

ISRAELI REGIONAL PLANNING POLICY IN THE OCCUPIED TERRITORIES

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Following the occupation of Arab territories in 1967, the Israeli government faced a number of urgent questions: What to do with the occupied areas in the absence of an acceptable settlement? What type of a relationship should emerge between the population and the Israeli government? How to organize and direct the economic as well as other relations between Israel and the occupied areas? These questions had no easy answer and heated arguments raged among the different factions in the government, where three different trends of thought could be discerned.¹ The first group, which was led by Dayan, called for the integration of these areas into Israeli life. Dayan and his supporters viewed the "Israeli rule over a million Palestinians as a golden opportunity to break through the Arab boycott which hampered the Israeli economy for many years."²

The second group, led by Menahem Begin and the Likud Bloc, advocated the retention of the occupied areas, which were claimed as part of Greater Israel. The third group called for the withdrawal of the Israeli forces from populated sectors, but for the annexation of other areas which were viewed as essential for the security of Israel such as the Golan Heights and the Jordan Valley. The main figures in this group were former finance minister Pinhas Sapir and deputy premier Yigal Allon.

Since the occupied areas came under the direct rule of the military establishment headed by Dayan, the views of Dayan and his supporters had the predominant influence on Israeli policy toward the occupied territories, which was based on the concept of integration.

It is the purpose of this article to investigate how Israeli regional planning has applied this concept in the occupied areas. The investigation

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¹ Sheila Ryan, "Israeli Economic Policy in the Occupied Areas: Foundations of A New Imperialism," *Merip Reports*, No. 24 (January 1974), pp. 7-8.

² *Ibid.*, p. 8.

will, however, place this policy within the theoretical framework in which Zionist policies have been formulated, and discuss the way in which these objectives have been implemented.

This article falls into five major parts. The first relates to the general objectives of Israel in the occupied territories, especially the West Bank. The second part provides the historical background to Zionist planning policies, while the third discusses the theoretical model that appears to have been used by Israeli planners to carry out their policies in the occupied territories. The fourth part examines the specific impact of Israeli planning policies on these territories, while the conclusion evaluates the impact of the October War on Israeli planning policy.

1. *Israel and the Occupied Territories*

One fundamental feature of the outlook of Dayan and his followers to the occupied territories was their belief in the Zionist tenet that these are part of the Land of Israel — despite the fact that they have belonged to the Palestinian Arabs for over one thousand years. Thus, significantly, these territories were not regarded as occupied but as “liberated” in Israeli thinking on them, as clearly expressed in “The Guidelines for Regional and Physical Planning in the West Bank” (a government publication that has received little publicity): “In the course of the Six-Day War new territories to the north, centre, and south of the former boundaries of the State of Israel were liberated. For the first time after 20 years, the West Bank of the Jordan has become a natural entity.”³

This belief has greatly affected the policy of Israel towards the occupied areas so that, as the author of the introduction of the Guidelines states with his co-author in another work, it has been the old, pre-1967 borders, not the borders of Israeli occupation that have been regarded as unnatural:

Only rarely will a political border coincide with a physical one; in fact, political changes may to a degree even entail transformation of the landscape. The terms “State of Israel,” “Land of Israel,” “Palestine,” etc., all roughly referring to the same area, furnish a striking example of this phenomenon. The events of June 1967 illustrate how a new situation necessitates a rethinking of accepted notions. The Six-Day War brought the Sinai Peninsula, the Gaza Strip, Judea and Samaria (known as the “West Bank” under the

³ Elisha Efrat, *Judea and Samaria: Guidelines for Regional and Physical Planning* (Jerusalem: Ministry of Interior, Planning Department, 1970), p. 1.

former Jordanian regime) and the Golan Heights under Israeli administration — an area three times as large as the State of Israel prior to 5 June, 1967. According to both geographical and historical criteria, however, these regions form part of the Land of Israel in its natural boundaries. . . .

These [pre-1967] accidental frontiers had roots neither in physical geography nor in the existing realities of demography, economy, etc. It is true that developments on both sides of these borders gave them a tangible content when new, sharply contrasting political, economic, cultural, and demographic units came into being. During the three and a half years since the Six-Day War, these differences have become blurred with the manipulation of various economic human contacts between the inhabitants on both sides of the former demarcation.⁴

The prime factor in “blurring” the old demarcation lines has been a resolute and carefully calculated Israeli attempt to treat the territories as an extension of the State of Israel and not as occupied lands protected from economic exploitation on the part of the occupier by the normal international codes concerning such territories. The Guidelines affirm:

The liberation of Judea and Samaria has given the country (Israel) a new dimension and orientation. Its area has increased by 2,200 sq.m. — about one third of its former size — adding about 40 percent to its cultivated land resources. The population has grown by 27 percent and the labour force by about 20 percent. In Samaria and Judea themselves, considerable demographic changes have taken place, with substantial emigration abroad, on the one hand, and immigration from the similarly liberated Gaza Strip on the other.⁵

For the Israelis, the most significant change was in the economic sphere. The occupation brought to Israel fertile agricultural areas in the West Bank, Gaza Strip, and the Golan Heights. The cultivated land in these areas totals about 2.5 million dunums. This figure represents more than one half the total cultivated land in Israel. The industrial sector in the West Bank was somewhat less important and accounted for about 20 percent of the total industrial output in Jordan prior to 1967.⁶ In Sinai, the Israelis exploited the oil fields along the Gulf of Suez until 1975 and mined manganese deposits at Um Bughma, thus pouring millions

⁴ Efraim Orani and E. Efrat, *Geography of Israel* (Jerusalem: Israeli University Press, 1971), p. 228.

⁵ Efrat, *op. cit.*, p. 1.

⁶ Central Bank of Jordan, *Fourth Annual Report* (Amman, 1967), pp. 5-6.

of dollars into the Israeli treasury.⁷ Except for a few small industries in Gaza, the industrial sector in the Strip and the Golan Heights is relatively insignificant. The Israeli economy benefitted also from the tourist sector in the West Bank and Jerusalem in particular, which expanded after the war of 1967 as a result of unprecedented numbers of Jewish tourists.⁸ Above all, the Israelis found a reservoir of cheap labour which was badly needed after the 1967 war. By 1969 the Israeli labour shortage had reached crisis point,⁹ and it was the cheap and abundant labour from the occupied areas which offered a solution to the problem.

2. *Planning Guidelines in the Occupied Areas*

Obviously, the quality of regional planning is central to the success of any policy of integration such as that of the Israelis in the West Bank. Efficient spatial organization — particularly in the realm of the economy, the structuring and arrangement of the elements of production, of locational points, transportation networks and the flow of raw and manufactured materials — is necessary.

