



Settling the Old City: the Policies of Labor and Likud

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Introduction:

This paper aims to survey the history of Jewish settlement in the Old City of Jerusalem and to analyze the differences between the Labor and Likud policies towards such settlement since 1967. Understanding the activities of Jewish settler groups in the Old City and their links with political parties in Israel sheds light on the prospects for peace in the city. Palestinians regard the Old City as the heart of the occupied city. Settlement activities there could frustrate Palestinian hopes to make Jerusalem their political capital. Moreover, for Palestinians the Old City

represents not just another part of the Arab territories occupied in 1967, but a living expression of their Arab cultural heritage. Palestinians worry that this invaluable heritage is threatened by the activities of the Jewish settlers there. Finally, Palestinians deem the Old City to be at the core of the national struggle over Jerusalem. They feel that winning some kind of sovereignty in the Old City is essential for them to realize a meaningful sense of national identity.

To grasp the political character of current settlement activities in the Old City, it is useful to contrast the politically motivated, nationalist settlement activity of today with the religiously motivated Jewish settlement activity of the 19th and early 20th century.

Historical Background

During the early nineteenth century, Jewish immigrants to Jerusalem congregated in the southern area of the Old City, which became known as the Jewish Quarter. It was small and located in a single area. The idea that today's Jewish quarter is merely a "restoration" of the old Jewish quarter is a myth, similar to the notion that today's Jerusalem represents the "reunification" of a pre-existing city. In fact today's Jewish Quarter, like "Jerusalem" itself, is an artificial entity created after 1967 by land expropriation and the redrawing of boundaries. The original Jewish quarter was only one fourth the size of the present quarter.¹ Its location had been important for the Jews since the

thirteenth century for two reasons: first, because there were no Muslim or Christian holy places located there, so the area held no attraction for either community; and second, because the area is in the vicinity of the Wailing Wall, the holiest site in Judaism and an important symbol of "the nation's glorious past." The quarter also offered a view of the Mount of Olives, where in Jewish eschatology the dead will be resurrected at the apocalypse. The historian Yehoshua Ben Arie comments that a Jewish community grew up in this spot because it was the place where, in 1267, Rabbi Ramban decided to establish the synagogue that bears his name today.²

Only *Sephardi* Jews lived in Jerusalem at the beginning of the nineteenth century, in an area around their own synagogue, which was located in the center of the Jewish Quarter. When the *Ashkenazi* Jews began to arrive in Jerusalem, they lived alongside the *Sephardim*, and started to build their own synagogues.

As a result of the increase in Jewish immigrants to Jerusalem, the Jewish Quarter grew crowded, and during the latter half of the nineteenth century, the Jews began to expand from the Jewish Quarter into parts of the Muslim Quarter.³ It is on the basis of this nineteenth-century Jewish presence in the Muslim Quarter that current Israeli settler movements lay a claim to properties there. Some Jews were compelled to move outside the Jewish Quarter to the north, first to *Aqabat Khalidi*

¹ Allison B. Hodgkins, *Israeli Settlement Policy in Jerusalem: Facts on the Ground* (Jerusalem: PASSIA, 1998), p. 26.

² Yehoshua Ben Arie, *Jerusalem in the 19th Century: the Old City* (New York: St. Martin's Press, 1984), p. 316.

³ *Ibid.*, p. 315.

(named after a well-known local family) and then to *Aqabat Al-Saraya*. By the 1880s many had moved to what became known as the Hebron market area since many of the original immigrants had come from Hebron.⁴ In the 1860s Rabbi Fischel Lapin purchased two courtyards in the Muslim Quarter, and in 1871 the *Kolel Reissin* was set up with funds donated from Sa'adia ben Yahezkel Shorr. In 1886, Rabbi Yitzhak Winograd of Pinsk established one of the biggest and best-known *yeshiva* in El-Wad road in the heart of the Muslim Quarter as one comes in from the Damascus Gate.⁵

Another area that attracted Jewish settlement was *Bab-Hutta*, the area which lies between the northern wall of the *Haram* and *Bab al-Zahira* (Herod's Gate). The *Ashkenazim* had tried to live in this area at the beginning of the nineteenth century, but without success. Because the *Ashkenazim* spoke a different language, the indigenous Arabs did not enjoy the same cordial relation with them as they did with the *Sephardim*, who, of course, spoke Arabic.

