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Settlement Monitor

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SETTLEMENT MONITOR

EDITED BY GEOFFREY ARONSON

This section covers items—reprinted articles, statistics, and maps—pertaining to Israeli settlement activities in the Gaza Strip and the West Bank, including East Jerusalem, and the Golan Heights. Unless otherwise stated, the items in this section have been written by Geoffrey Aronson directly for this section or drawn from material written by him for Report on Israeli Settlement in the Occupied Territories (hereinafter Settlement Report), a Washington-based bimonthly newsletter published by the Foundation for Middle East Peace. JPS is grateful to the Foundation for permission to draw on its material. Major documents relating to settlements appear in the Documents and Source Material section.

Take a Time-Out for Peace	126
The Clinton Administration on Record	128
Settlement Chronology	132
Maximum Incentives for Settlements Restored	135

TAKE A TIME-OUT FOR PEACE

From Settlement Report, November 1997.

The September visit of U.S. Secretary of State Madeleine Albright to the Middle East was aimed at reinvigorating efforts to formally resume Israeli-Palestinian negotiations. It also offered the Clinton administration an opportunity to highlight its support for an undefined “time-out” in Israel’s expansion of settlements.

Discussion of issues already addressed in the Oslo II agreement as well as those relating to “final status” had been frozen by the Palestinians last March to protest construction of the Har Homa settlement in annexed East Jerusalem. On 29 September, after meeting with Palestinians and Israelis in New York during the opening of the UN General Assembly, Albright announced a resumption of talks in the regular committees on items such as the opening of a Palestinian airport in Gaza. She also set forth a timetable for resuming higher level talks aimed at reviving the “final status” negotiations that had lapsed after the first, ceremonial, meeting in May 1996.

Major elements of the current diplomatic framework for reengaging the two sides outlined by the secretary of state were presaged in discussions before a terror bombing in Jerusalem in late July. At that time, the United States had been pushing the idea of trading a Palestinian agreement to defer the redeployments outlined in the Oslo II and Hebron ac-

cords for an Israeli commitment to no “substantial” settlement expansion. When Israel and the Palestinian Authority (PA) agreed to resume talks on outstanding “interim period” issues in July, Israel viewed the PA’s willingness to enter into discussions in the absence of a settlement freeze at Har Homa and elsewhere as undercutting the American initiative for resuming final status talks based on a freeze on settlement expansion.

U.S. efforts are once again focused on making progress on secondary “interim” issues. Discussions on further redeployment, defining the “time-out,” and convening permanent status talks—all issues that the Netanyahu government prefers to avoid—were postponed twice. When the Israelis and Palestinians met in early November, issues of substance apparently were not addressed.

U.S. diplomats are now telling Arafat that if he can satisfy Israeli demands on security (according to U.S. officials, the Palestinians are reconciled to the postponement of Israel’s redeployments announced in September), Washington will support him in his demand for a settlement “freeze,” a halt to construction at Har Homa, and a host of issues already addressed in the Oslo II agreement. Albright reportedly told Arafat, “Give me a real war on terror, and I will push Netanyahu on settlements.” It has also been reported that Albright told both Arafat and Mubarak that if Arafat succeeds in satisfying Netanyahu on terror, “she will convince Clinton to announce U.S. support for the Pales-

tinians' right to full self-determination, in other words, independence." Such a statement would be viewed by Arafat as a tremendous achievement in his quest for sovereignty, outweighing any (improbable) Israeli concession on settlements or redeployment.

Since March, the key stumbling block to an agreement on resuming final status talks has been the definition of a settlement freeze acceptable to both Israeli prime minister Benjamin Netanyahu and PA chairman Yasir Arafat. The United States for months had been trying to win Netanyahu's approval for a containment of settlement expansion—even a cosmetic one—in return for Arafat's agreement to postpone IDF redeployments until mid-1998 and to increase security cooperation. Netanyahu, however, is in fundamental disagreement with this conceptual approach. For him, security cooperation—including first and foremost Arafat's battle against Hamas and other violent opponents of an agreement with Israel—is an unconditional element of the Israeli-Palestinian relationship, not a concession to be traded for a slowdown in Israeli settlement. Netanyahu was fortified in this view following the July bombing and by the realities of his ruling coalition, raising doubts about the utility of the concept guiding the Clinton administration's approach to the continuing diplomatic impasse.

As a consequence of the negotiating stalemate, vague but insistent calls for what the Americans described as a "time-out regarding unilateral steps" that prejudice final status talks have become a prominent feature of Albright's public and private diplomacy. The U.S. attitude toward settlements is conditioned, however, by a number of factors that could well serve to limit the effectiveness of this pronouncement.

