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Economic Occupation

Providing a Voice

Background

The main purpose of Israel's settlement expansion into the occupied Palestinian West Bank is to permanently control the region's resources – land and water.

This means that the Palestinians who live in the West Bank must not only forfeit their rights to their land and their water for the benefit of the settlers, but as long as they exist they are to be subject to Israel's control, thus forcing them into a system of complete dependency on their Occupier. That is, they are now the cheap labour for Israel's "economic wonder" with the profits going to Israeli and foreign investment.

International investment is behind the new industrial projects going up along the illegal Separation Wall that has been Israel's excuse for destroying Palestinian agricultural land and appropriating Palestinian properties. Now, Palestinians are to be part of the World Bank's vision of export-oriented economic development in a Palestinian Middle East Free Trade Area (MEFTA) which will mean no trade unions, low wages, no health and safety provisions, no sickness or leave benefits and no workers' compensation.

The euphemistic names of these massive industrial estates – Tulkarem Peace Park and Buds of Peace – belie the prison-like surrounds of walls, checkpoints and high-tech gates through which the Palestinians are herded like animals much like the racial system promoted during apartheid South Africa.

For Israelis, these estates are attractive locations for their businesses because of the high level of security. For the Palestinians, they are labour camps without any work security. As for Western funding, much of it is actually being used to modernise the checkpoints, tunnels and gates for the smoother movement of workers from their ghettos to their places of work, and governments justify such spending as "for the benefit of the Palestinians".

The World Bank has been a major facilitator of this process, its projects accommodating the Wall and Israel's occupation policies rather than aiming for the Wall's removal and an end to the Occupation. It is the massive amounts of world aid that are transforming the military Occupation into an economic one.

The industrial estates

Nine industrial estates were first agreed upon by Israeli and Palestinian officials after the 1993 Oslo accords and the economic agreements that followed (the Paris accords). On the face of it, these estates were to provide jobs for some 100,000 Palestinians, but it was really a colonial formula of high-priced Israeli goods for cheap Palestinian labour.

TULKAREM PEACE PARK has been built on confiscated land from the villages of Irtah and Farun.

BARKAN in the Salfit district, is one of the major industrial estates employing some 5,000 workers in 120 factories producing anything from plastic, metal to food and textiles.

BUDS OF PEACE has seven factories employing some 700 Palestinians in various industries producing cartons, plastic spare parts, pesticides and poisonous liquids – production which has been environmentally destructive to Palestinian areas.

AL JALAMA ZONE in the north near Jenin is under construction and is led by Germany with the support of Turkey. It is a traditional agricultural area and so the project is facing considerable opposition from the farmers in the highly fertile Jezreel Valley.

BETHLEHEM MULTIDISCIPLINARY INDUSTRIAL PARK led by France for which the Palestinian Authority (PA) issued title to 500 dunams (125 acres) of public property.

JERICHO AGRICULTURAL PARK (so-called Valley of Peace) in the Jordan Valley led by Japan.

TARQOUMIYYA INDUSTRIAL ESTATE in the south near Hebron is led by the World Bank and Turkey.

ATAROT INDUSTRIAL ESTATE is fully operated by Israel and mostly hosts Israeli companies. It sits on the Western side of the Separation Wall accessible to Palestinians from the West Bank only by permit from the Israeli military.

EREZ INDUSTRIAL ZONE which is currently a no-man's land after Israeli firms were withdrawn in 2007 due to security reasons. After the Hamas takeover, Turkey withdrew its interest in reviving the one.

The notion that bringing economic development to the Palestinians will promote peace has its roots in Israeli policy from the beginning of the occupation and can only hold if both sides stand to benefit equally from collaboration. However, the industrial zones depend on Israeli cooperation to function, and because they will exist within an Israeli-designed economic system that ensures Palestinian dependence on Israel, they cannot form the basis of a sovereign economy.

ISRAEL'S ECONOMIC RE-ENGINEERING

Israel began reengineering the Palestinian economy away from its agricultural and tourism bases toward an economy that is dependent on Israeli public services and good will in 1967. It did this by:

- controlling the types of crops that Palestinians could plant to prevent competition with Israeli produce;
- seizing Palestinians land to reduce the agricultural sector;
- taxing Palestinian exports while allowing Israeli products to enter the territories duty-free;
- requiring all industries to obtain an Israeli licence so as to limit Palestinian industrial development;
- imposing higher taxes on Palestinian industries than Israeli ones

WHO PROFITS?

Israel which will be able to maintain its control of resources and policy of separation while at the same time normalising an illegal occupation and undermining Palestinian political aspirations.

The illegal Israeli settlement enterprises in the West Bank, which will move to these "Palestinian" industrial zones for the cheap Palestinian labour, thereby "legalising" their existence.

The US, which wants a *Middle East Free Trade Agreement (MEFTA)* that would diminish the collective bargaining power of the Arab states against world giants, hence its interest in making the Palestinian ghettos sustainable

Foreign investors and commercial entities, which will benefit from Palestinians selling their labour in these internationally-funded zones.

Palestinian entrepreneurs, many of whom having already financially benefited from the Oslo process, will look for an industrial structure with a minimum of 'red tape'. In other words, the zones will host "dirty" businesses - those that are pollution-prone and sweatshop oriented, a regional example already being the Jordanian Qualified Industrial Zones (QIZ).

Wages, work conditions, permits, labour law and union membership

Palestinian workers are heavily exploited and have almost no protection.

- **Minimum wage:** for Palestinian workers in the occupied West Bank this is less than 50% of Israel's minimum wage
- **Hourly wage:** 11 shekels (this is 7 shekels less than the Israeli minimum wage)
- **Hours of work:** 9-10 hours a day (in some places, more), 6 days a week (in some places – 7) without breaks
- **Conditions:** no sick days, no holidays, no old age pensions, no disability payments, no unemployment benefits, no occupational, safety and health standards, instant dismissal if workers complain about wages or conditions, threat of permit withdrawal used by Israelis to gather information and recruit collaborators. According to a study by the *Centre for Democracy and Workers' Rights*, 90.1% of workers interviewed, feared being pressured.
- **Work permits:** No work without a permit from the military authority which can only be obtained by presenting one's "magnet card" which itself takes weeks to obtain and can easily be confiscated by any decision of the Israeli army.
- **Labour Law cover:** Palestinians are excluded from Israeli labour laws and are exploited under cover of a Jordanian Law dating back from 1967 before the Six Day War which is very limited in scope with regard to workers' rights. This creates a racist dual system of employment.
- **Union membership:** Palestinians are not entitled to vote in union elections or take part in local workers' councils, even though forced deductions for membership fees to the Israeli **Histadrut** trade union are taken from their pay cheques. *Histadrut has a policy of "Jewish labour first" and has been convicted of discrimination, has profited from money wrongfully taken from Palestinian workers and in the past, directly assisted South African apartheid.*

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