

SURVEY OF ARAB AFFAIRS

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**UNREST IN JUDEA, SAMARIA, AND GAZA:
RETHINKING THE MILSON SOLUTION**

Hillel Frisch

As the wave of unrest in the territories continued into its third month, the locus of the disturbances shifted away from Gaza, where they erupted, to Judea and Samaria. The shift is political as well as geographical. In Gaza, they burst forth out of a swell of discontent -- a social protest of the have-nots in the refugee camps, goaded on by small groups of fundamentalists. Its Islamic tone was not incidental; the notion of equality is probably the most powerful modern message of Islam.

In Judea and Samaria, by contrast, the disturbances are led by much broader-based movements affiliated with the various factions that comprise the PLO. Social discontent was responsible

for the eruption of unrest, but grass roots PLO-led organizations in Judea and Samaria are increasingly responsible for its continuation. As in many manifestations of social protest ranging in severity from riots to revolution, the "organization" is busy preventing the momentary outbreak from petering out and making unrest a permanent feature of life.

The persistence of unrest in the territories poses a nagging question for the Israeli authorities. Since its persistence is due to organized groups and the organizational infrastructures these groups have been permitted to create over many years, the authorities must be held accountable for having

allowed these groups to reach the level of political organization they possess.

Months ago, and indeed for years, the military commander of Gaza warned that the area was a powder keg ready to explode. Everyone knew that to remedy some of the grievances of Gazan residents involved, above all, money to rehabilitate the refugee camps in which over 300,000 Gazans, the vast majority of the area's residents, live. A proposal to invest \$50 million over ten years, drawn up in 1970 by a prominent group of Hebrew University economists, was turned down by the Meir government. That plan was proposed in the middle of the boom years of the Israeli economy, and if there was no commitment to do so then, then clearly there was no resolve to do so in the threadbare years after the Yom Kippur War.

However the prevention of the organizational buildup of the PLO, principally through the Fatah-affiliated Shabiba movement and other organizations, was an altogether different matter. Ostensibly, preventing that development should have been a major focus of any military administration. No excuse of lack of funds can be given. Yet why did the Israeli authorities allow the PLO over the past eight years to infiltrate and eventually dominate the overwhelming majority of communal, charitable, professional and labor organizations, the institutions of higher education, and make deep inroads in other formal and informal institutions of education in Judea and Samaria, whose cadres are responsible for making sure that the unrest continues?

One answer to this question comes from Professor Menahem Milson, who set up and headed the Civil Administration in the territories for a brief ten months, from November 1981 to October 1982.

Milson opposed the prevailing idea of non-intervention, one of the three principles which had guided Israeli policy in the territories. The other two were the principle of limited visibility of the military in urban areas and the open

bridges policy. Yet Milson felt that the principle of non-intervention contradicted the logic of Israel's role in the territories as an occupier. Non-intervention meant allowing the local residents to think, identify and, to some extent, organize according to their wishes as long as they posed no direct belligerent threat to Israeli rule. Milson, borrowing from the precedent set by the Allied occupation in Germany and Japan, felt that Israel had every right and indeed, an obligation to make the correct moves to influence the way in which the residents thought and organized in order to promote the prospects for peace. He reasoned that allowing the PLO to take over, which is what non-intervention meant in practice was not the right way of going about it. He sought rather to help set up Palestinian organizations inside the territories that could eventually become partners to an internal peace process. The two moves he made toward this end were the establishment of the Civil Administration to make this liaison, and the promotion of the Village Leagues to counter PLO control of the municipalities.

Some Israeli journalists sought to undermine Milson's concepts, as did the two major parties, the Likud and the Alignment, both of which felt ill at ease with Milson's "Palestinian" approach, but for different reasons. Only the PLO, principally Fatah, took him seriously. The first spate of Shabiba Committees of Social Work were formed in large measure to combat the Village Leagues. The formation of other such committees, sponsored by the Communists, the Popular Front, and the Democratic Front, soon followed.

In the end, Milson resigned, leaving a civilian administration intact to apply, once again, the principle of non-intervention. An administrative structure, one step removed from the application of force, now became an onlooker to intensive PLO institution-building, which Milson's approach ironically had spurred. Milson's rise and fall now became a major

PLO gain. Meanwhile, the civil administration forbade a Palestinian political party with ties to Milson and some Labor party personalities from operating. Israel could not bear "quisling" institutions, but it could live with the Shabiba of the PLO.