Both regional planning and spatial organization are old phenomena in Zionism. The settlement of Palestine since early Zionist settlement in the nineteenth century by the Jewish Colonization Association has been carried out and implemented within the framework of a comprehensive plan which has aimed at the maximum exploitation of the natural endowment of the area, the absorption of waves of colonists, and the integration of settled areas into an efficient regional system of interrelationships. To serve these objectives, the British government permitted the Zionists to experiment with newly-designed agricultural projects; the ostensible purpose of these was to expand the cultivated area, maintain security, and make an effective social contribution.¹⁰ These settlements and in particular the kibbutzim have also served as military bases. In the words of an Israeli peace activist: "The kibbutz was the major instrument of the Zionist movement and the State of Israel in their drive to establish and consolidate monopolistic control of the land in Palestine. Kibbutzim were and are always established at the frontier line of Jewish colonization in the country."¹¹ As E. A. John-

⁷ Eliyahu Kanovsky, *The Economic Impact of the Six-Day War* (New York: Praeger, 1970), pp. 140, 195.

⁸ Kanovsky, *op. cit.*, p. 142.

⁹ *Ibid.*, p. xix.

¹⁰ Eliezer Brutzkus, *Physical Planning in Israel* (Jerusalem, 1964), p. 3.

¹¹ Uri Davis, "Palestine into Israel," *Journal of Palestine Studies*, Vol. 3., No. 1 (Autumn 1973), p. 91.

son, a leading author on spatial organization, pointed out, under this security doctrine “the population would have to be pressed outward toward Israel’s frontiers, and the resulting remote settlements would have to be interrelated with the more secure areas by effective economic links.”¹²

The increasing number of settlements in Palestine and their well-planned spatial diffusion were the product of Zionist settlers who immigrated from Europe carrying with them the basic concepts and models of regional planning and development. For example, Johnson tells us that the Zionist planners who immigrated to Palestine in the early days of colonization were familiar with the hierarchical patterns of central places that have been observed in European countries.¹³ They were also aware of the basic locational models such as those of Von Thunen, Christaller and Losch,¹⁴ and the moshav in Israel was organized within the framework of Von Thunen’s model of the spatial arrangements of agricultural activities. As Roger Minshull, a regional geographer, points out in describing the communal activities in the moshav ovadim in terms of Von Thunen’s model: “The inner ring of the village contains the communal buildings to serve the co-operative economy and the social functions. The outer ring consists of homes of independent households radiating from each farmhouse in an everwidening segment of cultivated land.”¹⁵

The Zionist planners were no ordinary ones; their task was not to organize an existing entity so much as to carry out a continuing process of transformation, both territorial and demographic. The territorial spread and its grave consequences can be seen in the maps which record Zionist and Israeli expansion over space and through time from 1870 to 1970 (Figure 1). Hundreds of Palestinians were dispossessed of their homes and lands in this spread; the Zionist forces destroyed over 250

¹² E. A. Johnson, *The Spatial Organization of Space in Developing Countries* (Cambridge, Mass.: Harvard University Press, 1970), p. 301.

¹³ I.e., the patterns of organization that link the metropolitan area (capital city) to regional centres (cities) to subregional centres (towns) to small villages and hamlets in a hierarchical manner.

¹⁴ Johnson, *op. cit.*, pp. 300-301.

¹⁵ Roger Minshull, *Regional Geography: Theory and Practice* (Chicago: Aldine Co., 1971), p. 64.

Christaller is a German geographer who formulated a theoretical model to explain the size, number, and distribution of settlements or what he referred to as central places. Losch is a German economist who expanded the notions of Christaller’s model. Von Thunen published his major work, “The Isolated State,” in 1926, in which he attempted to discover the laws

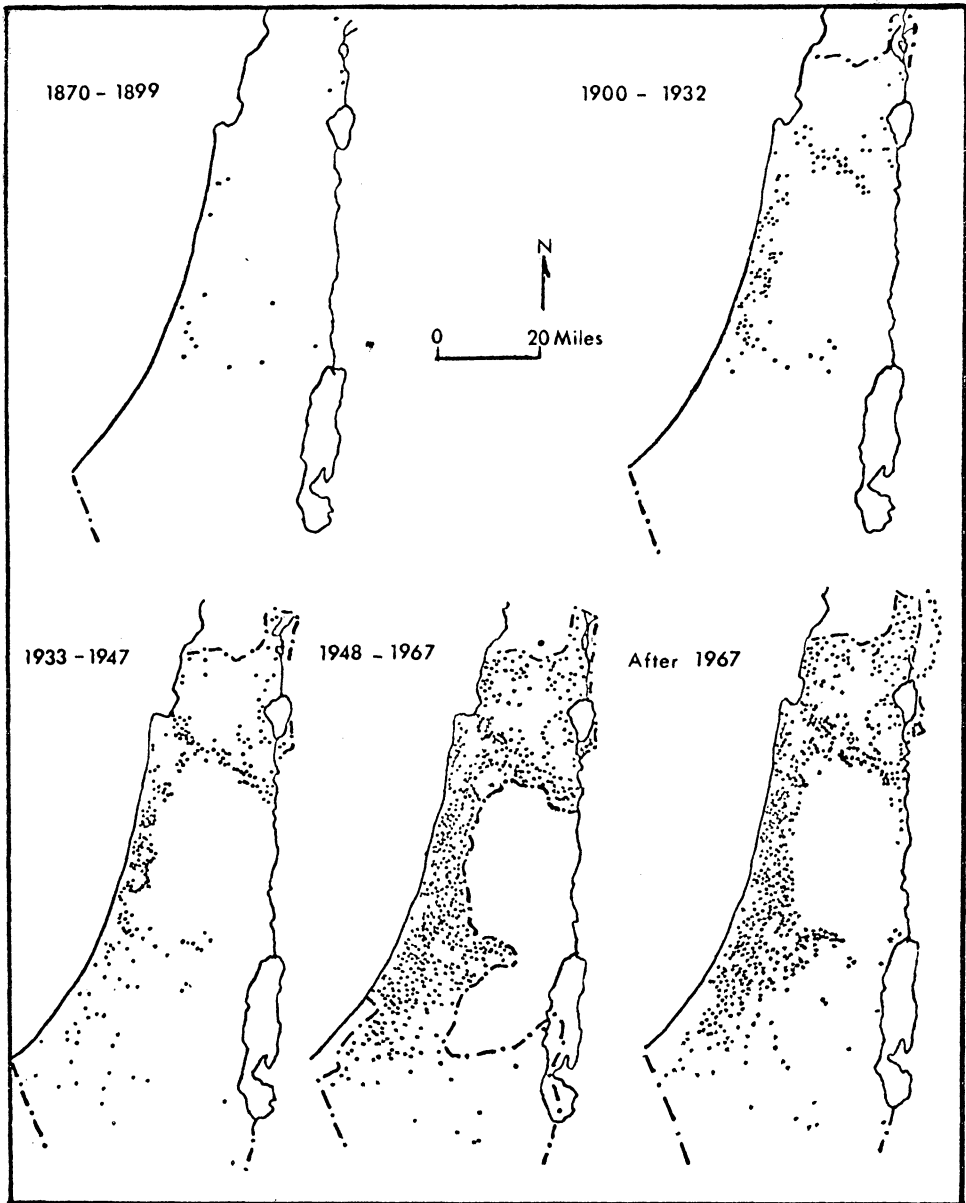


Figure 1. Stages in the Diffusion of Zionist Settlements in Palestine

Palestinian villages during and after the 1948 war.¹⁶ As Menahem Begin, leader of the terrorist organization Irgun Zvai Leumi, commented in his memoirs; “Of about 800,000 Arabs who lived on territory of the State of Israel, only some 165,000 are still there. The political and economic significance of this development can hardly be overestimated.”¹⁷

The dispossession and transformation into refugees of the Palestinian Arabs enabled the fulfilment of Chaim Weizmann’s aim of creating a state “as Jewish as England is English” in their land. The demographic transformation was further made possible by a well-executed plan for increasing and settling the number of Jewish immigrants to Palestine to take their place. The two processes of spatial and demographic transformation of Palestine were thus inseparable.