During the early part of the twentieth century, new neighborhoods were established outside the city walls. This expansion, combined with the beginnings of Palestinian awareness of the Zionist danger and the consequent unrest throughout Palestine, including Jerusalem,

reduced the flow of Jews wishing to settle among Arabs in the Muslim Quarter. In 1929, political violence between Arabs and Jews erupted in the city, and throughout Palestine, sparked by a dispute over Jewish rights at the Wailing Wall. The violence prompted a gradual emigration of Jews from the Muslim Quarter to the New City, located outside the city walls. Tension during the early 1930s hastened the departure of the Jews from the Muslim Quarter, and eventually, in 1936, with the outbreak of the Arab Revolt, the last Jewish family left. The Jewish properties were sold, leased to Palestinian Arabs, or abandoned.⁶

To grasp the mindset of present day settler groups such as Ataret Cohanim, it is important to understand how they construe these historical events. They do not see the Arab-Jewish disturbances of the 20s and 30s in the larger context of Zionist colonialism and rising Palestinian nationalism. Instead, they explain this evacuation of Jews from the Muslim Quarter as a case of ethnic cleansing stemming from Muslim religious intolerance against Jews. In taking over properties, they purport to be rectifying this historical wrong and fighting against an apartheid system in which Jews are prevented from living where they choose in the city. This professed concern for equal rights is selective and partisan, to say the least. They do not protest the Israeli High Court ruling that forbids non-Jews from either renting or owning property in the

⁴ Michael Dumper, *Israeli Settler Activities and Claims to Properties in the Muslim Quarter of Jerusalem*, Report submitted to the World of Islam Festival Trust, London, September 1986, p. 8.

⁵ Leah Abramowitz, "Jerusalem Forest," *The Jerusalem Post*, 16, no. 13681, 14 April 1976.

⁶ Ben Arieh, *Jerusalem in the 19th Century: The Old City*, p. 315.

Jewish Quarter.⁷ Nor do they call on their government to respect the rights of the 30,000 Arabs who lost their properties in West Jerusalem in 1948 and who are not allowed to return. Nor do they demand that the Israeli law be overturned that forbids the leasing of any state-owned land to non-Jews and that prohibits Arabs from residing in the Jewish settlements of East Jerusalem.

Despite the increasing number of Jewish immigrants to Jerusalem in the second half of the nineteenth century and the beginning of the twentieth century, the percentage of Jewish properties in the city was modest. Benvenisti estimates that Jews owned less than 20 per cent of the Quarter by 1948.⁸ The following table shows the distribution of properties in the Old City of Jerusalem from 1918 to 1948:

Table 1. Estate properties in the Old City of Jerusalem, by community

Arabs	Jews	Foreign Sects	Year
94%	4%	2%	1918
84%	14%	2%	1948
25%	73%	2%	1948 (outside walls)

Source: Data derived from *Amanat al-Quds Report*, Amman, May 1997, p. 47 [Arabic].

⁷ The decision was reached in the case of Muhammad Burqan. In 1968 he appealed his eviction from his family home in the Jewish Quarter and lost the case. Then in 1974, when the Israeli government put his renovated house up for sale, he tried to buy it back, but was banned from doing so by the government. In a subsequent ruling the Israeli High Court upheld the ban, arguing that there had always been a distinctive Jewish Quarter in the Old City and that the ban was necessary to restore and preserve that Quarter. Again we see the convenient myth that the post-1967 Jewish Quarter was simply a "restoration" of what had existed before 1948.

⁸ Meron Benvenisti, *Jerusalem, the Torn City* (Minneapolis: University of Minnesota Press, 1976), p. 239.

Indeed in the Jewish quarter, in the nineteenth and early twentieth century, the majority of Jews were tenants, either of private Arab owners or of *waqfs* (whether family, religious, or charitable).⁹ These Jews enjoyed tolerance from the Muslim population compared with the tense, hostile relations between Jews and Christians. Indeed Muslims benefited commercially from the increasing number of Jews in terms both of renting properties and of trade. As Michael Dumper has observed of this period:

In the main, Jewish-Arab relations were cordial, and there was considerable commercial and social interaction. Palestinian landlords and shopkeepers benefited from the increased income that the Jewish immigrants provided. For example, the public bath at the bottom of the Aqabat Khalidiyya, Hamam al-Ayn, administered by the Khalidi waqf, contained a mikvaot, or Jewish ritual bath, whose resting room provided an important place for socialising.¹⁰

Helping to ensure this coexistence was the lack of nationalist consciousness. The Jews of Jerusalem had largely religious motives for settling there. They came to pray and study and received subsidies to do so from Jewish communities outside Palestine. They hoped to maintain the

⁹ Michael Dumper, *The Politics of Jerusalem since 1967* (New York: Columbia University Press, 1997), p. 175.

