. We

established the Forum for Sovereign [Greater] Jerusalem, which I head, which includes [the settlements of] Givat Ze'ev, Betar, the Etzion Bloc, and Har Adar, along with Ma'ale Adumim. Slowly, slowly, we entered the national consciousness as a part of Greater Jerusalem. We pressured every government to link us to Jerusalem by creating a continuous belt of construction.

Speaking of this, we have completed the planning and have even begun excavating for the Mount Scopus tunnel. We are talking about a road that will link Ma'ale Adumim via a tunnel under Mt. Scopus to Jerusalem and Road Number 1. This will mean that Ma'ale Adumim will be as close to Jerusalem as Ramot [a settlement community in East Jerusalem].

Q: Do residents fear the further redeployment of the Israeli army?

A: The residents, who see such a big community, located on a grand expanse, do not fear it in the least. The city is an absolutely legal part of the State of Israel. We are built on state land, there is belief in this place, and therefore people continue to come here to live. A young couple in search of quality of life and a higher educational standard will come here without any concern. As long as the place grows, the concerns about redeployment decrease. I believe that we passed the barrier of fear when we reached 15,000 residents. It is necessary to continue and to build quietly, without provocations. Palestinians have never settled here, and we have not moved a single Palestinian from his home. No one can come to us with claims.

Q: Are there any building restrictions in Ma'ale Adumim?

A: There is a master plan for 60,000 residents. During the Rabin government, there was a freeze, but after representatives of the government came and examined the city's progress, they responded to our pressure and approved construction. With this Likud government there were also problems in the beginning.

The city serves as a very good market for Jerusalem. Ninety-two percent of all houses on the market are sold. Our sale and rental prices are higher than in [the East Jerusalem settlement communities of] Gilo or Pisgat Ze'ev. This is our calling card and proves that there is demand.

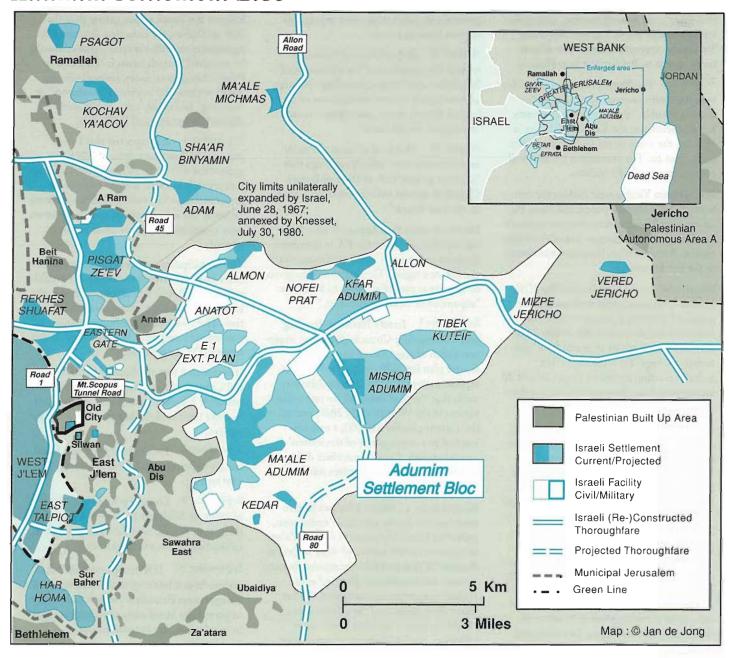
Q: What about commercial interest in the city?

A: Private investors are about to build a shopping mall with an investment of tens of millions of dollars. Israeli and foreign companies are coming to our industrial park [and] exporting products to Europe and to the U.S. We have a high-tech agricultural company and additional concerns that have come from

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Adumim Settlement Bloc



MA'ALE ADUMIM, continued from page 4

Jerusalem and Tel Aviv, which now enjoy a lower tax rate and the advantages of a Priority A development region.

Q: What will Ma'ale Adumim look like in twenty years?

A: More than 80,000 residents will live here. The [settlement] communities around us will be connected, not as neighborhoods, but as independent [settlement] communities. The city will expand to the east. Our industrial area will be the

largest in greater Jerusalem. Our recreation facilities will be used by both Israelis and tourists.

After Ma'ale Adumim will be within an hour's drive of Amman, we will become a commercial center connecting with Jordan. I expect far-reaching cooperation with the Palestinian Authority. We must work together and overcome all limitations. In the future we will not speak of this area as being located on "the Green Line" but as the center of the country.

August 22 At a secret meeting with settler leaders, Israel's prime minister Benjamin Netanyahu approves construction of new housing next to Bet Hadassah in Hebron.