Despite the scientific framework within which the Zionist plans have been constructed and implemented, it was realized after the emergence of Israel that they suffered certain shortcomings. These planning deficiencies were due to the theoretical planning models adopted. One of the basic shortcomings in the planning of settlement locations was the treatment of each settlement as a point location separated functionally from the rest of the system of settlements, thus epitomizing the basic deficiency in classical regional planning models, which dealt with point locations rather than a system of locations.¹⁸ When creating a settlement, the criteria used would relate purely to the needs of the settlement itself—Was the land good enough? Was there enough of it? — and not to surrounding locations. Such settlements lacked basic functional linkages within the subsystem of settlements and between the subsystem of the colonized regions.

The Israeli planners have benefitted a great deal from the regional and planning experiments with early settlements and from their mistakes and shortcomings. Spatial planning and regional integration in Israel are now related to two broad goals; the creation of a hierarchy of central places in which all settlements are interconnected by an efficient system of transportation and communication networks and the prevention of concentrated and privileged urbanized zones. As it is noted: “The overall purpose of the Israeli spatial planning has been to prevent over-

which determine the price of agricultural products and the laws by which price variations are transformed into different patterns of land use.

¹⁶ Sabri Jiryis, *The Arabs in Israel* (Beirut: Institute for Palestine Studies, 1968), pp. 55-56.

¹⁷ Menahem Begin, *The Revolt, Story of the Irgun* (Tel Aviv: Hador Publishing Co., 1964), p. 163.

¹⁸ Brutzkus, *op. cit.*, p. 11.

urbanization in the metropolitan areas and in heavily populated central zones by developing through the country a hierarchy of properly dispersed centres of varied sizes capable of performing certain appropriate central place functions."¹⁹

The question of security was the main motive for this policy of dispersing the Israeli population to border settlements or frontiers, which serve the function of defence posts against the Palestinian resistance.

The present spatial system in Israel can be divided into four hierarchical levels of settlements ranging from small villages to metropolitan areas.²⁰ The lowest-order level of settlements are the small villages which are located in the peripheral areas of higher-order centres such as towns or large villages. The towns, which are located in the peripheries of higher-order central places (i.e., cities serving as market places between villages and cities), constitute the second hierarchical level. The third hierarchical level includes cities which perform the function of regional capitals to surrounding areas. The highest hierarchical level in the Israeli spatial system contains the metropolitan areas such as the Tel Aviv area and the Jerusalem area.

Realizing the importance of nodes and linkages in any spatial system and the importance of core-periphery relationships in the hierarchical system, the Israeli planners seem to have been utilizing the concepts drawn from the core-periphery model in formulating and implementing their planning policies.

The use of the core-periphery model in most applications aims at organizing the spatial system of a country or a region in a way which would enable planners to prevent centralization or concentration of economic wealth in privileged core regions against the less privileged peripheries.²¹ An Israeli planner explains with regard to Israel that the "aim of planning in Israel is thus contrary to the spontaneous trends in most countries where the population tends to concentrate in privileged regions, and within the confines of metropolitan areas."²² The model can, however, be applied in the other direction: to build up the core at

¹⁹ Johnson, *op. cit.*, pp. 298-99.

Central place functions are specified in a hierarchical manner in Christaller's central place model. See Walter Christaller, *Central Places in Southern Germany*, C. Baskin (trans.), (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1966).

²⁰ Johnson, *op. cit.*, p. 302.

²¹ Jos G. M. Hilhorst, "Spatial Structure and Decision Making," in D. Dunham and J. Hilhorst (eds.), *Issues in Regional Planning* (The Hague, 1971), pp. 47-72.

²² Brutzkus, *op. cit.*, p. 3.

the expense of the periphery. Due to the importance of this role of the model in the occupied territories, our discussions of the Israeli planning policy there will be approached within the theoretical structure of the model.

3. *The Core-Periphery Model*

The core-periphery model refers to a conceptual arrangement of the spatial system planning area into dynamic, rapidly developing central regions and their peripheries. Core regions — sometimes also called growth poles or growth centres²³ — define central areas with high potential for economic expansion. Peripheries refer to depressed regions that are excessively exploited by the core regions. Such regions are usually located in the less developed hinterland where rural activities are the major characteristics of the landscape. (It is rather striking to note that the Israeli hierarchical structure is similar to that of the prototypical core-periphery model. The hierarchical structure of the core regions is composed of four levels; national metropolis, regional centre, sub-regional centre, and local service centre).²⁴

The core-periphery model, which has the basic characteristics of the heartland-hinterland relationships, is considered by many regional planners as the most comprehensive model of regional development. It improves upon previous models such as the classical location theory which deals with individual point locations but has been criticized for an absence of systematism. It is also an advance on the spatial organization theory, which relates to an equilibrium situation,²⁵ but has sometimes been regarded as offering too static a model of reality. In addition, it is considered an improvement over the regional theory that emphasizes the behaviour of a region rather than a system of regions.²⁶ The basic characteristics that emerge from the relationships within the model can be described as follows:

1. The nature of the functional interrelationships between central regions and their peripheries can be described as essentially a colonial

²³ D. F. Darwent, "Growth Poles and Growth Center Concept: A Review," *Environment and Planning*, Vol. 1 (1969), pp. 5-31.

²⁴ Johnson, *op. cit.*, p. 304.

²⁵ Martin Beckmann, *Location Theory* (New York: Random House, 1968), and Edwin von Boverter, "Spatial Organization Theory as a Basis for Regional Planning," *Journal of American Institute of Planners*, Vol. 30 (1964), pp. 90-99.

²⁶ Walter Isard, *Location and Space Economy* (Cambridge, Mass: M.I.T. Press, 1966).

one.²⁷ The main characteristic of a polarized, i.e. centralized, structure is the displacement of the major forces of production such as raw materials and cheap labour to the core regions.

2. The interregional flow of trade and raw materials tends to be always in favour of the core regions. The inequalities between core and periphery increase when the central government intervenes to freeze the prices of raw materials while the prices of the manufactured products are left uncontrolled.²⁸

3. Increasing exploitation of the peripheries in favour of the core regions brings about mounting frustration which will develop into political and social pressure to reverse the situation to the benefit of the depressed regions. The significance of the peripheries to the stability of the political system becomes evident when these regions flare up in rebellion against the central government in the core region.²⁹

The model has been widely used in planning on international, national, and regional levels. For example, Prebisch, a United Nations expert, used the core-periphery model to explain the relationships between economic stagnation in Latin America and economic dynamics in Anglo-America.³⁰ Perloff and Wingo, two American economists, applied the concept to analyse the structure and development of the American economy.³¹ The concept has also been applied to regional and city level cases in order to understand the process of urbanization.³² However, the process has been criticized because the nature of the core-periphery relationships may lead to increasing disparities and inequalities between regions through the operation of unrestrained market forces.³³ This is of special importance when the market forces in colonized areas are manipulated by the central government to increase the wealth of the privileged core regions which represent the centres of power.