Settlement expansion has always been a unilateral Israeli action aimed at prejudging the ultimate disposition of the occupied territories. There is, in fact, no better definition of Israel's settlement program. As Albright has noted unartfully but correctly, the Oslo process poses no practical limits on Israel's settlement plans. Indeed, any constraints on settlement expansion negotiated by or imposed on Israel would contradict a central tenet of the Oslo process as understood by Netanyahu's predecessor Yitzhak Rabin.

The diplomatic record suggests that U.S. pique about settlements is less one of principle than a general loss of confidence in the credibility of the Israeli leadership. Netan-

yahu, believing that the souring of relations between Prime Minister Yitzhak Shamir and the Bush administration resulted more from Shamir's dissimulations about his settlement intentions than his settlement activity per se, promised President Clinton in his first meeting as prime minister that he would neither surprise nor lie to the United States about his settlement plans. Despite the fact that Netanyahu has adopted the American language on permitted settlement expansion—"natural growth"—and is expanding settlements more slowly than Yitzhak Rabin, he has failed, unlike Rabin, to "build quietly" or to convince Washington that he is a man of his word.

During Rabin's tenure, the Clinton administration inaugurated the policy of making allowances for the settlements' "natural growth." Because of the poisoned atmosphere in which Arab-Israeli diplomacy is now being conducted, the United States has been downplaying this position (see State Department briefing of 1 October below). This distancing, however, is guided not by principle or international law, or even by historical U.S. policy, but by the perception that supporting "natural growth" unnecessarily complicates the diplomacy that Washington is trying to orchestrate.

In her use of the term *time-out*, Albright has added a new word to the lexicon of Middle East diplomacy, but not a new concept. Discussions among the parties on an acceptable formula to restrain Israel's settlement expansion have been ongoing for more than six months. Albright has elevated this effort to a centerpiece of current U.S. diplomacy—a key advance for the Palestinians. Israel's agreement on 29 September to engage in negotiations to define the content of a "time-out regarding unilateral steps" during the six to nine months of final status talks marks the first time any Israeli government has agreed to place settlements on the negotiating table. Yet Netanyahu can take solace in the fact that the very concept of a "time-out" in effect legitimizes the entire settlement project.

In discussions with Israel on the content of a "time-out," Washington continues to be satisfied with cosmetic constraints on settlement expansion. Ehud Olmert, the mayor of Jerusalem, offered some insight into the American position when he explained how the United States became reconciled to an Israeli decision to expand the settlement of Efrat by 300 housing units. "I don't see any reason in the world why we should stop

building in the city of Jerusalem. [Albright said that] building in Efrat doesn't constitute any major obstacle as the building is within [Efrat's] city limits. Har Homa is within the city limits of Jerusalem, so, on the basis of their opinion about Efrat, I see no problem about Jerusalem." Netanyahu, meanwhile, explained that his announcement of the construction at Efrat "was blown up enormously in the *New York Times*, and [Albright reacted]. Then I took out the map of the settlement, which speaks for itself, and the fire was extinguished."

In recent discussions with Israel on settlement constraints, the United States has been promoting the "principle of continuity." Israel has rejected this concept, but it has engaged in a debate about its meaning. The definition preferred by the United States notes that there will be no new construction beyond the outermost road in any settlement. A second, more flexible definition would permit new construction in proximity to existing homes. Under either of these definitions, settlement at Efrat of the kind announced by Netanyahu on 24 September would be permitted.

It is unlikely that discussion of the meaning of a "time-out" on unilateral actions meant to prejudge final status issues will address settlement construction in East Jerusalem. The Clinton administration refuses to describe such construction as settlement expansion or to describe the Jews moving into the Arab neighborhood of Ras al-Amud, for example, as "settlers." Nor does it view the presence of settlers in Ras al-Amud as "the kind of significant unilateral act that we were calling for both sides to avoid." According to the State Department spokesman, settlement in East Jerusalem is an internal Israeli affair.

THE CLINTON ADMINISTRATION ON RECORD

WHEN SETTLERS AREN'T SETTLERS

On 13 September, the day after Secretary of State Madeleine K. Albright ended her visit to Israel, Israel's urban planning commission announced approval of plans by American Jewish developer Irving Moskowitz to build 70–130 housing units for Jews in the Palestinian neighborhood of Ras al-Amud in East Jerusalem. The same day, settlers moved into two buildings under heavy police protection. Although Netanyahu condemned (9/13) the action, which he knew of two weeks in advance, he did not reverse it but instead imple-

mented (9/18) a "compromise proposal," replacing the settlers with Yishuv students.

State Department, 17 September 1997

Spokesman: The United States has been in contact with the Israeli government with regard to the Ras al-Amud housing project. The move of settlers into this project is not helpful. This action represents a lightening rod for increased tensions, which the secretary very much hopes we can remove. We are pleased that Prime Minister Netanyahu has expressed a similar position. It's just this kind of an action which undermines the confidence so necessary to getting the peace process back on track. . . .