August 23 The Netanyahu cabinet decides to replace with permanent structures, "as soon as possible," the seven mobile homes housing settlers at the Tel Rumeida site in Hebron, the scene of the killing of a settler on August 20. The permanent housing will cost approximately \$3 million.

Settlers from Yitzhar near Nablus threaten to shoot IDF officers, police, and three Palestinian landowners attempting to approach an olive grove belonging to one of the Palestinians. Armed settlers have prevented access to the site for months.

General Moshe Ya'alon, head of the IDF Central Command, tells settlers that "the army and the settlers see eye to eye. Soldiers have clear orders: protect the settlers." He also tries to win settler approval for a "protection package" for settlements that includes erecting perimeter fences around 20 settlements, extending patrols, and reinforcing reservist patrols with enlisted troops.

August 24 A Palestinian Authority (PA) official announces measures aimed at relieving the water shortage in PA-controlled areas of the West Bank. Israel will provide several large water tanks for areas without running water, there will be joint supervision of the quantity of water supplied by Israel to the Palestinians, and joint measures will be taken against the unauthorized diversion of water, According to Fadel Quawash, deputy director of the Palestinian Water Authority, Israel had approved six of forty requests for new well drilling. Quawash charged that the amount of water supplied by Israel to the Bethlehem-Hebron region had decreased from 33,000 cubic meters (m³) a day to 20,000 m³ a day in order to meet settler needs. Israel's coordinator of government activities in the occupied territories replied that Israel is supplying the Hebron region with 23,000 m³ a day, more than the 17,500 m³ stipulated in the Oslo II agreement. Shortages were also attributed to PA administrative shortcomings.

August 26 Reuters reports that, according to the Israeli Ministry of Housing, 25 percent of the 3,905 dwellings built directly by the government in settlements in the years 1989–1992 remain unoccupied as part of a

government policy to increase supply and depress housing prices.

August 28 Al Quds (Internet version) reports the expansion of the settlement of Migdalim near Nablus, including the siting of new mobile homes, construction of a leather factory, roads, and expansion onto Palestinian-owned lands.

August 30 Members of Israel's security establishment issue official warnings that "extreme actions such as those of Baruch Goldstein are not entirely impossible again in the near future."

Israelwire notes that Agence France Press has reported a plan by the PA to distribute lands located next to Israeli settlements in the Hebron region. The land would be given to farmers as part of an effort to block the "expansion of Israeli settlements."

September 1 Israel's National Planning and Construction Council, discussing implementation of stage two of the national master plan for 2020, is surprised when a representative from the Defense Ministry notes that the plan must call for one million settlers in the West Bank by 2020, instead of the current plan for 310,000, a number reached as a consequence of the settlers' natural growth. Council members did not believe that one million settlers was a realistic objective.

Settlers decry a Defense Ministry plan to erect security fences around 21 settlements, including Ma'ale Adumim and Givat Ze'ev, in response to the murder of three settlers in August. "If they just fence in existing houses it turns settlements into ghettos," complained one settler representative. "What about their expansion?" Israelwire notes, "YESHA leaders feel that if security is indeed an issue of paramount importance, the fences would more fittingly be constructed around the [Palestinian] autonomous areas."

A report by the observers of the Temporary International Presence in Hebron, created after the killings at the Tomb of the Patriarchs in March 1994, notes a sharp increase in the number of cases of harassment of Palestinians by settlers. IDF officers confirm the assessment, noting that it represents "the ongoing reality of hurting Arabs in Hebron."

September 2 New rules governing the treatment of settlers give primary responsi-

bility to the Israeli police, rather than the IDF or Shabak, for enforcing the law. The regulations note that special vigilance should be exercised at settlements located next to Palestinian communities, isolated villages where settlers have executed "retaliatory" or "warning" raids, holy sites, public lands claimed by settlers, and IDF bases.

September 4 It is reported that Israeli police in Hebron have opened 143 files against the 450 settlers living in the city from January to July 1998. Eighty-two remain under investigation, twenty-four are awaiting action by the state attorney, and thirty-seven were closed after suspects could not be located.

The municipality approves the construction of 54 units for settlers and 500 units for Palestinians in Ras al-Amud, one year after the issue was the subject of international attention. The Netanyahu government supports construction only after the beginning of the second IDF redeployment.

It is reported that the head of the IDF Central Command has ordered soldiers to do whatever is necessary to enable Palestinians to enter their lands if they are obstructed by settlers.

September 7 Israelwire reports that Israel has given permission for the PA to dig 17 new wells.

September 9 Ground is broken on the first of 180 new dwellings in the West Bank settlement of Bet El, near Ramallah, which is celebrating its twentieth anniversary.