¹⁰ Michael Dumper, "Israeli Settlement in the Old City of Jerusalem," *Journal of Palestine Studies* 3, no. 4 (Summer 1992), p. 36.

sanctity of the city and of the Jewish people as a way of hastening the coming of the Messiah. To the old *Yishuv* the secular nationalism of modern Zionism was a profane deviation.

For the early Zionists, however, Jerusalem's religious community epitomized the parasitic, backward and unproductive way of life that Zionism, with its cult of physical labor and rural life, was aiming to transcend. Not surprisingly, most of the early waves of Zionist immigrants settled in Jaffa, Tel Aviv, Haifa, and in agricultural settlements.¹¹ Unfortunately, as Zionism grew in strength, relations between Jews and Arabs became polarized along nationalist lines. Even for the old *Yishuv* peaceful coexistence with their Arab neighbors became impossible. The disturbances of the 20s and 30s were followed in 1948 by outright war. After a long siege, the 3,000 inhabitants of the Jewish Quarter were forced to evacuate by Arab forces defending the Old City from Haganah assaults. With the subsequent armistice agreement, the Old City came under Jordanian control for 19 years, and the Jewish Quarter was resettled by Arabs, many of them refugees from West Jerusalem. Jewish properties were administered by the Jordanian Custodian of Enemy Property, which rented them to individuals and to the United Nations Relief and Works Agency (UNRWA). The latter agency used them in turn to provide housing for refugees.¹² In June 1967 Israeli

troops seized the eastern part of the city from the Jordanians. The following section will show the dramatic changes in the Jewish presence in the Old City as a result of the Israeli occupation, comparing and contrasting the Labor and Likud policies regarding Jewish settlement there.

Labor Policies after 1967

After 1967, the main priority for the Israeli Labor government was to increase the numbers of Jewish residents in the Old City. Unlike the settlement process in the West Bank and Gaza Strip, which took some time to gain momentum, Israel did not hesitate to initiate its Jerusalem settlement projects immediately, exploiting the Israeli public consensus that the city should remain unified under Israeli rule. This consensus has allowed Israeli governments to proceed with their settlement policies in the city without fear of internal opposition. The subsequent years witnessed a systematic attempt to Judaize the city, an attempt initiated by the Labor government and continued for decades with their full knowledge and support.

Immediately after the war of June 1967, Israel began creating facts on the ground designed to prevent any return to the pre-1967 borders and to ensure lasting Israeli control over the whole city. The first step in this process was the campaign to change Jerusalem's Arab character by destroying the Magharibah Quarter. During the first week of the city's occupation, the Israelis razed this historic area, which dated from 1320. Giving residents two hours notice, they evicted over 600 Arab inhabitants from their homes. This was done to enable

¹¹ See Roger Friedland and Richard Hecht, "Zion Against Zionism," chapter 2 of *To Rule Jerusalem* (Cambridge: Cambridge University Press, 1996).

¹² Dumper, *The Politics of Jerusalem*, p. 175.

the area in front of the Western or Wailing Wall to be enlarged for the use of Jewish worshippers.

^t During this destruction, two old mosques, *al-Buraq* and *al-Afadili*, were destroyed. Moreover, 135 Arab families numbering 650 persons (Benvenisti mentions 108 families consisting of 619 individuals) became homeless refugees. Another 24 buildings and a plastics factory adjacent to the Armenian Quarter were also demolished at the same time, depriving 300 inhabitants and the factory workers of their homes and their livelihood.