This kind of action is not wise. If one cares about the peace process, one doesn't want to see these kind of actions taken. . . . We are pleased that the government of Prime Minister Netanyahu seems to understand the risks associated with this kind of project, and they oppose this kind of project.

We don't think this is a question of law. We think that it's not up to us to micro-manage how Prime Minister Netanyahu implements his views about the wisdom or lack of wisdom of this project. So that's really up to the Israeli government. . . .

Remember, this is about property rights, people purchasing property and then trying to build on that property, dealing with local governments, dealing with national governments. It's really an Israeli internal matter; that's precisely why I said we weren't in a position to micromanage it.

State Department, 18 September 1997

Spokesman: We have been working most closely with the Israeli government to try to get an outcome [at Ras al-Amud] as close to our view as possible. We are pleased to the extent that the settlers are out, but we hope and expect that nothing will happen in the days and weeks ahead that will have the effect of reversing the status quo.

Question: Are they "settlers" to the U.S. government? You consider them "settlers"? You used the word "settlers." I'm giving you a chance to say whether you meant what you said.

Spokesman: Settlers in a housing project, yes.

Question: You know what "settlers" means in Middle East vocabulary—were they "settlers" or are they just simply Jews moving into new homes?

Spokesman: Do you think it would be a good idea for you to take more or less days off?

Question: Look, Jamie, half the press calls them settlers, and the other half doesn't. And the heck with what the press does. There are certain rules for settlers and certain rules for Jerusalem.

Spokesman: All right. People can settle in housing projects.

Question: Are these people "settlers"?

Spokesman: The people who are in the—we do not regard this, as you know, the word that I'm not going to use. You can settle in a house. You can settle in an apartment building. You can settle in a housing project. Or you can settle in something larger than that.

Question: Does this bear on any restrictions there might be that the parties have agreed to, regarding settlements?

Spokesman: What this bears on is the kind of issue that can undermine trust and confidence.

Question: So it's not a legal issue, it's a spiritual issue.

Spokesman: I'm not sure we're making any progress here.

Question: We are making progress, because now you've gotten off settlers.

Spokesman: Okay, if you think we've made progress, I'll take that as a—

Question: I'm just asking you to define your terms, because it's a tricky but very significant distinction.

Spokesman: I agree, and I did not use the word that would have made it a problem.

State Department, 19 September 1997

Question: The secretary, when she was in the area, talked a lot about the importance of not taking, as you said, unilateral actions that create facts on the ground. Do you consider that [the Israeli "compromise" on Ras al-Amud] putting these students now, instead of the families, creating new facts on the ground, that makes resuming the negotiations harder?

Spokesman: I think I've said very clearly, and I'll repeat for you, that we have received assurances that there will not be a new status quo. The character of the neighborhood will not change. Therefore, we believe that the main element, the essential element that this situation could have created has been allevi-

ated, if the assurances are followed through upon.

So, no, we don't think that the fact that there are teams of caretakers who are not going to live there, and construction is going to be not occurring there, and the neighborhood is not going to change is the kind of significant unilateral act that we were calling for both sides to avoid.

OBSERVATIONS ON A "TIME-OUT"

In an 11 September speech at the Israel Academy of Arts and Science in Jerusalem (see Doc. D1 in this issue), Secretary of State Albright, after spelling out Palestinian responsibility for rooting out terrorism, called for a "time-out." "This means," according to the secretary, "that Israel should refrain from unilateral acts—including what Palestinians perceive as the provocative expansion of settlements, land confiscations, home demolitions, and confiscation of IDs." The following are elaborations on the idea.

Secretary Albright on NBC-TV, 12 September 1997

Secretary Albright: I think that the issue here is there needs to be a time-out from the kinds of activities that provide, that make people think of the zero-sum game. It has to end. They have to see again that both Arafat and Prime Minister Netanyahu need to see each other as necessary partners.

Question: So, Israel, as you've said in your speeches here, has to stop building settlements and doing other things that humiliate the Palestinians.

Secretary Albright: I have not said it that specifically. What we have said is that it's important for both sides to try to figure out how to avoid taking zero-sum steps, and steps that practically are the kind that should be discussed in the final status talks, that are not the kind that preempt the final status discussion.

Secretary Albright on CBS-TV, 12 September 1997

Secretary Albright: As far as the "time-out" is concerned, we do think that the issue of terrorism here is the underlying theme and problem, and as we've said, dealing with it is the sine qua non of getting the peace process back on track. But at the same time, I think that the crisis of confidence requires that certain acts—and if I might correct this—that are viewed as provocative by each side—not that I am calling provocative, but

that they see as provocative—that there be a “time-out” on some of those, so that a climate of confidence could be rebuilt, and so that they could stop seeing each act as a zero-sum game. We have to get away from that.