September 10 IDF troops prevent Palestinians from advancing to the settlement of Pesagot, near Ramallah. Settlers there refuse to permit the installation of bulletproof glass in windows facing Palestinian homes.

Ha'aretz reports that "officers complain regularly of difficult situations when settlers send their children to confront them and the Palestinians, throwing eggs and stones. Hebron police admitted that investigating violence by settlers is not worth the trouble."

A report by the Israeli organization Betselem charges that Israeli settlements are supplied with unlimited water resources while denying nearby Palestinian communities adequate amounts, "preventing Palestinians from utilizing water resources in a manner

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that meets their basic needs and population's birth rate." One result has been an increase in infectious diseases due to the use of unclean water.

Israelwire reports the expansion of the settlement of Shilo, between Ramallah and Nablus, to a site several kilometers from the existing settlement. A water tower and rough accommodations have been built on the site.

September 13 Three hundred people from al-Bireh (near Ramallah) march from the home of two brothers affiliated with Hamas who were killed by Israeli forces to the settlement of Passaged, shouting "Revenge! Revenge!"

September 15 In response to protests, the American ice cream company Ben and Jerry's announces that their Israeli licensee will no longer purchase water from an Israeli company based in the Golan Heights.

The Oasis Casino opens outside of Jericho. International staff are housed at a nearby settlement.

September 16 Five Palestinian houses are demolished by the Israeli army. The policy of the government concerning demolitions, according to an aide to Prime Minister Netanyahu, is that approximately 700 houses that were built in the past three years without permits but within contour plans of villages will not be demolished. Several hundred houses built outside of the contour plans are slated for demolition, as they were built on "state-owned lands" or in areas that constitute a security risk.

The YESHA council meets to discuss "the damage that radical Jewish sources in the territories are causing settlers." For the first time a representative of the Hebron settlers is awarded membership on the council.

September 17 A resident from the West Bank settlement of Doley, north of Jerusalem, opens fire on Palestinian stone throwers, killing a 17-year-old student from Bitunia and injuring another. In subsequent days, settlers demand the suspect's release from jail. He is released and placed under house arrest at a Jerusalem youth hostel.

Israelwire reports that IDF forces and reserve units are preparing to defend settlements in anticipation of the end of the Olso interim period in May 1999. In one exercise, shooting and tactical field operations, including simulated attacks, are practiced. A recent

order by the head of the IDF Central Command, General Moshe Ya'alon, is aimed at increasing cooperation between senior IDF officers and settlers.

September 18 Yediot Abaranot reports that plans have been filed by the civil administration for the construction of 600 houses in Yitzhar, a settlement of 60 families near Nablus where two residents were killed in an August 5 ambush.

"There are no restrictions on construction at Yitzhar," Prime Minister Netanyahu explains. "I urge the settlers to start building, because that is another of my answers to the perpetrators of terrorism."

On Israeli television's Channel One, the military government's officer in charge of planning and construction explains that in "2020 there will be a million Jewish settlers in Judea and Samaria, and we have to keep the land free for them."

September 30 Thirteen Israeli soldiers and eleven Palestinians are injured in Hebron in a grenade attack on an Israeli patrol.

October 1 Israeli troops block the main road connecting the Palestinian sector of Hebron (H1) with the Israeli-controlled sector (H2).

An Israeli border policeman is injured during the third day of confrontations near the settlement of Har Adar and the Palestinian village of Biddu, northwest of Jerusalem.

Ha'aretz reports the conviction of two settlers from the Hebron area settlement of Bet HaGai-one for manslaughter and the other for negligent homicide—in the death of a Palestinian on June 16.

October 2 Yerushalim reports that "settlers from Yitzhar have begun to establish an agricultural farm hundreds of meters from the community in order to transfer more land in the area to their control."

October 6 Israeli ministers meet to discuss how to implement a government decision to construct permanent buildings to replace trailers at the Tel Rumeida settlement in Hebron. U.S. Secretary of State Madeleine K. Albright responds, "We would hope very much that there would not be any unilateral actions that complicate the issues we're trying to deal with here."

Unrest in Hebron, including stone-throwing clashes between Palestinians and Israeli soldiers, continues for the fifth day.

Prime Minister Netanyahu announces approval of the construction at Tel Rumeida in Hebron but postpones groundbreaking until archaeological work can be completed.

October 7 Prime Minister Netanyahu attends a celebration marking the declaration of the West Bank settlement of Ariel as a city. It has a population of 15,000.

October 8 Jerusalem mayor Ehud Olmert presides over a ceremony celebrating the settlement of three more Jewish families in the Old City's Muslim Quarter.