After the destruction of the Magharibah Quarter, Israeli policy shifted to the Jewish Quarter with the aim of clearing it of its Arab residents. The first step was taken in April 1968, when the Israeli authorities confiscated 30 acres of the Old City to create an expanded Jewish Quarter. There were an estimated 5,500 Arabs living in the Jewish Quarter, and in order to make the Jewish Quarter government property, the Israelis invoked the British Mandatory Law of 1943: the Land Acquisition for Public Purpose Ordinance. They also applied the Absentee Property Law, ruling that the property in question belonged to absentee owners.¹³ As Michael Dumper notes, "The expropriation included 700 stone buildings, of which only 105 had been owned by Jews prior to 1948. Expropriated Palestinian Arab properties included 1,048 flats or apartments housing 6,000 Palestinians, and 437 workshops or commercial stories providing employment to approximately

700 workers."¹⁴ Moreover, almost a quarter of these confiscations were endowed properties under the jurisdiction of the *Awqaf* Administration. As Dumper suggests, through these expropriations the Israeli government was deliberately weakening the *waqf* system in the Old City.

During the evacuation of Arabs living in the Quarter, both pressure and intimidation were employed, since many residents were not prepared to leave their houses voluntarily. Some of the evicted residents found shelter with relatives, while others joined those expelled from the Magharibah Quarter.¹⁵ The Israeli government offered compensation to the Arab inhabitants of the Jewish Quarter, and although accurate figures on the rate of compensation are difficult to obtain, it has been suggested that amounts ranged from £200 to £1,500 per room.¹⁶ When the Israelis were unable to persuade many tenants to accept this inadequate compensation, the authorities sought to make life unbearable for them by demolishing everything around their homes, including even parts of their houses such as the entrance steps or an outside lavatory. Walls cracked, the roofs leaked, water was cut off, and dust choked the rooms.¹⁷ Because of legal actions taken by residents against the Israeli authorities, the last eviction was not carried out until 1980.

It is well known that these Israeli policies were implemented under the Labor party. It is often assumed, however, that the Labor

¹⁴ Dumper, *The Politics of Jerusalem*, p. 175.

¹⁵ Benvenisti, *Jerusalem, the Torn City*, p. 100.

¹⁶ Maguire, *The Judaization of Jerusalem*, p. 24.

¹⁷ David Hirst, "Rush To Annexation: Israel in Jerusalem," *Journal of Palestine Studies* 3, no. 4 (Summer 1974), p. 22.

¹³ Kate Maguire, *The Judaization of Jerusalem*, Research Paper Series, Paper no. 6 (London: Arab Research Centre, 1981), p. 24.

party subsequently opposed settler groups occupying homes in the Old City in Arab areas. To some extent this is a retrospective myth on the part of Labor supporters attempting to differentiate themselves from their rivals. Consider this typical account in a recent book by a former official of Teddy Kollek's administration: "Leftist governments, like Teddy Kollek's, would often be heard saying that Jews had the right to live anywhere in Jerusalem... but that when moving into certain neighborhoods timing was a consideration and harmful friction should be avoided in all circumstances....Right-wing governments, on the other hand, preferred to focus not on issues of equality but on the right of Jews to live wherever in the city they chose."¹⁸ While there is truth in this opposition, it is not as clear-cut as the writer might wish. In fact, the Labor party initiated government support for settler groups seeking to settle in Arab areas of the Old City. The Israeli weekly newspaper, *Kol HaEir*, published a report on 29 November 1996 about a group that it claimed the Labor Party had conceived as a secret unit and that it had set up in March 1973. This special unit was called *Egum*, and its main target was to buy lands and properties in the eastern part of Jerusalem. *Kol HaEir* reported that one of the unit's goals was to reduce the Muslim residents in the Old City of Jerusalem by encouraging Arab departure from the Old City to nearby villages outside, and by offering them

incentives to travel abroad.¹⁹ *Egum's* efforts did not achieve the intended goals. First, the group encountered strong Arab resistance to leaving the Old City, a resistance bolstered in the seventies by the high tide of Palestinian nationalist feeling. Secondly, with the Likud victory in the 1977 elections, the group lost government support because it was seen as a tool of the Labor party. Instead, Likud gave its support to the Gush Emunim. Labor's support for such a group as *Egum*, not to mention their policies regarding the Magharibah and Jewish quarters, indicated that from early on they shared Likud's aim of securing Jewish control over the Old City by expanding the Jewish presence and thwarting Arab development.