Question: “Time-out” starting when?

Secretary Albright: Well, as soon as possible, obviously. I think that it’s a matter of having each side stop seeing this as zero sum.

Secretary Albright, Press Conference Following Meeting with Israeli FM David Levy and PLO Executive Committee Secretary General Mahmud Abbas in New York, 29 September 1997

Secretary Albright: . . . [T]he time-out was agreed to be for the duration of the final status negotiations. But as a part of the tools that have to be discussed—what was in the time-out—those will be the subjects that will, in fact, be discussed between the parties. . . .

Question: Madame Secretary of State, I’m not quite clear. Has Israel agreed to freeze construction or not?

Secretary Albright: That is not what this says. What it says is that there will be a set of talks about the issues that need to be considered in this time-out. And obviously, as I have discussed this before, some of the settlement activity is viewed by the Palestinians as a concern in terms of the environment.

I understand—I think we all need to understand the importance of creating the right kind of environment for negotiations. And that means avoiding the kind of unilateral actions that can preempt or prejudice the outcome of the final status negotiations.

Question: Madame Secretary, I guess I am still confused about the time-out. Are you telling us that there was an agreement between the two sides that there should be a time-out, or that the content of the time-out was to be renegotiated or maybe be negotiated or what is it?

Secretary Albright: Well, what is going to happen is—I will read to you again, the definition and content of a time-out regarding unilateral steps so that each side can ensure the right environment for the duration of the permanent status negotiations.

I would take that to mean that there is agreement on a time-out. But the length and content of it—although the length is pretty clear, since it’s been the duration of the per-

manent status negotiations—that is basically an issue of the content, not the timing.

State Department, 30 September 1997

Spokesman: We do not think it is wise for us to discuss publicly exactly what such a time-out would entail. We are now going to engage in a negotiation beginning very soon, in about two weeks, on exactly what that time-out would entail.

We have a sense that both parties know what the unilateral acts are that make the environment difficult and make it hard to envisage a successful negotiation. What exactly that time-out is also depends, to some extent, on what the environment is, and in an environment in which the situation has deteriorated to the point it had prior to yesterday, a very small action by one party could yield a great reaction by the other. In an environment in which things are going well and negotiations are proceeding and in which there is progress at the table, specific actions may not yield the same kind of reaction.

So the time-out is a flexible tool. The secretary gave a list in the region of things that are perceived as provocative by the Palestinians that the Israelis might engage in, and that is a guideline for the kind of actions that we think the Israelis ought to refrain from. Now, we haven’t achieved agreement with the Israelis on this. We have stated what we think is helpful and what we think is not helpful, and we will continue to do that. But in terms of specifying what the content of the time-out is, we would prefer to wait at least until the parties have had a chance to talk about it a little bit more.

Question: Cutting away all the verbiage though, didn’t Madeleine Albright say in Jerusalem—a couple of weeks ago . . . made a call, a specific call, for the Israelis to take a time-out on settlement activities? It wasn’t just unilateral acts, but she specifically mentioned settlement activity.

Spokesman: Right. As I said, that was on the list, and Secretary Albright believes that the environment for talking about talks and then the environment for the talks would be greatly improved if neither party conducted unilateral acts of the kind that you mentioned. . . .

Question: In the administration view, can the final status talks go on without this time-out?

Spokesman: It is the administration's view that the final status talks will have a real, real hard time succeeding in the absence of a time-out. We are very clear in our minds that, in the absence of a time-out, the prospect for success in the final status negotiations would be greatly reduced.

ON THE LEGALITY OF SETTLEMENTS

In response to a question on the "Today Show" on 1 October, Secretary Albright stated that Israeli settlements were "legal," prompting speculation that U.S. policy on settlements had changed. Below are excerpts from the original interview and official "clarifications" of the secretary's statement.

Secretary Albright, "Today Show," NBC-TV, 1 October 1997

Matt Lauer: . . . [W]hile you were [in the region] you talked about a time-out. You wanted people to stop doing things that added hostility to the peace process.

Shortly after you held a phone conversation with Prime Minister Netanyahu, he announced that he'd build 300 new homes in Efrat, a settlement near Jerusalem. He said he planned more settlements in the West Bank. This is right after you had a phone conversation with him. He mentioned nothing about that to you. What does that say about your influence, after your call for a time-out in the region?

Secretary Albright: Well, I think I have tried, and I will continue to try. The United States is the only country that can actually help them get together.