A Palestinian is killed by Israeli troops during clashes in Hebron.

October 9 Shots are fired at the Hebron settlement of Bet Hadassah as clashes continue in Hebron.

Yerushalim reports the establishment of an agricultural farm by settlers from Shilo (near Nablus) on land between their settlement and the nearby settlement of Ma'ale Levona. The area, known as "Hill 7," was transferred to the settlement years ago as a result of an IDF confiscation order issued to Palestinian landowners. Settlers are currently trying to purchase the remainder of the hill from its Palestinian owners.

October 10 Israelis at the settlement of Yitzhar fire on a group of Palestinian farmers and Israelis.

October 15 Negotiations between Israel and the PA begin at the Wye Plantation in Maryland.

Construction begins at a site 1 km from the settlement of Alei Zahav, west of Nablus.

October 16 Development work is reported to have begun at a site of a new neighborhood of 1,300 units in the settlement of Kochav Ya'acov near Ramallah, where 400 families now reside.

A military order is issued enabling Israel's Ministry of the Environment to undertake enforcement actions and to apply Israeli environmental legislation in West Bank settlements.

October 19 IDF sources estimate that the costs incurred for protecting settlements as a consequence of redeployment will reach \$75 million. Other military-related relocation costs are estimated at \$250 million.

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October 20 Israel's chief of military intelligence warns that constructing bulletproof prefabricated homes in Hebron's Tel Rumeida settlement will cause more unrest and instability in the city.

The Knesset Finance Committee approves \$2.5 million for construction at Tel Rumeida.

A draft national master plan suggests the construction of a main north-south road (Road Number 8) parallel to Road Number 6 east of the Green Line by 2020.

October 25 Police prevent construction work at the 15 dunam plot in Ras al-Amud that is owned by a Jewish seminary.

Key transport corridors in the West Bank are disrupted by settlers protesting the Wye memorandum.

October 26 A settler from Kiryat Arba near Hebron is shot and killed by a Palestinian. A Palestinian from Beit Furik, near Nablus, is killed by a settler. At the funeral of the settler in Kiryat Arba, demonstrators call Prime Minister Netanyahu a traitor.

The leadership of YESHA votes to support early national elections and to search for an alternative candidate to Netanyahu. YESHA chairman Pinchas Wallerstein, an opponent of the plan, leaves the meeting in protest.

The Council of Rabbis of the Land of Israel condemns the Wye agreement, stating "It is forbidden to lend a hand to this terrible agreement." The council calls for new elections.

October 27 Al-Ayyam reports the beginning of construction of a reservoir for the Almon settlement and a military camp on lands of Anata village near Jerusalem.

October 28 In the wake of the Wye memorandum, security around Prime Minister Netanyahu is increased. Netanyahu will no longer be driven into the West Bank, but will travel there only by helicopter.

Netanyahu stresses to settlers that bypass roads to all settlements will continue to be under Israeli control after the redeployments outlined in the Wye memorandum.

October 29 A Palestinian driving an explosive-laden vehicle is prevented by an IDF escort jeep from crashing into a school bus from the Gaza Strip settlement of Kfar Darom to the nearby settlement of Atzmona. One soldier and the Palestinian driver

are killed when the vehicle is detonated. A caller claiming responsibility for the attack states, "The Islamic Resistance Movement, Hamas, declares that it has carried out a wonderful operation to suppress the settlers everywhere on our occupied land in the Gaza Strip and West Bank."

October 30 The Israeli cabinet allocates funds for the protection of West Bank settlements. Construction was to begin November 1, with an immediate allocation of \$60 million for bypass roads.

As a consequence of the Wye agreement, YESHA leaders agree to begin a program of "creating facts" on numerous hilltop sites in the central West Bank. YESHA chairman Wallerstein notes, "We fear that after approval of the Washington agreement the Americans will take ariel photographs (of the West Bank) and we will not be able to create any more facts on the ground."

Government officials approve the construction of a perimeter fence surrounding the Ateret Cohanim Yeshiva properties located on the Mount of Olives (Ras al-Amud) section of Jerusalem.

November 1 Bulldozing and fencing begin on Ras al-Amud. Included among those Israelis living at the site is the daughter of Uri Elitzur, head of the Prime Minister's Office.

Residents of the Etzion Bloc near Bethlehem place seven caravans 2 km east of the settlement of Alon Shvut at Khirbet Sawir. The site is outside the master plan boundary of the settlement but efforts are underway to include it.

PA negotiator Saeb Erekat, in a letter to Israel and all foreign diplomats serving in Israel, calls for an end to settlement expansion in Ras al-Amud and other sites. He also asks the U.S. to intervene to stop Israel's settlement efforts.