Likud Policies after 1977

The Israeli elections in 1977 brought a coalition of extremist right-wing parties to power, headed by the Likud party. Whereas the Labor party's support for settler groups in the Old City had been secretive, the Likud government's was often overt. Ariel Sharon, the Likud's former Housing Minister and recently their Minister of Foreign Affairs, headed the settlement activities in the Old City. In 1982 Ataret Cohanim set up a subsidiary called the Jerusalem Reclamation Project (JRP) with the aim of "redeeming" properties in the Muslim Quarter. Over the next decade they would acquire 123 properties for an estimated \$18 million. They pursued their activities largely out of the public eye until October 1987 when

¹⁸ Amir Cheshin, *Municipal Policies in Jerusalem: An Account from Within* (Jerusalem: PASSIA, 1998), pp. 87-88.

¹⁹ *Kol HaEir*, 29 November 1996, translated by ALMASDAR, Jerusalem.

they announced they would be renting a house in *al-Wad* Street to Ariel Sharon, then the Minister of Trade and Industry. The move sparked Palestinian protests and fueled the anger that would shortly ignite the intifada. But this was only the most public and controversial instance of a major offensive being engineered by Sharon in collusion with such settler groups as Ataret Cohanim, Nir David, and Elad.

The full extent of the government's collusion was revealed by the so-called Klugman Report, issued in 1993 by a special commission appointed by the new government of Yitzhak Rabin and headed by the Director General of the Ministry of Justice, Haim Klugman. As the report showed, throughout the years of the Likud administration millions of dollars of state funds were being secretly funneled to East Jerusalem settler groups from various ministries, including funds meant for new Israeli immigrants and indigent Israeli families. These funds were used to repair occupied Arab homes and fix up the settlers' apartments throughout the Old City and in Silwan.²⁰ For example, during his service as Housing Minister, Sharon secretly gave 7.5 acres of land in the *Wadi al-Joz* neighborhood to Ataret Cohanim. To prevent Arabs from using it, this land, *Karm al-Mufli*, had been kept as "public" property since 1967, the government denying approval for the construction of the Ma'amuniya Arab girls school there.²¹ Also transferred to the group was a plot of land near Herod's Gate (*al-Zahirah* Gate). First the land was bought by *Hemanuta* (a subsidiary of the Jewish National Fund) from the Russian Church, then turned over

by *Hemanuta* to the Israel Land Department, which in turn handed it on to Ataret Cohanim. All these sales took place under the auspices of Sharon.²²

In addition to secretly transferring funds, the government colluded with the groups in locating properties vulnerable for takeover. In 1982 under the direction of Sharon, then the Agriculture Minister, the government set up a special committee to locate Arab properties in the city for purchase or acquisition by the state under the Absentee Property Law. Often the settler groups themselves undertook to find the properties. Then the government, taking the settler's word that the owners had left the country, transferred the properties to the settlers groups without undertaking their own investigation as required by law. Supposedly "selling" the properties to the

²⁰ In their new book *Separate and Unequal: The Inside Story of Israeli Rule in East Jerusalem* (Cambridge, MA: Harvard University Press, 1999), Amir Cheshin, Bill Hutman, and Avi Melamed summarize the findings of the report as follows:

"The Klugman Committee traced NIS 23 million (\$8.2 million) in state funds going to the east Jerusalem settlement movement. That figure was based on records obtained by the commission showing the purchase, rent, and lease prices the settlers and government had paid for Arab homes. For the Abassi home in Silwan, for instance, the commission of inquiry found the state paid NIS 98,630 (\$35,000) to fix up the settlers' apartments. But that was only a small project compared with others carried out at the Israeli government's expense for settlers in east Jerusalem. In 1985 Israel spent over 1.229 million (\$800,000) to fix up buildings occupied by Ataret Cohanim in the Old City" (p. 215).

²¹ Hugh Humphries, *In the Beginning: Jerusalem Israeli or Palestinian Owned?* (n.p.: Scottish Friends of Palestine, 1997), p. 69.

²² *Ha'aretz*, 12 August 1992, translated by ALMASDAR, Jerusalem.

groups, the government was in fact giving them the money to make the purchases. Such illegal transfers were stepped up in the late 80s and early 90s when Sharon became the Minister of Housing. In July 1991 he established a special committee to acquire properties and to transfer them to the settlement groups.