In such a case, the core-periphery relations seem to follow the concept

²⁷ R.J. Lampman, "The Low-Income Population and Economic Growth," *Study Paper No. 12 and 13* (Washington D.C.: Government Printing Office, 1959), pp. 5-7.

²⁸ Jos Hilhorst, *op. cit.*, p. 57.

²⁹ M.J. Mamalakis, "The Theory of Sectoral Clashes and Coalitions Revised," *Latin American Research Review*, Vol. 6 (1971), p. 89.

³⁰ Raul Prebisch, *The Economic Development of Latin America* (New York: United Nations, 1950).

³¹ H.S. Perloff and I. Wingo, "Natural Resources Endowment and Regional Economic Growth," in J. Spengler (ed.), *Natural Resources and Economic Growth* (Washington, D.C.: Resources for the Future, Inc., 1961).

³² Friedmann, *op. cit.*, p. 11.

³³ Gunnar Myrdal, *Economic Theory and Underdeveloped Areas* (London: Duckworth, 1957).

of polarization which presupposes that there is a tendency for a number of activities in some areas to be determined by decisions made in other parts called the poles or centres.³⁴ The central region influences the other parts of the country through the operation of two processes: domination and integration. Domination is considered to occur as a result of two basic factors: (a) when the core region enjoys a superior structure, i.e., a stronger economic and technological structure, and (b) when the core region has a greater bargaining power.³⁵ The basic argument in the latter concept is that the bargaining power of a group increases with its ability to alter the opponent's strategy or to control the alternatives available to the other group.³⁶ Domination usually takes two complementary forms: extraction and regulation. Extraction implies the exploitation of the natural endowments of the peripheries in favour of the core regions. Regulation defines a set of decisions and rules that are made centrally to keep the core in control of the flow of extracted materials from the peripheries. The two components of extraction and regulation are maintained and sustained by three sets of processes:

- (i) The formation of cadres at the peripheral sub-system level responsible for executing decisions made at the centre;
- (ii) The formation of institutions and organizations that enable control of these cadres as well as of essential aspects of the periphery;
- (iii) The formation of transport and communication networks that enable control over flows of goods and information.³⁷

Integration aims at achieving a unified spatial structure that is organized according to the principle of comparative advantage to achieve a maximum level of interregional flow of the mobile factors of production. However, it is argued that as long as the system itself is capitalistic in nature, the flow of wealth will always be in the direction of the central regions. As Paul Sweezy writes:

From the beginning, capitalism advanced by subjugating, plundering, and exploiting foreign countries and territories. The result was to transfer wealth from the periphery to the metropolis — on the one hand destroying the old satellite, and on the other hand concentrating the resources necessary for the take-off in the metropolis.³⁸

³⁴ Francois Perroux, *L'Economie du Siècle* (Paris, 1964).

³⁵ J. Hilhorst, *op. cit.*, p. 54.

³⁶ A. Kuhn *The Study of Society* (Homewood, 1963), p. 245.

³⁷ J. Hilhorst, *op. cit.*, p. 57

³⁸ Paul Sweezy, *Modern Capitalism and Other Essays* (New York: Monthly Review Press, 1972), p. 18.

The central government, which may be aware of the grave consequences of regional inequalities, may move toward narrowing rather than eliminating the gaps or disparities between the rich centres and the exploited regions. Otherwise, continuing differences between regions may threaten the political system of the country as a result of rising conflicts among interest groups. This may lead to social and political unrest in the deeply depressed regions. The socio-political struggle may become intensified to a dangerous level beyond which a complete restructuring of the relationships within the whole system becomes inevitable, whether peacefully or violently.

4. *Analysis of the Israeli Integrationist Policy*

The immediate objectives of the planning policy of the Israeli government in the occupied areas have been: to exploit the economic sectors in these areas, in particular agriculture, industry, and tourism; to dismantle the Palestinian refugee camps which constitute the heart of the Palestinian tragedy (a process that would include induced migration to Jordan); and to develop an efficient network of transportation and communication that would enable the Israeli government to tighten its grip on these areas.

Describing the economic aspirations of Israel in the Arab world, Abba Eban, a moderate Israeli, once stated that its aim "is not the relationship which exists between Lebanon and Syria; it is far more akin to the relations between the United States and the Latin American continent."³⁹

The structure of relations between the United States and Latin America has been widely criticized in recent years due to its neo-colonial character. The Israeli economic policy is similar. It aims at dominating the areas (that, in this case, have been occupied by Israeli military invasion), and extracting the maximum benefits by establishing core-periphery relationships. The economic importance of the occupied territories in the Israeli economy is best understood in light of the fact that Israel was in the midst of a serious recession before the 1967 war — the large-scale mobilization for which had only worsened it.⁴⁰ The type of core-periphery relationships which the Israeli officials seek to develop between themselves and the Arab countries are those whereby the Israeli industrial products will flood the Arab markets which are considered the most natural markets for the Israeli industry.

³⁹ Abba Eban, *Voice of Israel* (New York, 1957), p. 63.

⁴⁰ Kanovsky, *op. cit.*, p. 3.

The 1967 war succeeded in bringing into the country hundreds of millions of dollars aboard the magic carpet of world Jewry. It has been noted:

The euphoria of victory provided a powerful psychological stimulus, which within a few months evinced itself in a rising level of economic activity and diminishing unemployment. During the few weeks of tension prior to the War and during the weeks of hostilities, there was unprecedented expression of support for Israel by Jewish communities abroad, as well as by non-Jewish sympathizers. In concrete terms, this meant hundreds of millions of dollars in contributions and a few thousand young volunteers who offered to aid in the war effort.⁴¹

In addition, the occupation offered the Israeli government an opportunity to fulfil part of the Zionist dream of seeing the underdeveloped Arab market dependent to a great extent on the advanced and developed Israeli industrial production. The specific goals of the Israeli Master Plan for the West Bank provide an example of the total Israeli planning objectives:

The underlying ideas of the proposed Master Plan are: development of agriculture for export; the urban development of Jerusalem and its satellites with a proportional growth of the various other towns in the area and their adequate industrialization; the settlement of the unpopulated Jordan Valley and the Dead Sea area and making it arable; the expansion of agriculture wherever possible; utilization of available ground water resources; the clearance of slums and refugee camps; the development of the economic rural functions of the bigger villages; the improvement of inland and air communications; the utilization of the tourist potential of the area for the benefit of the entire country; and the development of the periphery of Samaria and Judea so that it may become integrated with the rest of the country.⁴²

4(1) *Economic Integration*

A. *The Agricultural Sector*

About 95 percent of the 2.5 million dunums of the cultivated land that came under Israeli occupation lie in the West Bank and Gaza Strip.⁴³ The significance of these agricultural areas is not measured only in terms of size but potential as well, since the productivity level of the land can

⁴¹ *Ibid.*

⁴² Efrat, *op. cit.*, p. 1.