To make matters worse, in the summer of 1985, Israel agreed to an ill-advised prisoner exchange with Ahmed Jibril's Popular Front-General Command, in which 650 terrorists were allowed to remain in the territories. The local Arab newspapers were soon reporting on the activities of many of those released on behalf of the newly created PLO movements, which were in effect political wings of the factions to which they had belonged before being sentenced to jail. Today the authorities are trying to figure out how to untangle the legal webs and expel hundreds of these and other Shabiba activists.

Of course there were other reasons for PLO success. One was selling the myth that the Likud conducted an iron fist in the territories, a gross perversion of the truth. In the ten years of Alignment government, nearly 2000 Arab residents in the territories were expelled, compared to a dozen or so under the Likud. In fact, between 1980 and 1985, deportations ceased altogether. Only in 1985, with the establishment of the National Unity Government were they renewed. The same is true for demolition of houses of terrorists: under the Alignment they averaged between 80 to 100 annually; under the Likud they averaged around 20.

Israel may now want to reconsider

reapplying the Milson experiment, but this time more seriously. A showdown with the present PLO organizational presence is bound to occur. No peace process with Jordan will emerge unless Israel breaks the power of the Shabiba organization. No headway towards autonomy can occur under the threat of these organizations. Israel has the power to encourage political groupings which would accept autonomy, provided that they in return become the conduit for work permits, family reunion permits and other benefits, while at the same time actively penalizing PLO supporters.

The Israeli administration of the territories is known the world over as the occupation. Perhaps now is the time for Israel to truly accept that role in order to work actively towards a peaceful resolution of the conflict. Like the Allies, it should use its power constructively by helping to create the political tools necessary to achieve an acceptable political solution. Such a political devolution would serve the Palestinians infinitely better than the PLO alternative, given the Israeli resolve in refusing to deal with it. Permitting a continued PLO build-up in the territories spells more unrest and ultimately a showdown with the authorities, the consequences of which will only spell one more Palestinian disaster. After all, that was the outcome of the showdown in Jordan 18 years ago; it should be all the more inevitable against the much more powerful State of Israel.

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THE EFFECTS OF THE ARAB SUMMIT ON JORDANIAN POLICY

Pinhas Inbari

The Arab summit was conducted in the shadows of Syrian President Hafez al-Assad and Jordanian Prime Minister Zeid Rifa'i. The conference could be convened only because of a turnabout enacted by the Jordanian prime minister in his country's policies two years ago, and it could succeed only within the limits determined by the Syrian president.

Judging by the concluding statement, the conference could certainly be considered a success, due not only to the very ability of all the Arab countries to reach joint summations, but in their doing so on a central issue. For the first time, the Arab League succeeded in including Syria in a joint agreement concerning the war against Iran, and without compromises. Syria joined the unequivocal Arab condemnation of Iran and expressed unconditional support for Iraq, which is fighting for its life, and for Saudi Arabia and Kuwait, which are being dragged against their will toward the war front.

While the war against Iran attracted the most attention, three other issues on the agenda also drew interest: the Palestinian problem, the Lebanon issue, and the renewal of relations with Egypt. Syria held the key to the success or failure of all three issues.

There was no argument concerning the Iraqi question; the PLO's willingness to reach a conciliation with Saddam Hussein was the test of the entire conference. President Assad met his Arab brothers halfway on this issue. However, it remains to be seen how long this will pertain, just as the worth of the Syrian commitment to the joint Arab decision against Iran is also unclear. But Assad's signature on the joint communique grants the conference its seal of success.

The pan-Arab deadlock on the other three issues remains unchanged, as Assad

was unprepared to move much closer to the Arabs. Lebanese President Amin Gemayel was practically not mentioned, and the Lebanon issue apparently did not capture adequate attention. The Arabs were satisfied with seating Assad next to Saddam Hussein, and they did not want to anger him with a needless meeting together with Gemayel. Concerning relations with Cairo, Assad did not join his colleagues' position, nor did he agree to Egypt's return to the Arab League. The conference therefore settled for allowing each country to independently decide on renewing relations with the Land of the Nile.