Some of the funds transferred to Ataret Cohanim went to finance the purchase of the sublease on St. John's Hospice in the Old City's Christian Quarter. In April 1990, claiming that the building had once been owned by a Jewish merchant forced out by the 1929 protests, 150 members of the group moved into the building in the middle of the Orthodox Easter. It was later revealed that the Housing Ministry had secretly paid *Hemanuta* a sum of 3.6 million NIS (around \$7 million) for transfer to SBC, a front company, to help it buy the sublease.²³ Eventually the Greek Orthodox Church prevailed in court, and the settlers were ordered to leave the hospice. In fact, however, by exploiting a loophole in the ruling allowing security personnel to stay on pending further litigation, the settlers continued to occupy the building.

Such activities continued throughout the Likud administration's term in power. On April 1990, the Israeli Cabinet decided to allocate NIS 7.5 million for purchasing properties in East Jerusalem. At that time, Justice Minister Dan Meridor declared that this decision was a deliberate political response to recent challenges abroad to Israeli sovereignty in the city.²⁴ As part of

the same government sponsored drive, in December 1991 the Elad group spearheaded a move into Silwan, under the slogan, "No Judenrein in Jerusalem." Kollek opposed such open provocations and went in person to protest the takeover. The Begin government, however, continued to support the settlers, and indeed until today the government spends 10 million annually to pay for security services for them.²⁵

The Labor Party's Return to Power

After winning the 1992 elections, the Labor party did little to restrain the settler groups whose activities had intensified under Begin and Sharon. While the government of Yitzhak Rabin did not accelerate the settlement drive in the Old City's Muslim Quarter and in neighborhoods like Silwan, they did nothing to undo changes already introduced under the Likud administration. In fact, notwithstanding the Labor Party's tactical reservations about the previous government's actions in the Old City, Rabin shared the broad Israeli consensus regarding the permanence of its rule over East Jerusalem. He always stated that "Jerusalem and outlying areas cannot be defined by us as a political or a security issue...united Jerusalem under Israeli sovereignty will remain our capital forever. For us it is the heart and soul of the Jewish people."²⁶ Furthermore, despite the fact that the Klugman report deemed most of

²³ *The Jerusalem Post*, 8, no. 17418, 23 April 1990.

²⁴ *The Jerusalem Post*, 8, no. 17420, 25 April 1990.

²⁵ Hodgkins, *Israeli Settlement Policy in Jerusalem*, p. 29.

²⁶ Geoffrey Aronson, *Settlements and the Israel-Palestinian Negotiations* (Washington, D.C.: Institute For Palestine Studies), p. 20.

the Arab property takeovers in the Old City illegal, the Labor government took no action to remove the settlers or to restore properties either to a government trust or to the previous Arab residents.²⁷ As Cheshin, Hutman, and Melamed observe, "the new government took virtually no steps to put an end to the wrongdoing and to discipline or prosecute those involved. Labor MK Binyamin Ben-Eliezer, who replaced Sharon as housing minister, ordered state funding for the purchase of Arab homes in east Jerusalem halted. That was all the government did. None of the recommendations of the committee was implemented."²⁸

The only reason the Klugman committee had been formed in the first place was that the provocative conduct of the settler groups had embarrassed the government internationally. In August 1992 the settlers made a serious error when they took over a new dwelling in the Muslim Quarter during Rabin's visit to the United States. As a result, Rabin's government ordered the establishment of the Klugman committee.²⁹ Although the Klugman Committee uncovered many violations of the law on the part of numerous officials in the Likud government, none were prosecuted. Clearly the real reason for establishing the committee was to repair Israel's reputation

with the international community, not to bring the perpetrators to justice.

The Olmert Administration

In 1993 Teddy Kollek, Mayor of Jerusalem for 28 years, was voted out of office and replaced by Ehud Olmert, a right-wing Likud member. Immediately after his victory, Olmert declared his Zionist credentials when he said that: "every Jew can purchase property any where in Jerusalem, and the construction this will bring about will ensure complete rule by the people of Israel over the entire city."³⁰ Unlike Kollek, who had come to prefer not to establish Jewish settlements in Arab areas, Olmert approved a plan in July 1997 to build 70 units on land owned by an American Jewish businessman, Irving Moskowitz, in Ras al-Amud, an Arab neighborhood east of the Old City. If this project is implemented, it will be the first time a new Jewish settlement has been built in East Jerusalem, not on a barren hilltop, but cheek by jowl with Arab neighborhoods

The new Mayor has established excellent relations with Moskowitz, and some observers think that this could help Olmert to achieve two goals: enhancing his image as a determined supporter of Jewish settlement in the city and advancing his hopes of becoming Prime Minister one day. As the *Jerusalem Report* noted, Olmert's political influence is crucial to Moskowitz's ongoing campaign to settle as many Jews as possible in Arab parts of Jerusalem. In return, Olmert hopes that Moskowitz's money, and his support for the cause of

²⁷ PASSIA Report, *Jewish Settlement in the Palestinian Quarters of East Jerusalem*, undated report.