But as I said, Matt, the leaders themselves have to make the decisions. What I found when I was in the region, the people, the Israeli people and the Palestinians, want peace. I think it's very important for the leaders to give that a chance, to make some tough decisions. We are talking more with them about what the concept of a time-out means, because actions that create even greater lack of confidence, we've got to avoid those.

Lauer: But do you think you were blindsided by the prime minister?

Secretary Albright: I wasn't happy. We had had a conversation, and I felt that going forward with those kinds of building was not helpful. It is not in any way not part of what they can do, but they shouldn't do it.

Lauer: It's legal.

Secretary Albright: It's legal. But I think that, in this kind of an atmosphere, it's very important not to take actions that are viewed by the other side as creating more difficulties.

State Department, 1 October 1997

Question: Does the U.S. government accept the Israeli justification for expansion of existing settlements, the concept of natural growth? That there is a natural growth . . . of the population, which justifies and makes acceptable an expansion in the number of housing units?

Spokesman: We have never accepted that proposition. Our view has consistently been that the settlement activity is unhelpful and is counterproductive to the effort to achieve a negotiated settlement of the Palestinian-Israeli dispute. So there is nothing new on that.

Question: However, in her "Today Show" interview this morning, the secretary was asked if the settlements are legal. And she said, quote, "they are legal," unquote. Was she talking about legal within the context of Israeli law? Or was she talking about international law, specifically the Fourth Geneva Convention?

Spokesman: No, she was not talking about international law. Our overall position on the question of the legality of settlements remains the same. We are, of course, not taking a legal position on that overall issue. . . . The fact of the matter is that there is nothing in the interim agreement, as such, and under Oslo that prohibits settlement activity. We do not support the settlement activity. We think it is unhelpful and counterproductive. But as a technical answer, though, the statement was technically correct.

State Department, 2 October 1997

Question: If Oslo does not prohibit something, does it make it legal? Is this the basis for the legality of this?

Spokesman: Our position has always been that we believe that settlement activity is a complicating factor in our efforts to promote a negotiated settlement of the Israeli-Palestinian conflict and dispute, and that view has not changed. We think settlements are counterproductive, they are unhelpful, and that has not changed.

State Department, 3 October 1997

Question: I was wondering if you can tell us your policy on settlements, if you can clarify more what the secretary said.

Spokesman: I know there was some confusion on this, so let me try to explain it. For those of you who have never been interviewed on a morning show, it is an interactive process. Heads are nodded and words are stated as a way of engaging in conversation. After the show, I spoke to Secretary Albright and she told me that I could tell you that there was no intent on her part to adjust the longstanding American policy not to make a grand legal judgment about settlements. We have made a lot of judgments about the wisdom of settlements, some from this podium and some from many other fora, but this was specifically not intended to make a legal judgment about settlements. It was part of a narrow technical answer to what is permitted and prohibited by the Oslo accords.

She was trying to make the point, which obviously wasn't fully successful, that the issue is not legality; the issue is wisdom. She was saying that she thought it is not wise, and it is unhelpful in many cases, for activities to be conducted that purport to prejudge final status issues. And so it is our position that settlement activity is unhelpful in many of the cases that have come up recently. We are not intending to make a legal judgment about this, and she was not intending to do so in the grandest sense.

Question: Can I follow up? Two days ago—the day the statement was made—in your answer, you said that Oslo does not prohibit settlement activities. If Oslo does not mention an issue, does that make it legal?

Spokesman: She was not intending to make a legal judgment about settlements. She was trying to answer a narrow technical question in the context of an interactive interview where you try to make things simple for the American public because it's being read in the morning, being watched in the morning, and there is a tendency to try to simplify issues in the morning.

It was obviously misunderstood and so I'm here to tell you that we have, I believe, stated before that Oslo didn't prohibit—and that's a very careful formulation—did not prohibit. If you say it's not mentioned, then it clearly did not prohibit if it's not mentioned.

Question: (Inaudible) to the final status, which means nobody should change anything on the ground before the final status arrives.

Spokesman: Right. So it's a technical point and it's an irrelevant point to the point that the secretary of state was trying to make, which is that when it came to several settlements that she was asked about in New York, including a question you may have asked about the houses in Efrat, she said that this was unhelpful. Our view, our judgments, are going to be made on what we think can contribute or take away from the peace process in the Middle East, not grand legal judgments about specific actions. We have resisted, and will continue to resist, making determinations about what Oslo does and doesn't say.

Question: So there has not been any change in U.S. policy toward settlements since the 1970s, since the Carter days?

Spokesman: Well, I don't want to get caught on that. I mean, all I can say is the secretary of state in that interview was not intending to make any new statements about the grand legal judgment of the settlements in the Middle East. I think we have exhausted that completely.