⁴³ Kanovsky, *op. cit.*, p. 140.

be further expanded by applying more sophisticated methods. The agricultural sector accounted for about 47 million dollars or about 24 percent of the gross regional product.⁴⁴ If agricultural yields can be made to reach the Israeli level per dunum, this means that the actual importance of the occupied areas is several times its present level. Under the occupation, the agricultural activities in these areas, mainly the West Bank and Gaza Strip whose rural population constitute about 71 percent of the total population, were widely restructured to complement the Israeli agricultural sector.⁴⁵ (It is to be noted that the agricultural landscape in Israel is itself divided into three basic complementary regions according to climatic, topographical, and soil factors.)⁴⁶

The Israeli agricultural policy aimed at restructuring the agricultural activities in the occupied areas to fit the Israeli agricultural sector. For example, the Ministry of Agriculture issued regulations directing the West Bank's farmers to plant crops for the Israeli market.⁴⁷ The purpose of restructuring the agricultural sector in the occupied areas was to "increase its usefulness to and dependence on the Israeli economy in general and Israeli industry in particular".⁴⁸ The Israeli authorities established seven agricultural committees to supervise and regulate the quality and the quantity of agricultural products in order to prevent competition with Israeli products and to respond at the same moment to the demand of the Israeli industrial sector. These committees are similar to what has been mentioned in the core-periphery model as the cadres that execute the decisions made at the centre.

The reorganization of the agricultural sector came in the context of four changes: First, most of the 25 percent to 30 percent of the population who fled in the course of the war were engaged in agricultural activities.⁴⁹ The refusal of the Israeli government to allow the return of these people left thousands of dunums under the direct rule of the military establishment. Second, the confiscation of thousands of other dunums under the cover of security, e.g. from West Bank residents who were absent from the country at the time of the war, left thousands of

⁴⁴ *Ibid.*

⁴⁵ Orani and Efrat, *op. cit.*, p. 404.

⁴⁶ *Ibid.*, p. 460. The three basic zones of cultivated land are: the western coastal zone, which is specialized in citrus and market gardening, the central zone in grains and industrial products, and the eastern zone in tobacco, grapes and grazing.

⁴⁷ Ryan, *op. cit.*, p. 11.

⁴⁸ *Ibid.*, p. 12.

⁴⁹ Kanovsky, *op. cit.*, p. 148.

farmers without jobs. About 328,000 dunums of "abandoned land" in the West Bank have been seized.⁵⁰ Third, the flow of commodities, which had previously been completely toward the East Bank, became more oriented toward the Israeli market. After the war and despite the "open-bridges policy," the East Bank received only one-third of the agricultural products that were exported from the West Bank. However, it should be noted that the trade with the East Bank seems to have other objectives: political goals which aim at reaching the Arab markets with the Israeli products,⁵¹ and reducing competition to Israeli products, especially citrus, as well as lowering the frustration of the West Bankers by allowing them to visit their relatives outside the occupied areas. Fourth, the cheap labour market in the occupied areas has attracted Israeli businessmen to hire Arab workers in different economic sectors, in particular construction and industry. In fact, these two sectors employ about 70 percent of the Arab workers from the occupied areas. The number of the Palestinian Arabs who started to work in Israel after the war increased from about 6,000 in 1968 to more than 75,000 in 1974.⁵² In other words, those employed in Israeli businesses constituted more than one third of the labour force in the occupied areas.

B. *The Industrial Sector*

It was mentioned in the discussion of the core-periphery model that the periphery serves the function of providing the core with the available raw materials for its industrial production. Some of the manufactured products are usually shipped back to the markets of the peripheries. The occupied areas seem to serve this function by being a source of raw materials and labour and by providing markets for Israeli manufactured products. In fact, this function has been of great importance to Israeli objectives which aim at breaking through to Arab markets. A recent research study concluded: "The importance of Arab markets to Israeli future strength is shared by all Israeli leaders who insist that any peace settlement should include a relationship in which the neighbouring Arab frontiers are open to Israeli products."⁵³

Some Israeli industries moved into the occupied areas to enjoy being close to available raw materials, cheap labour, and underdeveloped

⁵⁰ Ryan, *op. cit.*, p. 15.

⁵¹ *Ibid.*, p. 13.

⁵² *New York Times*, June 16, 1974, Section E, p. 4.

⁵³ Ryan, *op. cit.*, p. 22.

markets. Before the war, the industrial sector in the occupied areas was small and contributed little to the total regional economy. For example, only 7 percent of the employed labour force in the West Bank was engaged in industrial activities and the industrial exports from the West Bank totalled a mere 10 percent of the total exports in 1966.⁵⁴ After the war the industrial sector was revised and expanded to serve the Israeli economy despite the political uncertainties which have discouraged Israeli investors. The Israeli government encouraged Israeli investors to invest in industries in the occupied areas by offering them financial help. The following illustrates such help:

The new privileges for investors are indeed substantial. Any new business opened by Israelis in the occupied areas will qualify for a loan of up to 50 percent of the necessary working capital at 9 percent interest, a low rate by Israeli standards, and the investors need put up only 20 percent of the capital⁵⁵

As a result, the industrial output increased by about 60 percent in 1969 over its pre-war level.⁵⁶ In Gaza, only a few small industrial businesses emerged, such as plastic bags, sewing, and citrus packing houses. But the majority of firms in Gaza mostly did sub-contracting work for Israeli industry.

However, the greatest benefits to the Israeli economy came from the oil industry in Sinai. Before the war, the Egyptians pumped about 4.7 million tons of crude oil from the oil fields along the Gulf of Suez. Under the Israeli occupation, the efforts were intensified to exploit the oil from the 177 confiscated wells.⁵⁷ As a result, the level of production reached about six million tons, which exceeded Israeli domestic needs, thus enabling the Israelis to market the surplus in Europe. According to a 1971 report: "The Israelis have considerably expanded production in these fields since 1967 so that now it is equivalent to Israel's own greatly increased consumption and worth about \$1 billion a year more or less depending on future movements in the price of oil."⁵⁸

In addition, the Israelis exploited the manganese deposits in Sinai with an average annual yield of about 200,000 tons.⁵⁹

⁵⁴ Kanovsky, *op. cit.*, p. 142.

⁵⁵ Ryan, *op. cit.*, p. 15.

⁵⁶ Kanovsky, *op. cit.*, p. 151.

⁵⁷ *Jerusalem Post Weekly*, December 14, 1971, p. 15.

⁵⁸ *Christian Science Monitor*, February 4, 1974, p. 1.

⁵⁹ *New York Times*, June 3, 1968, p. 1.