²⁸ *Separate and Unequal*, p. 219.

²⁹ The Klugman Committee Report was submitted to the Israeli Cabinet upon its completion and declared "Top Secret." Responsibility for its implementation was given to the classified Ministerial Security Committee. It was only thanks to the persistence of a few journalists that the report was made available to the public.

³⁰ Humphries, *In the Beginning*, p. 85.

Jewish East Jerusalem, will help propel him from the Mayor's office to that of Prime Minister.³¹

Whereas Kollek had attempted to block some of the most provocative settlement programs for PR reasons, Olmert embraced open confrontation. A good example is his order on 27 August 1996 to demolish a community center built by the Burj Laqlaq Community Association. Since 1986 settlers had moved into the Burj Laqlaq quarter as part of a plan to occupy land from Herod's gate all the way to the Stork Tower at the northeastern end of the Old City. In order to block this plan, the Burj Laqlaq Community Association sought to build on 10 dunums of land marked for expropriation. Unable to apply for permits to erect permanent structures on the site, they went ahead and built a kindergarten, a playground and soccer field, and then a community center for the handicapped and elderly on the land. In a decision unprecedented since the start of the Israeli occupation, the Jerusalem Mayor ordered the demolition of the building of this non-governmental organization for having no building permit.

The Kollek Myth

While policies of ethnic cleansing have intensified under Olmert's administration and the rhetoric has become more overtly supportive of settlement, there is little foundation for the myth that municipal government under Kollek categorically opposed such settlement, promoting harmonious relations between separate but equal ethnic groups. The municipal policy

towards the city of Jerusalem in place from 1967 till 1993 (the date of the election of Ehud Olmert) is part of the Labor Party vision. Indeed the former Mayor of Jerusalem is one of the Party's symbols. Kollek's views on the issue of Jewish settlement in the Old City are epitomized by his "mosaic policy." Ostensibly, this policy favored the establishment of ethnically segregated residential and commercial areas as a means of acknowledging the divisions between the two communities, Arabs and Jews.³² In reality, the mosaic principle primarily served the Jews, for whom it provided the rationale for the eviction and subsequent exclusion of Palestinians from the Jewish Quarter.³³

In particular, doubt is cast on whether the former Mayor really believed in the "mosaic policy" by the fact that from the beginning of the 1970s Kollek did not reject the Jewish infiltration into the Muslim Quarter. According to a report published in *Ha'aretz* (25 April 1986), four secret meetings were held to draw up the basic policy towards settlements in the Old City.³⁴ The following decisions concerning Jewish settlement in the Muslim Quarter were agreed upon, with the representative of the municipality dissenting:

³² Michael Dumper, *The Politics of Jerusalem*, p. 103.

³³ Dumper, *Israeli Settler Activities and Claims to Properties*, p. 10.

³⁴ This committee was composed of representatives from the Housing, Justice, and Interior Ministries, and representatives from the municipality, the Army, the Police, and different settler groups.

³¹ Leslie Susser, "The Mayor and the Millionaire," *The Jerusalem Report*, 8, no. 12, 16 October 1997.

- a) *Building classified under municipal regulations as "dangerous" would be demolished and not renovated.*
- b) *The settlement of Jewish families would be given priority over the establishment of institutions.*
- c) *No settlement or renovation would take [take] place near the Haram ash-Sharif.*
- d) *No settlement would take place in property sealed off by the army.*
- e) *For security reasons, only properties close to the Jewish Quarter would be occupied and renovated.*
- f) *No government support would be given to properties not close to the Jewish Quarter.*
- g) *A follow-up committee would be set up and co-ordinated by Mr. Ephraim Shilo of the Ministry of the Interior.*³⁵