SETTLEMENT CHRONOLOGY**21 August**

Yedi'ot Aharonot reports that Israeli government legal authorities are examining the possibility of declaring "tens of thousands of dunams (4 dunams = 1 acre) in Judea, Samaria, and the Gaza Strip to be "state land." This status will enable construction on these lands and thus expand settlements, which have included the lands under study in their master plans." Implementation of this policy, first suggested by the settler council YESHA, will enable the creation of territorial links between settlements in advance of future IDF redeployments.

29 August

Ma'ariv reports that tens of mobile homes have been placed in a number of West Bank settlements in recent weeks. Settlers explain that the transfers have been underway for months and that the minister of defense has approved all of the placements.

3 September

Khader Shkirat, the director of the Palestinian Society for the Protection of Human Rights and the Environment, tells a news

conference that since Netanyahu took office, "245 Palestinian homes have been destroyed, 21 of which were in East Jerusalem and the rest in still-occupied areas of the West Bank." The targeted homes "were mainly located near Jewish settlements, military areas, or near bypass roads."

4 September

The IDF reports that the PA is laying claim to locations in area C in the West Bank by the following means: issuing titles to lands located in area C; approving the expansion of planning and building zones of villages; ordering the expansion of planning boundaries of villages; and confiscating lands in area C for "public purposes." According to the Oslo II Interim Agreement, Israel has sole jurisdiction in area C, which comprises 72 percent of the West Bank.

8 September

Housing Ministry agrees to pay for infrastructure work at the site of 300 new dwelling units in the Golan Heights settlement of Qatzrin. The financing represents a per unit subsidy of \$18,000. Homes—80 sq. meters on a quarter-dunam plot—are expected to sell for \$75,000.

Prime Minister Netanyahu meets with settlement leaders who ask for fewer restraints on settlement expansion.

10 September

Israel's Housing Ministry reports that 1,560 units have been purchased in West Bank settlements during the first seven months of 1997—an increase of 56 percent over the same period in 1996. Most of the units sold, however, were constructed before 1996. Many had been inhabited by squatters when the government of Yitzhak Rabin refused to sell them. Soon after his election, Benjamin Netanyahu decided to sell the approximately 3,000 homes.

The ministry report also notes that since 1988, 17,600 mortgages have been approved for housing in West Bank settlements. This figure comprises 4 percent of all mortgages granted to Israelis during this period.

12 September

Qol Ha'ir reports that "security sources in the PA estimate that members of the Ateret Cohanim settlement group will enter property belonging to Irving Moskowitz in the Jerusalem neighborhood of Ras al-Amud at the end of this week or the beginning of next week."

Yerushalaim reports that the Ministry of Trade and Industry has budgeted the con-

struction of a new industrial zone, which will also include a large commercial mall, on 1,000 dunams between Jerusalem and the settlement of Ma'ale Adumim.

Qol Ha'ir reports that "the visit of Madeleine Albright doesn't prevent Housing Minister Meir Porush from advancing the planning of a new Haredi (Orthodox Jewish) settlement in the West Bank settlement of Nachli'el. The existing community will grow by 5,000 percent"—from 60 families to 3,000.

Ha'Aretz reports that the IDF is guarding "a new settlement in the Benjamin region (of the West Bank) Talmon G," where two families are living. In late August, YESHA organized the placement of thirteen mobile homes at the site, 1.5 km. east of the existing settlement of Talmon. Defense Minister Yitzhak Mordechai approved the action earlier in the year. Settlement leaders claim the site is a new neighborhood set to be part of an urban community to be called Kiryat Talmonim.

13 September

Under heavy police guard, three Jewish families affiliated with the settlement group Ateret Cohanim move into a building in Ras al-Amud.

14 September

According to *Palestine Report* (9/26), residents of al-Zawiyya village in the Nablus area protest at the proposed site of a new settlement road to be constructed on confiscated land. Al-Zawiyya is designated area B, but all its surrounding lands are designated area C.

Olive trees belonging to Dayr Qadis farmers were bulldozed by the Israeli authorities this week in ongoing construction of the Modi'in bloc settlement of Kiryat Sefer. Further north, near Nablus, 50 dunams of land and some 400 trees were uprooted on land from the village of Abu Di'ef, also for expansion of nearby settlements.

15 September

Ha'Aretz reports that a plan to establish a chain of seventeen new settlements between Jerusalem and the southern Mount Hebron area just inside the Green Line has been approved by Interior Minister Eli Suissa and passed on to the planning units in his ministry. The plan was initiated by National Infrastructure Minister Ariel Sharon. The new settlements are intended as the final stage of the Stars plan formulated by Sharon in the 1980s, when he served as housing minister, and aim at assuring continuous Jewish settle-

ment along the entire boundary line between the West Bank and Israel.