Matters are still not that clear concerning the Palestinian issue. The relative speed with which Syria-Iraq relations were settled enabled the Iraqi president to bring Arafat and King Hussein together and get them to make up. It is still too early to determine the significance of this reconciliation, but at the moment there is no doubt that King Hussein turned a cold shoulder to the PLO leader -- not necessarily due to the Jordanians' determination to continue their policy of confrontation with the PLO -- but so as not to anger Assad before his differences with Saddam Hussein were resolved. Relations between Arafat and Hussein obviously improved, but it remains unclear whether the two will be able to return to the format of the Amman agreement reached three years ago.

There already were several signs heralding the change in Jordan's attitude toward the PLO, the last being the petition to the Arab summit conference published by the pro-Jordan A-Nahar. The petition not only expressed support for the PLO as the sole legitimate representative of the Palestinians, but went on to praise it as a national, patriotic entity and as a

symbol of Palestinian nationalism. The only point in Jordan's favor was that the principle of self-determination, a question which still remains open between Jordan and the PLO, was not mentioned.

Beforehand, in an issue of the Lebanese publication Hawadas (26 Oct. 87), Jordanian Interior Minister Rajah A-Dajani stressed that no confrontation exists between Jordan and the PLO; Jordanian aid to the territories is designed to assist residents in facing the hardships of the occupation, and is granted not to certain circles but to the entire population in the form of wages and similar support. He also reiterated that the joint committee with the PLO is a legitimate channel for aid to the territories, but noted that the committee ceased to function only because its coffers are empty. The Jordanian minister condemned the pro-Jordanian cells in the territories, and compared them with the loathsome Village Leagues. Indeed, Minister for Occupied Territories Affairs Marwan Doudin was absent from the Hussein-Arafat meeting, despite attending King Hussein's other meetings. Being a symbol of current Jordanian policy, the possibility that Doudin's absence was deliberate should not be dismissed. It could be the sign of a royal pledge to Arafat that the policy will be altered.

Why did Jordan start a confrontation with the PLO, and why is it likely to change its policy now?

To understand how Jordanian policy works, one must recognize a basic principle. More than any other Arab country, Jordan forms its foreign policy according to internal issues, and Jordan's internal issues are formed by the Hashemites' "demographic problem": a large Palestinian population -- in Amman it is really massive, comprising 80 percent of the capital's total population -- alongside a growing religious fundamentalist feeling, which constitutes a general problem for moderate Arab states. Although the Jordanization of the Palestinians is growing stronger, violent outbursts such as in Irbid two years ago -- which contained a mixture of Pales-

tinian unrest set against a religious backdrop -- are liable to delay or reverse the Jordanization of the Palestinians.

The differences between Zeid Rifa'i and those in Jordanian intelligence are evident. The latter formed ties with the Palestinians and the Moslem Brotherhood for a three-sided confrontation with Syria. Rifa'i changed the policy from one extreme to the other: he entered into a confrontation with the PLO and stopped aiding the Moslem Brotherhood to act against Syria. Moreover, he launched a policy of rapid reconciliation with Syria.

The success of his new policy enabled Jordan to host the Arab summit. King Hussein succeeded where affluent Saudi Arabia had failed a year ago, thanks to Rifa'i's pro-Syrian move. Arafat paid the price, but Jordan became the pan-Arab diplomatic axis: acceptable to Assad, Saddam Hussein and Mubarak, conveyor of messages, mediator and inter-Arab broker -- a role it could not have played were it not for its reconciliation with Syria.

Rifa'i shared Assad's understanding, i.e. that it is the Iranian threat and not the Palestinian issue which is at the forefront of Arab concerns. On the other hand, Jordan and Syria have a very pressing common problem: The two countries are scraping the bottom of the foreign currency barrel. Syria's situation is more severe, but Jordan, too, is worriedly following the emptying of its reserves. The oil states are prepared to pay a large sum for the consolidation of a united Arab stand to repulse the Iranian threat. Furthermore, now that Jordan has become a political asset, the oil states will be prepared to pay it as well, and not just Syria. It is conceivable that an improvement in foreign currency reserves is the name of Rifa'i's game.

But this is not to say that everyone in Amman unanimously agrees with Rifa'i's policy. Jordanian intelligence is worriedly following his policy, and does not believe it possible to remain in a confrontation with the Palestinians and religious fundamentalist circles for a prolonged period.