November 2 Expansion of Kiryat Arba begins with the construction of 200 housing units.

The Wye memorandum goes into effect.

Government agents confiscate a tractor at work on the new area of Mitzpe Danny in the West Bank settlement of Ma'ale Michmas.

November 3 Russia issues a statement condemning settlement construction on Ras al-Amud. The Foreign Ministry spokesman warns that the new settlement may provoke violence and undermine recent diplomatic progress.

November 4 The YESHA Council issues written instructions to rabbis serving in West Bank and Gaza settlements to encourage community protest of the Wye accord.

A master plan for the settlement of Reichan, near Jenin, is approved by the civil administration. The plan includes hundreds of dunams taken from the village of Ya'abad.

Seventeen new caravans are brought to the settlement of Avnei Hefetz, east of Tulkarem. The civil administration had approved the transfer.

Former IDF chief of staff Amnon Lip-kin-Shahak is reported by *Ha'aretz* to have said that the Netanyahu government is prepared to evacuate settlements as part of a final-status agreement.

An Israeli delegation leaves for Brussels to negotiate a package to end a dispute over Israel's export of goods produced in settlements to the European Union (EU) under the Israel-EU free trade agreement. According to *Ha'aretz*, Israel is proposing that in return for its agreement to permit direct economic relations between the EU and the PA, the export of settlement goods under the free trade agreement will be permitted.

November 5 Ha'aretz reports that illegal road construction continues on Har Mona near the settlement of Ofra. It also reports that, according to Peace Now, 5,883 legal settlement units were under construction in August.

The civil administration issues an order to stop work on an unauthorized settlement site west of the settlement of Eli (near Nablus), where three caravans and two hothouses had been erected.

November 9 Ha'aretz reports new settlement activity at a hill near the West Bank settlement of Dolev and the Talmonim settlements on a hilltop northwest of Ramallah, more near Alon Shvut in the Etzion Bloc, as well as some both east and west of Shilo. Peace Now claims that at least three other new settlement sites—near Alfe Menashe, Avnei Hefetz and Bracha—have been established since Wye.

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Ha'aretz reports that the Ministry of Housing is supporting additional incentives for settlement in 12 towns, including Jerusalem, and the settlements of Alfe Menache and Ariel. In both settlements new construction has been limited by lack of demand.

Ahmed Qurei (Abu Ala), speaker of the Palestinian Council, declares, "We cannot sit around doing nothing, and we won't be able to prevent the explosion caused by the provocation of the settlements."

November 11 The Netanyahu cabinet approves the Wye accord by a vote of 8 to 4, with 5 abstentions. The cabinet also approves the construction of 11 new bypass roads.

November 12 The first tender for construction of 1,025 dwelling units at the new Har Homa Jerusalem suburb is published by the Ministry of Housing.

November 13 Israelwire reports that the cabinet accepts Defense Minister Yitzhak Mordechai's view that the likelihood of Arab unrest in response to the expropriation of land for the planned Arroub bypass road justifies putting the project on hold.

November 16 Three days before the scheduled Israeli redeployment, Foreign Minister Ariel Sharon tells Israeli settlers, "It is not true that settlements will be completely surrounded [after the upcoming withdrawal]. But everyone there should move, and take over more and more hills. The time is coming when whatever we take, will be ours, and whatever they take, will be theirs. Whoever can help in this, should help. With cunning you should fight wars." Sharon later says that he was referring to land only within settlement planning boundaries.

An Israeli judge sentences a teenager to a two-year prison term for manslaughter for using a pole stuck out of a moving car to kill a 49-year-old Palestinian on June 16. The driver, who fled the scene, was exculpated.

A settler from Hermesh is shot while traveling to the settlement near Jenin. The settlement's council leader complained, "We feel abandoned. The intifada was better than this. At least then we knew what to expect. Today, we do not know what to expect from day to day."

A group of rabbis circulates a decision noting, "Every agreement reached by representatives of the People of Israel that contradicts the Law of Israel [The Old Testament] has no value and there is no requirement to enforce it. Discussion on the transfer of parts of the Land of Israel to non-Jews endangers the Life of Israel, and every effort to assist this transfer contributes to the spilling of blood in Israel."

November 18 The Knesset ratifies the Wye accord by a 75 to 19 margin with 19 abstentions.

Ha'aretz reports that IDF troops evict settlers attempting a land grab on a hilltop west of their settlement near Nahal Tena south of Hebron.

MK Yossi Katz introduces a bill requiring government compensation for settlers forced to give up their homes if their settlements become isolated outposts in Palestinian territories.