C. *Tourism*

The tourist industry can be considered more important than the industrial sector in contributing to the economy of the occupied territories, particularly the West Bank. Jordan's income from tourism, which depended to a great extent on the West Bank, totalled about 11 million Jordanian dinars or about \$32 million in 1966.⁶⁰ The Israeli authorities, being aware of the economic and political significance of tourism, have encouraged visitors to cross the bridges to the West Bank. According to one report "the bridge crossing over the Jordan River sees more travelers on any given day than Israel's international airport at Lydda or the port of entry at Haifa."⁶¹ For example, the visitors to the occupied areas in 1968 spent about \$24 million.⁶² In addition, the Israeli economy benefitted from the remittances of Jordanians working abroad, mostly West Bankers who sent to Jordan about \$30 million annually.⁶³

Not only that, but the touristic boom also reflected itself in the number of tourists arriving in Israel. For example, the number of arriving tourists in 1968 was 30 percent more than the previous year or about 24 percent more than those who arrived in 1966. The flux of tourists brought into the Israeli economy about \$97 million.⁶⁴ The rising importance of the tourist industry has sparked an unprecedented flow of investments in tourist services, mainly hotels. The Ministry of Tourism in Israel reported that about a thousand hotel rooms were added in 1968 and another 6,500 rooms were under construction.⁶⁵ The number of Jewish tourists accounted for 53 percent of the total number. In other words, this indicated an increase of about 83 percent in Jewish tourists over the year before the war.⁶⁶ The surge in tourist activities has also contributed to the expansion of the Israeli airline services. As a result, the net profit of El Al Airline increased from \$1.2 million in 1967 to \$2.3 million in 1968. In the same period, the number of passengers increased by about 50 percent.⁶⁷

⁶⁰ *The Hashimite Kingdom of Jordan Statistical Yearbook* (Amman, Department of Statistics, 1967), p. 204.

⁶¹ *New York Times*, July 10, 1968, p. 11.

⁶² *Bank of Israel Annual Report for 1968*, p. 52.

⁶³ *The Hashimite Kingdom of Jordan, op. cit.*, p. 204.

⁶⁴ Israel, Central Bureau of Statistics, *Monthly Bulletin of Statistics* (March, 1969), p. 11.

⁶⁵ *New York Times*, January 2, 1969, p. 47.

⁶⁶ Kanovsky, *op. cit.*, p. 65.

⁶⁷ *Ibid.*, p. 60.

4 (2) *Clearance of Refugee Camps*

The Palestinians can be divided into three categories: those who stayed in their land after the collapse of Palestine in 1948 and who lived as an alien minority in their homeland, and who were discriminated against in all streams of life; those who live under military occupation in the remaining parts of Palestine in the West Bank and Gaza Strip; and those who live in their Diaspora scattered all over the world from Australia to America. The refugees are a nightmare to Israel: the crux of the Palestinian problem. The problem was described by Arielev Eliav, the former secretary of the Israeli Labour Party as follows: "The Palestinian problem is the source of the conflict. It is the heart of the evil which gave birth to the enmity between Arabs and Jews. It is a bloody, suppurating wound from which our blood and theirs continues to flow, an abscess which has poisoned the body of the Arab world as it has ours."⁶⁸

The Palestinian refugees represented the major threat to Israel and it was towards their camps that Israeli planning policy was directed.

The refugee camps have had to be dismantled and cleaned under the cover of urban renewal and health improvement programmes, although in the West Bank and Gaza Strip, the "urban renewal" and "health improvement" left hundreds of homes destroyed and thousands of innocent people homeless. To improve security, the hearts of the camps were destroyed and roads were constructed to prevent fedayeen activities. The real aim, however, went much further: to relocate and resettle the Palestinian refugees so that the Palestinian problem would be forgotten. It is a policy that has been declared on many occasions by top Israeli officials. For example, Israeli Prime Minister Yitzhak Rabin once stated: "I would like to create in the course of the next ten to twenty years conditions which would attract natural and voluntary migration of the refugees from the Gaza Strip and the West Bank to East Jordan".⁶⁹

Similar views have been reiterated by Golda Meir, who described the presence of the Palestinians as a "Fifth Column," and by other veteran Zionists:

Among ourselves it must be clear that there is no place in the country for both people. Together with the Arabs we shall not achieve our aim of being an independent people in this little country. The only solution is Eretz Israel, at least the western part of Eretz Israel... there is no way but to transfer the Arabs from here to the neighbouring countries; transfer all of them, not one village or tribe

⁶⁸ *The National Observer*, April 6, 1974, p. 4.

⁶⁹ *Christian Science Monitor*, June 3, 1974, p. 6.

should remain.⁷⁰

The Israeli "humanitarian" policy of urban renewal and health development left more villages razed to the ground and created thousands of new refugees out of the old refugees. The villages of Yalu, Amwas, Beit Nuba, Nusairat and camps at Jiftlik and Jericho were completely destroyed to implement Israeli policy in the occupied territories.⁷¹ The destruction of the refugee camps in Gaza was part of a plan to relocate thousands of refugees. To achieve that, about 16,000 persons had to leave for the East Bank in a five-month period in 1968.⁷²

It is not only the refugee problem that worries the Israelis, but also the growth rate of the Palestinians under occupation. For example, the birth rate among the Palestinians in the West Bank is about 45 per thousand, thus making it the highest in the world.⁷³ Pinhas Sapir, the former minister of finance, and Golda Meir were among those to worry about the Palestinian demographic bomb, or what Sapir referred to as the Arab demographic nightmare "that would leave a Jewish state in name only."⁷⁴ A recent study by the Rand Corporation described this phenomenon as follows: "It seemed clear that the Jewish majority which was already slim (60 percent) would be turned into a minority in the foreseeable future. The only question appeared to be the exact date of the cross-over point. What would happen then to the Jewish character of the State?"⁷⁵

Israel lives in a dilemma. Israel does not want the Palestinians, so land is confiscated, refugee camps are demolished, and people are deprived of their homes. Israel does not want the Arab population but yet it needs the cheap Arab labour and Arab markets. Israel wants to live in the Middle East but wishes to see itself as part of another world. As the Israeli writer Amos Kenan writes:

The only chance for Israel to survive is for the Israeli people to identify themselves with the aspirations of the people of the area. But our politicians don't feel this way. Their ideal is not the Middle East. If they close their eyes, they prefer to see us somewhere be-

⁷⁰ Joseph Weitz, "A Solution to the Refugee Problem," *Davar*, September 29, 1967.

⁷¹ Peter Dodd and Halim Barakat, *River Without Bridges: A Study of the Exodus of the 1967 Palestinian Arab Refugees* (Beirut: Institute for Palestine Studies, 1968), p. 54.

⁷² Government of Jordan, *Report of the Joint Ministerial Committee for Relief* (May, 1968, Amman, Jordan).

⁷³ *New York Times*, June 16, 1974, Section E, p. 4.

⁷⁴ Ryan, *op. cit.*, p. 7.