Sharon's spokesman said the plan would "protect the land from being taken over by Palestinians and bedouin." Israel must "seize the land and create facts on the ground" before the final status negotiations. The spokesman explained that a Jewish settlement will be established "opposite every Palestinian village that lies close to the Green Line and whose residents are trying to push the Green Line westward."

17 September

The YESHA council, meeting in Hebron, announces that it has "changed direction" and that it will now advocate the expansion of the Israeli settlement in Hebron.

18 September

The internal Israeli dispute over settlement at Ras al-Amud is defused with an agreement reached between the government and property owner Irving Moskowitz. In a letter to Prime Minister Netanyahu, Internal Security Minister Avigdor Kahalani notes, "at this time the (Jewish) families will leave by agreement. Ten people will remain in the houses for purposes of guarding and maintenance of the premises . . . , it being understood that nothing in this agreement impairs the legal rights of the government to operate in pursuance of public needs and security." By verbal agreement, the government promises to reconsider the reentry of families to the properties in three months.

19 September

Qol Ha'Ir reports that soldiers living at the paramilitary settlement of Giva'ot in the Etzion Bloc were replaced in May by students studying at a religious seminary in the settlement of Efrat in lieu of army service. Settlement leaders say that former Prime Minister Shimon Peres promised that the paramilitary outpost would be added to the settlement of Alon Shavut as part of a plan to build hundreds of new dwellings.

20 September

Al-Quds newspaper reports continuing settlement and settlement expansion activities in the following settlements: Ateret near Ramallah, Brackha and Itamar near Nablus, Sal'it near Tulkarm, and Karnei Shomron and Kaddumim near Qalqilya.

The three Jewish families who moved into Ras al-Amud leave. They are replaced by Yishuv students.

24 September

Prime Minister Netanyahu participates in a ceremony at Efrat marking the thirtieth anniversary of the post-1967 resettlement in the Etzion Bloc region of the West Bank and announces subsidized construction of 300 new units in the settlement of 5,000. Four hundred homes are currently under construction in the settlement, 15 km. south of Jerusalem. All 700 units were approved in principle during the government of Yitzhak Rabin, but without some state subsidies.

Netanyahu says that "Gush Etzion is an integral part of the State of Israel. It's an inseparable part of Greater Jerusalem. It's an essential and vital part, which we'll build and support. We're going to build more, both in Efrat and around it. . . . The Land of Israel is being built in front of our eyes, and that's a good thing." [On 26 September, *Ha'Aretz* reports that "a senior U.S. official" explained that the Clinton administration views the new units as "causing a big problem" and suggested that "the prime minister needs to address this issue." On 29 September, Arutz 7 radio reports that following contacts between Israel and Washington, Albright said that construction at Efrat "at another time" would "be possible."]

28 September

A settlement leader reveals plans approved in principle by the defense minister for the creation of a large urban settlement extending from the paramilitary settlement Giva'ot north to the settlement of Beitar and east to the Etzion Bloc and Efrat.

The Israeli "Peace Bloc" group launches a campaign in Israel to boycott products produced in settlements.

30 September

Prime Minister Netanyahu says that Israel "will not change the status quo that has been in effect on the Temple Mount (Haram al-Sharif) ever since the Six Day War.

6 October

The Central Bureau of Statistics reports that the Jewish population in the West Bank and Gaza Strip increased by 8.5 percent in 1996, to 150,000, or 2.6 percent of the Israeli population. Settlement expansion accounted for 62 percent of this growth, while natural increase accounted for 38 percent.

10 October

The radio station Arutz 7 reports that Congress approved \$10 million for architectural and engineering work on the prospective American embassy in Jerusalem. Con-

gress, however, has yet to agree to include this appropriation.

12 October

The YESHA council claims that there are 19,000 almost completed Palestinian structures built illegally in and around Jerusalem.

13 October

Two Palestinian homes constructed without permits near the refuge camp of al-Arub on the Bethlehem-Hebron road are demolished. These are the first demolitions since Secretary Albright's visit in early September.

15 October

Hamas spiritual leader Shaykh Ahmad Yasin meets with a rabbi from the West Bank settlement of Tekoa.

20 October

YESHA announces the formation of a panel to monitor the government's willingness to delay settlement expansion projects.

22 October

Clashes are reported between Palestinian police and students of the Jewish seminary at Joseph's Tomb in Nablus. The police attempted to prevent transfer of mattresses to the seminary, where Israelis have been banned from remaining overnight since the violent confrontations in September 1996.

26 October

Qol Yisra'el reports that YESHA has decided to establish a settlement near the Etzion Bloc if the government agrees to any restriction on settlement expansion.