Settlers from Kedumim (near Nablus), declaring that "the government is with us," attempt for the third time to establish temporary structures in order to lay claim to 1,500 dunams west of the settlement and beyond its master plan boundary.

November 19 Agence France Presse reports that Israel is considering seizing another 10 percent of the West Bank by changing the legal status of some 500,000 dunams of land. "Accelerated" procedures formulated by Attorney General Elyakim Rubinstein may allow the conversion to take place within four years.

This change in status will begin in the area of Rachelim, south of Tapuach junction, entitling the Shomron (Samaria) Regional Council to consider the outpost a regular community. The settlement will soon admit ten new families. The civil administration has asked for a budget of \$250,000 per year to complete transferring survey land to government land within four years.

Ahmed Tibi, an adviser to Palestinian leader Arafat, states that if Israel proceeds with the new policy "it would be the biggest robbery of the century," and that Palestinians will not remain idle.

Israel Radio reports security cabinet approval of the construction of 12 access roads to settlements in the West Bank that will bypass Palestinian areas.

Arab residents of Yutma, south of Nablus, obstruct construction of the new bypass road from Eli to Tapuach.

At a meeting of Fatah, Faisal Husseini says, "To fight the cancer of settlement activity is a sacred duty, because the continuation of this activity will torpedo the peace process."

November 20 Redeployment of Israeli troops from the Jenin area of the West Bank begins, including deployment from approximately 500 square kilometers, or 9.1 percent of the West Bank in the Jenin area. Two percent of Area C, under total Israeli control, will become Area B, under joint Israeli-Palestinian control, and 7.1 percent of Area B will become Area A, under total PA control.

November 22 IDF troops remove residents of the settlement of Shavei Shomron (near Nablus) from the old train station in Sebastia.

A new order is issued allowing the army and police to remove Israeli "squatters" from an illegal residence in the West Bank up to 30 days from the serving of the order to

It is reported that in 1999 the Industry and Trade Ministry will invest \$1.2 million in tourism, industry and high-tech projects in the settlement of Kiryat Arba near Hebron. Another \$500,000 will be allocated for area improvements and a gas station at the northern entrance to Kiryat Arba.

Israeli finance minister Ya'acov Ne'eman departs for Washington to discuss Israel's \$1.2 billion request to fortify settlements, construct bypass roads, and assist in the IDF redeployment called for in the Wye accord.

November 23 Residents of northern West Bank settlements set up a temporary encampment on what is known as Hill 792 near Elon Moreh.

Settlement council leaders reject IDF-proposed fortifications for settlements.

The IDF declares Hill 777 a "closed military zone" after settlers establish a new temporary homestead at the site.

Yediot Aharanot reports that settlers will now do their annual military reserve duty in their communities rather than serve in regular army units. It also reports that before year's end all 140 settlements in the West Bank will devise a defense plan enabling them to defend themselves with army reservists and the permanent military on guard until the regular army arrives.

put his signature to agreements "surrendering part of the homeland."

In winning Knesset approval for Wye, Netanyahu forced unprecedented splits among his right-wing allies in the National Religious Party and in the settlement movement, and he demonstrated that the Labor Party would not vote against Oslo, even if it meant saving Netanyahu himself.

Yet the prime minister, in keeping with past practice, was unwilling to take the credit for his support for the PA and its expanding territorial power by setting out a clear political direction championing this policy. Having paid the political price on the right for the Wye agreement, Netanyahu campaigned against Wye, even as he handed territory to the PA.

Settlers Split

The settlement movement, which in November 1998 decided to support early elections, had a change of heart as the prospect of Netanyahu's downfall materialized.

Benjamin Kasriel, mayor of the settlement of Ma'ale Adumim, represented the views of settlers who fear a change in government, saying, "If elections for prime minister are held, a second round will be between Netanyahu and [Amnon Lipkin] Shahak. Shahak will win and he will dry out many YESHA communities, and they will be wiped off of the political map. New elections must therefore be avoided at all costs."

Netanyahu might have been able to survive and to smooth over the contradictions in his policy were it not for a major strategic miscalculation. The December visit of President Clinton to Gaza sanctified the Palestinians' pursuit not only of statehood but also their quest for US recognition of the moral value of their aspirations. One Israeli commentator said the visit gave "the Palestinians and the PLO their greatest diplomatic and political achievement since they started the struggle against Israel. Clinton's visit turned the PA into a nascent state and demonstrated the fundamental change that has occurred in the close balance of relations between Israel and the Palestinians, on the one hand, and the United States on the other."

Netanyahu will have another chance to redeem himself and his policy in this new election season. All indications suggest that he will attempt a repeat of his successful first campaign against Labor's Shimon Peres and Yasser Arafat, while pledging his agreement with the majority of Israelis favoring a continuation of Oslo.