⁷⁵ A.S. Becker, *Israel and the Palestinian Occupied Territories* (New York: Rand, 1971), p.53.

tween two rivers in Europe. The only trouble is that we aren't.⁷⁶

4(3) *The Transportation Network*

The transportation network in any country represents the veins of life carrying the daily flow of materials and people. The survival of any country depends on maintaining and developing the structure of its transportation system. The organization of the transportation network reflects the spatial structure of activities in the country. The linkages and nodes are considered the structural elements in a spatial system based on hierarchical interrelationships. The Israeli transportation planning is based on creating functional regions interlinked through a hierarchical structure of nodes-linkages relationships. Such relationships are usually described as follows:

Linkages and nodes are organized into hinterlands, system of hinterlands, and hierarchies. The hinterland of a node is the area in which that node's field of influence is stronger than the influence of adjoining nodes. Thus a system of hinterlands will reflect the position and relative importance of the major nodes in a network, with each node extending its influence farther toward weak competitors than toward strong competitors. The hinterlands of small nodes are nested within those of larger nodes in a hierarchical pattern.⁷⁷

There is no regional planning policy which can afford not to take into account the essential task of expanding and improving the transportation network. In a country like Israel where mobility is a crucial factor in transportation planning, the transportation network is designed to serve an efficient flow of commodities and people within and between the different regions. Furthermore, the military establishment whose basic doctrine is based on high mobility considers the existence of an efficient, highly interconnected network of transportation a national goal. After the war of 1967, the Israeli transportation network was restructured to facilitate the integration of the occupied areas into Israel's regional structure. New roads were constructed to link the settlements established in the occupied areas with major roads and highways. The functions of some roads have been changed and new axes of interrelationships have emerged as major nodes in the network structure (figure

⁷⁶ *The National Observer*, April 6, 1974, p. 4.

⁷⁷ Edward J. Taaffe and H. Gauthier, *Geography of Transportation* (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1973), p. 33.

2) The policy of integration has necessitated the structural changes in the transportation network to increase the flow of goods and people to and from the occupied territories, in particular the flow of raw materials as well as cheap labour from these areas into Israel and the flow of manufactured goods into the markets of the West Bank and Gaza Strip.

As mentioned before, the core-periphery model stresses two concepts: domination and integration. Domination means the exploitation of the available natural endowment, which could not succeed without an efficient transportation network. The West Bank transportation system has been restructured to enable better control of the hinterland. Before 1967, the major axis of interrelationships in the West Bank ran from Jenin in the north to Hebron in the south, passing through Nablus, Ramallah and Jerusalem. The new proposed Israeli plan calls for further expansion of interrelationship axes to link other parts of the occupied areas with Israel.

The Jordan Valley axis, which in the future will join the shore of the Dead Sea with Jericho, Bet She'an and Tiberias will enable the entire length of this unpopulated area, which nevertheless contains several tourist centres and traffic junctions, to be adequately developed. The western axis is designed to link up Tulkarm and Qalqilya with the eastern part of the coastal plain and to serve the route of the eastern coastal highways. In addition, four lateral axes are proposed: a) from Nablus to Damiyya bridge to Amman on the one side and to Tulkarm and Natanya on the other; b) from Ramallah via Jericho to Amman on the one side and via Lod to Tel Aviv on the other; c) from Jerusalem via Jericho to Amman; d) from Hebron to Ashkelon and to Beersheba, Gaza as well as from Hebron to Arad.⁷⁸

In addition, the Master Plan for the West Bank calls for the establishment of two airfields, one in Jericho to serve winter tourism in the Dead Sea and the other in Jenin in the north designed for pilgrimages and tourists visiting Nazareth. On the Golan Heights, a highway was constructed to link Tiberias with the sixteen settlements that have been constructed since 1967.⁷⁹ In occupied Sinai, the Israelis built a highway that connected Eilat with Sharm al-Sheikh, passing through Dahab and Nabag as well as several short roads in the west and southwest to the oil fields alongside the Gulf of Suez. Several other roads were extended to

⁷⁸ Efrat, *op. cit.*, p. xxv.

⁷⁹ *Ibid.*, p. xxvii.

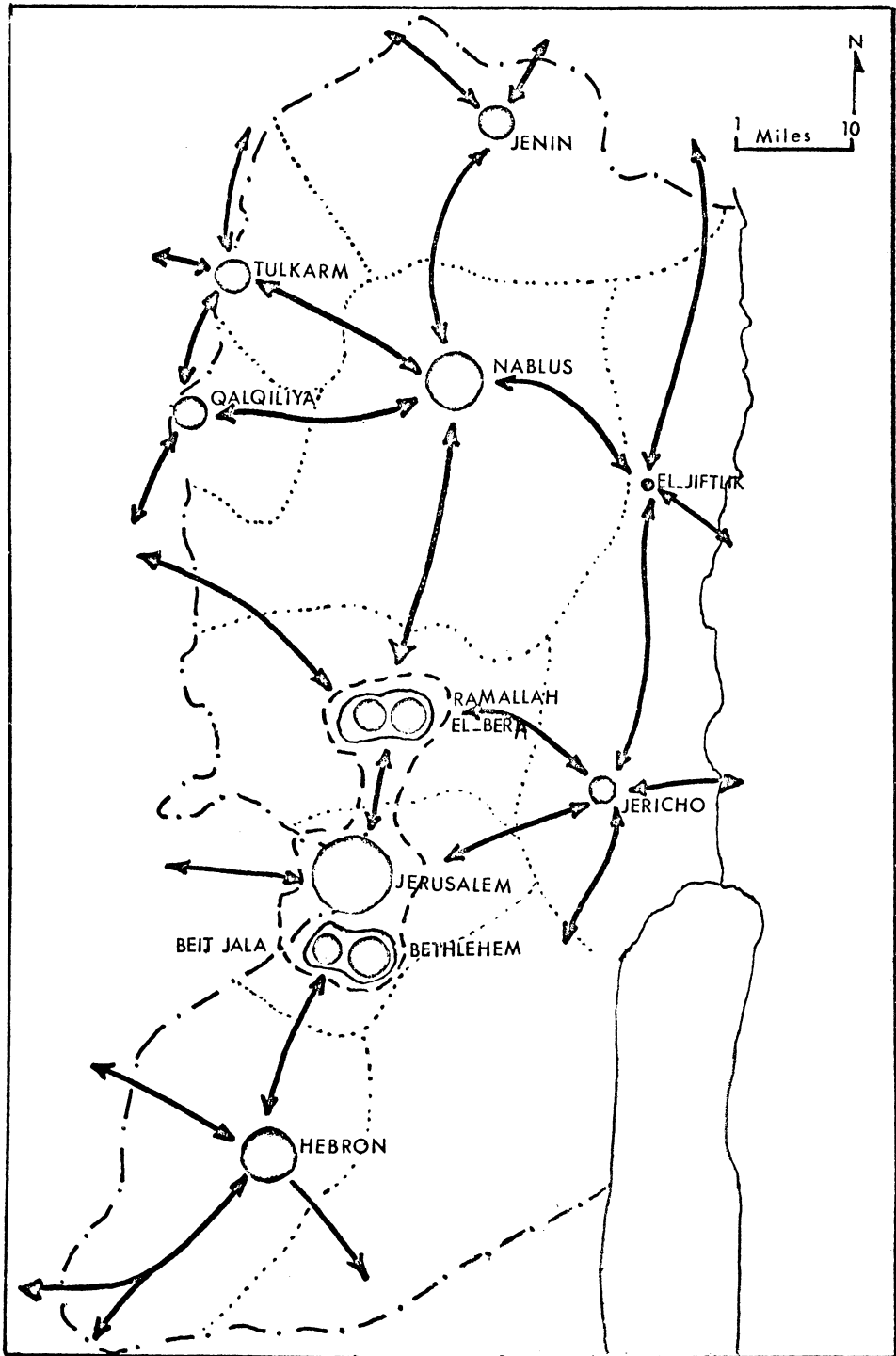


Figure 2. Zones of Influence and Axes of Interrelationships in the Israeli Plan for the West Bank.