29 October

After completion of a U.S.-supported \$2.1-million facelift, al-Shuhada Street in Hebron is partially opened to traffic for the first time since it was closed by Israel in the aftermath of an Israeli terror attack at the al-Ibrahimi Mosque/Tomb of the Patriarchs in 2/94.

30 October

The Israeli Housing Ministry presents a draft plan to increase the Jewish presence in East Jerusalem by 25%. The plan calls for construction of apartments for Jews on the roofs of old buildings, two hotels, guest houses; opening new gate in the Old City wall; restoration of Western Wall plaza and "ancient Jewish" sites as tourist attractions; and construction of parking lot, new road, and an IDF lookout post. The property targeted for construction has either been bought or confiscated from Palestinians.

3 November

The Israeli Housing Min. submits its 1998-99 program for approval. Under the plan, Israel would sell land for the construction of 60,000 housing units each year for the next 2 years, including 1,000 units in Alfe Menashe in 1998 (1,400 over the next two years), 500 in Ariel (700), 1,000 in Beitar (2,000), 400 in Givat Binyamin (900), 820 Givat Ze'ev (1,320), 1,000 in Har Homa (1,300), 300 in Karnel Shomron (500), 820 in Ma'ale Adumim (2,656), 400 in Ofarim (800).

11 November

A Palestinian boy is left brain-dead when IDF soldiers open fire with rubber bullets on crowd protesting reopening of the newly fortified Rachel's Tomb, a Jewish shrine in an Israeli-controlled salient in Bethlehem.

MAXIMUM INCENTIVES FOR SETTLEMENTS RESTORED

On 2 September, Israel's ministerial committee on economic matters approved a new map outlining regions of national priority. This map, whose broad lines were announced earlier this year and which replaces one approved by the Rabin government, is distinguished by the restoration of entitlements and subsidies for both personal and business investment to most settlements in the West Bank, Gaza Strip, and Golan Heights. Many of these advantages, initially conferred by the government of Yitzhak Shamir, had been partially withdrawn by the Rabin government.

Most settlements have been classified as "Area of National Priority—A," which entitles them to the most generous benefits, or "Area of National Priority—B," which confers a lower level of benefits. Others, including some settlements around Jerusalem (such as Har Adar) and some along the Green Line (such as Oranit, Bet Arie, and Alfe Menashe), have been deemed too wealthy and are thus excluded from the preferred list.

The incentives applicable to A- and B-status settlements (with incentives for B-status settlements that differ from A-status settlements in parentheses) include:

HOUSING

- A grant of \$8,600 (\$5,700) plus a soft loan of equal amount for new apartment purchases;
- A 100% (75%) state subsidy of development costs associated with the construction of multifamily housing. A 50% (25%)

**Map: Areas of National
Areas of National Priority – 1997**



Source: *Ha'aretz* September 9, 1997.

subsidy for participants in the "build your own house" program;

- A 75% (50%) state subsidy of development costs for new housing in existing neighborhoods.

EDUCATION

- A 90% state subsidy for preschool fees;

- Additional hours and computers for all schools;
- Gas masks for all students;
- A minimum state subsidy of \$142 annually per child for school meals;
- An 85% state subsidy for the cost of final high school exams.

SUBSIDIES TO TEACHERS*

- Four years seniority granted;
 - A 75% state subsidy for tuition for further study;
 - A 100% state subsidy for travel to and from school;
 - An 80% state subsidy for rental housing;
- (*Except for fifty settlements around Jerusalem and along the Green Line where no subsidies are offered.)

SUBSIDIES TO SOCIAL WORKERS

- Four (three) years seniority granted;
- Full (75%) travel subsidy;

TAXES

- Income tax reduction of 5–10%;
- A 40% (35%) subsidy for the cost of new hot houses for vegetables and flowers. Citrus orchards and plantation in B locations are eligible for state subsidies of 25% of costs for new development.

There are indications that the reclassification announced earlier this year of settlement housing as eligible for the highest rate of state subsidies has already affected the housing market in settlements. This year 1,560 housing units in West Bank settlements have been sold, most of them deliberately kept off the market by the Rabin government.

The restoration of monetary incentives such as grants and soft loans has increased the marginal attractiveness of settlement housing in all areas of the West Bank during 1997. Settlements close to Jerusalem accounted for 16% of approved mortgages, those along the Green Line accounted for 23%; settlements such as Avnei Hefetz, Beitar Illit, and Ma'ale Ephraim received 29%; and settlements such as Ariel, Efrat, Emmanuel, and Karnei Shomron accounted for 31%. Mortgages are being utilized at a higher rate in settlements than in Israel itself. Use of mortgages for settlement housing among new immigrants has increased by 84% over 1996. First-time Israeli home buyers increased their use of mortgages for settlement homes by 45% compared to last year.