This time, however, he will have to contend not only with a challenger from the ranks of Labor—his former commander, Ehud Barak—but also from candidates from the anti-Oslo right, Benny Begin and Moshe Arens, and from a centrist party, headed by former Defense Minister Yitzhak Mordechai, emerging from the spoils of Labor and the Likud.

The number of probable serious candidates attests to the unsettled, transitional nature of Israeli politics today, somewhere between the demise of the traditional Labor-Likud-led system and the re-creation of national politics along post-ideo-

logical and, in some respects, post-Zionist lines.

Barak, like Netanyahu, presides uneasily over the remnant of a once-dynamic party that today is little more than a vehicle for the personal political ambitions of its squabbling luminaries. Barak has already been victimized by his short tenure as party chief, his public stature as a military hero and leader tarnished by his ineffective rule over a fractious party and his inarticulate opposition to Netanyahu.

Barak vs. Bibi

Both men will compete for the floating voters of the middle while seeking to minimize losses on the extreme to fringe candidates. Barak's slogan, already appearing on campaign posters throughout the country, declares, "One Israel. For everyone and not for the extremists." Barak's and Netanyahu's views will no doubt be packaged differently by their teams of competing American election advisors, but in fact they have more in common with each other—notably on their views of a final settlement with the Palestinians—than each would care to admit. In one important respect, Barak's vision of the future is harsher. His call for total separation between Israel and Palestine would condemn the emerging state to perpetual penury.

Barak's suggestion for a government of national unity comprising the two major Israeli parties may well be at the center of post-election consideration.

Mordechai is the latest, and probably the last in a long line of cabinet ministers who have fled not only the Netanyahu government but the Likud Party itself.

His leadership of the "noname" party has the potential to be far more damaging to Netanyahu than to Labor challenger Ehud Barak. Unlike Annon Lipkin-Shahak, or even Dan Meridor, who were until Mordechai's arrival the presumptive leaders of the new party, Mordechai's candicacy in the first round of the May 17 election offers Likud voters—despairing of Netanyahu but not his policies—a chance to vote against the prime minister without betraying their political principles.

Political differences with Netanyahu or Barak will not be an obstacle for Mordechai and the party he leads. He has been a faithful, committed executor of the current government's policies. The political platform drawn up by the nascent party's leadership calls for "reasonable compromises" with Israel's neighbors, but says nothing about a Palestinian state, and supports "territorial compromise" with Syria. "With a small effort," wrote one Israeli journalist, "the three parties could draft a joint manifesto." After the June elections, that's just what may happen.

The search for the key to the hearts of Israel's "silent majority," however, may not run through Palestine or Israel's settlements there, but through shopping malls and bus stops in Jerusalem and Tel Aviv, where religious coercion is colliding with the secular, bourgeois aspirations of most Israelis. Each candidate will attempt to deal with this central conflict in domestic Israeli politics and turn it to electoral advantage.

At the outset of this new election season in Israel, only one thing is clear—and that is that nothing is clear.

SETTLEMENT SNAPSHOT

Settlement Report editor Geoffrey Aronson visited Israel and the occupied territories in November 1998. The following items are the result of his discussions and extensive touring in and around West Bank settlements.

Approximately 2 percent of the West Bank (100,000 dunams) has been confiscated for the use of bypass roads constructed since January 1996. In many if not most cases, the confiscation orders date from 1993 or earlier.

Where bypass roads cross agricultural areas, there is an immediate financial impact on Palestinians. For example, along Road Number 60 running south from Jerusalem, one dunam sells for \$60,000. The value of one dunam of grapes planted in the Hebron area is \$2,800. Anticipated confiscations for the Arroub bypass south of Bethlehem, on lands known for their agricultural value, will have a particularly severe economic impact. I was told that these lands may be "traded" for alternative lands around Hebron as part of a deal to construct the Arroub bypass road.

Many of these roads—such as the bypasses around Betunia—compromise the viability of expansion, economic development, and modernization. Given that the territorial division of the West Bank is being implemented unilaterally by Israel, and that the current and future needs of affected Palestinian communities are not high on the list of Israeli priorities (as can be seen by the current territorial situation), it is only logical to conclude that their prospects are and will be compromised in a diplomatic framework operating according to current principles.

A Palestinian state created from the possibilities permitted by the current diplomatic framework will be unable to undertake effective development economic and expansion.

Land Issues

The division of lands according to the Oslo system is not so neat when viewed from the perspective of Palestinian landowners who have been cut off from access to their lands as a consequence of Oslo's implementation.