The crowning achievement of Rifa'i's success, the reconciliation between Syria and Iraq, is now liable to boomerang. Jordan's basic interest is continuing the differences of opinion and rivalries between its two radical neighbors. A reconciliation between them is liable in time to be directed against Jordan. Rifa'i's very success was in striving to close the rift between Syria and Iraq; when these gaps are closed it will naturally come at Jordan's expense. It will then be pushed aside, if not worse.

The unexpected developments in the territories are a new factor in the Jordan-

PLO balance, and may speed up the rapprochement between Hussein and Arafat. They were both caught by surprise and may find it in their common interest to cooperate, so as not to lose control of the situation in the territories to more radical groups, including the Islamic Jihad.

But the major obstacle to this was already apparent in the Amman summit -- Syrian opposition. President Assad will not approve Arafat's return to Amman.

Jordan has to soon decide between continuing the present pro-Syrian, anti-Palestinian policy, or improving ties with the Palestinians.

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Data Base:

THE TERRITORIES WILL SUFFER FROM THE CIVIL UPRISING *

Yitzhak Deutch

The reasons behind the civil uprising in Judea, Samaria and Gaza are mainly political. However the economic ministries are investing a great deal of thought on the economic repercussions of the disturbances, particularly if the workers continue to stay away from their jobs in Israel. The initial reactions from both sides are off target because there is mutual economic dependence. Economists who prepared a preliminary examination of the impact of the disturbances believe that both sides will be severely hurt.

About 100,000 persons, out of the total workforce of 245,000 in Judea, Samaria and Gaza, work inside of Israel. The immediate repercussions of a total cessation of Palestinians working in Israel would be rampant unemployment among Palestinians, the collapse of the salary system, and the inevitable rise of internal crime.

The possibilities for employment in the surrounding Arab countries are very limited

because of a general economic slow-down which has affected the area. Furthermore, salary rates in neighboring Arab countries are generally much lower as compared to wages in Israel.

The standard of living in the territories today is drastically higher than it was before the Six Day War and in the early 1970s. The energy and nutritional value of the average family's food basket has increased markedly as well as the percentage of families owning electrical appliances, gas ranges, refrigerators, telephones and vehicles. For example, in 1972, 6.5 percent of the families in the Gaza Strip owned a gas or electrical appliance for cooking compared to 87.1 percent today; only 8.7 percent had a refrigerator compared to 78 percent today. Currently 14.5 percent of the population owns a private vehicle compared with 3.2 percent previously. The cessation of employment in Israel and the breaking of other economic

relations would mean a sudden regression from the standard of living which has been achieved.

Israel will suffer a stinging blow as well, however. Thirty-six percent of the employees in construction are from the territories, 15 percent in agriculture, 5 percent in industry, while an even higher percentage are employed in tourism and household services. These branches will feel the most immediate effects.

Minister of Labor Moshe Katsav said that Israel could absorb thousands of foreign workers. Some experts maintain that the import of workers from Portugal, Spain, the Philippines and other countries would present no difficulties.

However a major difference is that the majority of the workers from Judea, Samaria and Gaza return to their homes at the end of the day; only a percentage of them stay overnight in the vicinity of their place of employment -- a fact which

creates tension. The import of workers from abroad would entail the organization of "workers villages" and adequate permanent housing.

In the long run, a change in the manpower supply may have a positive impact: the construction industry will invest more in research and technological development, thus reducing its dependence on imported manpower; the rate of development in the tourist and hotel industries will have to be re-evaluated because of their heavy dependence on workers from the territories; and the development of high technology industries will be encouraged.

The calculation of economic profit and loss indicates great losses on both sides. However the residents of Judea, Samaria and Gaza will clearly suffer the greater blow, while their capacity to overcome it is in doubt. The Israeli economy will suffer mainly in the short term if this threat turns into reality.

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ARAB EMPLOYMENT IN ISRAEL INCREASING *

Over 105,000 Arabs living in the territories work in Israel. Since the beginning of the 1980s, the number of workers from the territories employed in Israel has increased markedly (see chart). In 1987 alone, this number increased by 12 percent. This data puts in doubt the ability of the Israeli economy to sever its dependence on Arab manpower from the territories in exchange for foreign workers from Portugal or Yugoslavia.

* -- From Ma'ariv, 12 January 1988