link the major highway in Sinai with the manganese mines in Umm Bughma.⁸⁰ In addition, the occupation has benefitted El Al Airline, whose trips to Africa were shortened by flying over Sinai:

The Sinai occupation has facilitated and shortened air connections with East and South Africa. El Al's routes to Johannesburg, via Nairobi, were previously circuitous, through Turkey and Iran, taking 16 hours. The direct route through Sinai peninsula has shortened this to 11.5 hours. Lydda Airport, near Tel Aviv, is better able to exploit its geographical location for increased transit trade from East Africa and Asia to Europe and vice versa.⁸¹

5. *The Impact of the October War on Israeli Planning Policy*

Although it is still relatively early to evaluate the effect of the last Arab-Israeli war on Israeli planning policy, fundamental changes may be expected to occur in the thinking of Israeli planners in regard to the occupied area. The expectations may be ascribed to the following: First, the collapse of Meir's government after the October War and the exclusion of Dayan weakened the influence of the integrationist group who called for the integration of the occupied areas into the different forms of Israeli life. The rise of Rabin and Allon has strengthened the influence of their supporters who prefer the withdrawal of the Israeli forces from populated sectors, while retaining strategic areas such as the Golan Heights and the belt of settlements alongside the Jordan. Their proposals fall short of Arab requirements for a peace settlement, but still mark a change in the Israeli stance. Yitzhak Rabin proposed, among other things, the following in a 6-point peace plan with Jordan:⁸²

- a) The retention by Israel of United Jerusalem...
- b) The restoration of the Arab-populated areas of Judea and Samaria to Jordan, which during a transitional period till peace comes, will exercise sovereignty, maintain a civil administration, and grant Jordanian citizenship, and
- c) The rehabilitation of the Arab refugees including those from Gaza Strip in the East Bank of Jordan.⁸³

Despite the fact that the political changes in Israel which followed the October War may have influence on the planning policy in the

⁸⁰ Orani and Efrat, *op. cit.*, p. 351.

⁸¹ Kanovsky, *op. cit.*, p. 60.

⁸² *Viewpoint: A Progressive, Independent and Critical Review of Current Issues in Israel*, No. 14 and 15 (Jerusalem, 1974), pp. 13-14.

⁸³ *Ibid.*, p. 25.

occupied area, the extent of such changes depends on the strength of Rabin's government which could be easily threatened by the Likud Party's advocacy of a tougher policy toward the occupied areas. Second, the October War has contributed significantly in changing the perception of many Israelis, who used to believe in security belts and permanent borders alongside the 1967 cease-fire lines. The Israelis discovered after the war that what they thought to be permanent borders were no more than temporary truce lines that could be altered overnight. In a survey after the war, it was found that the percentage of the Israelis who prefer the return of some of the occupied areas increased from 19 percent before the war to 52 percent after the war.⁸⁴ In addition, attitudinal changes occurred in official statements. For example, the platform of the Israeli government that was adopted after the war called for maintaining "defensible borders based on territorial compromise."⁸⁵ Previously, the government rejected any reference to a compromise and insisted on "secure borders, a clearly tougher concept than defensible borders."⁸⁶ Third, the catastrophic impact of the October War on the Israeli economy has reduced the capacity of the Israeli government to implement its objectives in the occupied areas. An Israeli economist estimated that the war cost Israel more than \$4 billion and wiped out the projected gross national product for 1973.⁸⁷ According to former finance minister Sapir, Israel's national debt "has increased from \$4 billion to nearly \$5.75 billion as a result of the war... A few days later he sounded even more ominous."⁸⁸ Furthermore, the heavy blow of the war left its prints on Israel's trade deficit, which increased from IL 820 million in 1972 to IL 1,500 million in 1973.⁸⁹

Conclusions

Israeli planning policy in Palestine and the occupied territories has undergone modifications and reformulations to serve the aims of the expansion of Zionist settlement since the early days. Zionist aims first entered the stage of implementation with the rise of a few isolated settlements. These spread with settlement experimentation and Jewish immigration towards the end of the nineteenth century and continued

⁸⁴ *Time*, December 10, 1973, p. 58.

⁸⁵ *Ibid.*, p. 58.

⁸⁶ *Ibid.*, p. 58.

⁸⁷ *Time*, November 19, 1973, p. 48.

⁸⁸ *Maariv*, January 25, 1974.

⁸⁹ *Haaretz*, January 14, 1974.

during the Mandate period and after the fall of Palestine in 1948. Despite the shortcomings and setbacks that confronted the Israeli planners, regional planning became a national policy designed to facilitate the domination and integration of the areas acquired into the Israeli regional structure.

The objectives of the Israeli policy to the occupied areas seem to have been approached within the framework of the core-periphery model. The Israeli planners seem to have benefitted from the two basic concepts within the model: domination, which implies extraction and regulation, and integration, which facilitates the exploitation of the natural endowments of the occupied areas. The basic objectives of this integrative policy are: 1) to exploit the basic economic sectors, mainly agriculture, industry and mining and tourism, 2) to dismantle and relocate the Palestinian refugees into new areas outside their land, and 3) to develop and expand the transportation network so that it would enable the Zionist establishment to direct the flow of materials from the occupied areas toward the Israeli core regions. Despite these difficulties, the Israeli government seems to have succeeded in achieving some success in implementing the first and the third objectives, at least temporarily. But the second objective, which is the burning issue and the crux of most of the problems in the Middle East conflict, is extremely difficult to achieve. The Israeli officials may be able to change the physical and material characteristics of the Palestinian land, but they are unable to change the sentiment felt for Palestine by the Palestinian people. In two separate studies, two authors reached consistent and similar conclusions concerning the resettlement of the Palestinian refugees. In the first study, which dealt with the resettlement of refugees in the Jordan Valley, Claude Sutcliffe reached the following conclusions: "The refugee farmers showed to be more highly concerned with the Palestinian issue than the non-refugee farmers. This implied strong indications that the resettlement project in the East Ghôr Canal area, which was motivated partially by political factors, was a failure as a refugee resettlement scheme."⁹⁰

Similar conclusions have been drawn from Professor Yasumasa Kuroda's research study on young Palestinian commandos: "Although Palestinian refugees have been given legal citizenship by Jordan, they remain psychologically Palestinians in their identification. As stated before, the respondents and particularly commando members are

⁹⁰ Claude R. Sutcliffe, "The East Ghôr Canal Project: A Case Study of Refugee Resettlement, 1961-1966," *Middle East Journal*, Vol. 27, No. 4 (Autumn 1973), p. 480.

obsessed by their desire to return home or to establish Palestine as a nation state.”⁹¹

⁹¹ Yasumasa Kuroda, “Young Palestinian Commandos in Political Socialization Perspective,” *Middle East Journal*, Vol. 26, No. 3 (Summer 1972), p. 266.