According to a local council member from Abu Dis, "I can't expand to the west because of Jerusalem and Sawahne. In the east is Ma'ale Adumim."

"Cities and towns are exploding with people," reports a Palestinian official in the Local Government Ministry. "Such a situation is created by the occupation," by which he means the insufficient land reserves created by the current territorial division of the West Bank. Anticipated further redeployments of the Israel Defense Forces will not materially improve this situation.

"In these villages and towns, we still live as if in a prison. Settlements compromise our ability to implement regional and even village and town plans for development and expansion," he added.

Statements such as this were made in most cases by loyal members of the Palestinian Authority (PA) bureaucracy. Their public recognition of the inadequacy of the current and envisioned territorial division of the West Bank was notable.

I was also apprised of a situation that exists in Ramallah, and perhaps elsewhere, according to which part of the city town planning boundary includes land designated as "Area C," which is under total Israeli control. Palestinian officials argue that the inclusion of this area within its planning authority takes precedence over its designation as Area C. Israel argues otherwise, and apparently has prevented Ramallah from continuing its planning authority over the disputed area.

In other instances, where a dispute arises concerning the precise location of the boundary dividing Areas C from B or A, the Israeli military commander of the territories is the authority charged with determining the boundary location. This is consistent with the fact that the commander, as the executive official of the country which still maintains a belligerent occupation over all territories captured in 1967, remains the supreme source of authority throughout the occupied territories (including, I would argue, Area A), and that the territorial division of the territories (as well as the authority of the PA) derives not from the Oslo accords but from the military orders that have put the accord's provisions into force.

Pragmatic Cooperation

Israeli settler officials told me that some settlements near al-Bireh will be connected to the new sewage treatment plant being built by the town with foreign aid funds. A Palestinian engineer confirmed this, noting that some al-Bireh officials are not aware of the plan. A similar agreement has also been reached that includes Nablus and some settlements, although this was not confirmed by Palestinians.

This arrangement marks the first time that such projects are proceeding jointly. For many years now, other basic utilities water supply, electricity, and communications, for example have supplied unified services to both Israelis and Palestinians. These utilities, however, cannot be characterized as joint projects with settlements. Cooperative environmental projects such as water and sewage treatment and solid waste disposal improvements, have met with Palestinian opposition.

The al-Bireh and Nablus projects represent the kind of joint "pragmatic" actions in the absence of a formal agreement on the issue of Israeli settlements at the heart of Israel's Oslo strategy. As such, these projects should be considered a valuable Israeli achievement in the Netanyahu government's effort to win de facto Palestinian recognition of the legitimacy of the settlements.

January-February 1999

PALESTINIAN CENSUS CONFIRMS PALESTINIAN LOSSES IN JERUSALEM

Reports of the large-scale depopulation in Palestinian areas of East Jerusalem have been confirmed by a recent census of Palestinians conducted by the Palestinian Authority. While the number of Palestinians holding Jerusalem identity documents issued by Israel is generally believed to be almost 200,000, Palestinians actually residing in the city account for less than half that figure. See the July-August 1997 issue of the Settlement Report for background on this subject.

Number of residents in the West Bank and Gaza Strip (including East Jerusalem)	2,895,683
West Bank (including East Jerusalem)	1,873,476
Gaza Strip	1,022,207
Jerusalem region (including East Jerusalem and West Bank environs)	328,601
East Jerusalem	85,805
Population Projection 2025 West Bank and Gaza Strip	7,500,000

In the negotiations on Judea, Samaria and the Gaza District the Government will preserve the vital national interests of the State of Israel, as affirmed in the Government's decision of January 14, 1998. These include security areas, the areas around Jerusalem, the areas of Jewish settlement, infrastructure interests, water sources, military and security locations, the areas around north-south and west-east transportation arteries, and historic sites of the Jewish people.

The Government asserts that a unilateral declaration by the Palestinian Authority on the establishment of a Palestinian state, prior to the achievement of a Final Status Agreement, would constitute a substantive and fundamental violation of the Interim Agreement. In the event of such a violation, the Government would consider itself entitled to take all necessary steps, including the application of Israeli rule, law and administration to settlement areas and security areas in Judea, Samaria and the Gaza District, as it sees fit. Israel reiterates its position, in accordance with the agreement with the PA, that the Final Status must be the result of free negotiations between the parties without the implementation of unilateral steps which will change the status of the area.

The Government will continue to pursue its policy of strengthening and developing the communities in Judea, Samaria and the Gaza District, on the basis of a multi-annual plan.

The Government will see to it that security roads will be built in Judea, Samaria and the Gaza District.

Excerpts from the Israeli government's November 11, 1998 approval of the Wye River memorandum signed in Washington on October 23, 1998

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