As Dumper points out, these decisions point to an underlying government acceptance of the principle of Israeli settlement in the Muslim quarter: firstly, the agreement to demolish rather than renovate "dangerous" buildings adds to the evidence that plans for the depopulation of the Muslim Quarter did exist. Secondly, points (e) and (f) mark the beginning of a covert government policy to develop "the area contiguous with the Jewish Quarter, the Hebrew market area of settler parlance, and to eventually absorb it into the Jewish Quarter. Linking up areas of settlement has

long been a Zionist strategy for occupation."³⁶

There is other evidence to indicate that the former Mayor did not really believe in the mosaic policy but that, on the contrary, he actively helped the settlement activities in the Muslim Quarter. On 29 May 1998, *Ha'aretz* reported that Teddy Kollek had assisted the Ataret Kohanim organization to buy plots in the Old City, especially the plot located near Herod's Gate, which had been bought from the Russian Church in the 1980s. At the time Kollek supposedly thought that Ataret Kohanim would help the Jews and the Arabs in the Old City of Jerusalem to coexist.³⁷ In his response to this report, Kollek conceded that he had supported Ataret Kohanim activities in the beginning, but had changed his mind when they altered their behavior and turned into an aggressive group.³⁸

Aside from the municipal restrictions imposed on Palestinians outside the Old City, the Municipality under Kollek also tightened Palestinian residential expansion in the Old City by severely limiting building and renovation licenses, often banning construction even when building permits were granted.³⁹

Labor vs. Likud?

Regarding settlements in the Old City, then, Labor and Likud may differ over tactics, but they share a basic commitment to the policy of Judaizing the Old City. In

³⁵ *Ha'aretz*, 25 April 1986, translated by ALMASDAR, Jerusalem. Cited in Dumper, "Israeli Settlement in the Old City of Jerusalem," pp. 43-44.

³⁶ Dumper, *Israeli Settler Activities and Claims to Properties*, p. 13.

³⁷ *Ha'aretz*, 29 May 1998, translated by ALMASDAR, Jerusalem.

³⁸ *Ha'aretz*, 29 May 1998, translated by ALMASDAR, Jerusalem.

³⁹ <http://www.arij.org/paley/oldcity/index.html>

order to fulfill this policy, the Labor Party prefers to work without much noise. They know that overt activities are the one thing that causes an outcry at the international level. The Labor Party learnt a lesson from the controversial transaction that took place shortly after the 1967 war, when the Assumptionist Fathers, a Catholic ecclesiastical order, sold the Notre Dame Hostel to the Hebrew University, without the knowledge of the Vatican. When the Vatican learned about the transaction, it used its public relations and diplomatic power to force the Israeli government into revoking the sale. It achieved this success despite strong opposition from the university and the Municipality. This incident demonstrated the power of international pressure and the risk of overly public and high-handed property takeovers in the city.⁴⁰ The takeover of the St. John's Hospice taught a similar lesson. The subsequent protests by the Greek Orthodox Patriarchy received international press coverage and stirred widespread concern among Christian churches not only in Jerusalem, but internationally.

It also appears that the Municipality settlement policy between 1967 and 1993 was a practical expression of the Labor Party vision. It is no longer a secret that the former Mayor Teddy Kollek supported the settlement groups, especially in the beginning. He only changed his position for pragmatic reasons after seeing the negative impact such settlements had on his effort to legitimize Israel's rule in the city.

Conclusion

This review has shown that the Labor and Likud policies regarding settlements in the Old City share the same basic aims, even though they differ on matters of tactics and strategy. Both policies reflect the Israeli commitment to keeping the city the eternal and undivided capital of Israel, about which there is a consensus among all the parties. It would be erroneous for any one to believe that Israel's policy vis-à-vis Jerusalem will change radically under the current Labor Party.⁴¹ The Labor party will perhaps withhold support from the most controversial settlements to avoid disrupting the peace process and sparking international protest. Indeed this tactic is already evident. Unlike Likud, they have decided not to force the closure of the Orient House. And the new Minister of Jerusalem Affairs in the Prime Minister's Office, Haim Ramon, has said he opposes continued Jewish construction at Ras al-Amud. But the underlying sympathies between the two parties are clear despite their different styles. If the Labor Party did really reject the idea of settler housing in the Muslim Quarter, then why, despite the unequivocal findings of the Klugman Committee, were none of the incriminated individuals subjected to legal proceedings? The Labor Party believes that working quietly and without drawing attention will bring more benefits for the settlement activities in the Old City of Jerusalem.

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⁴⁰ Hirschberg, "Holy War," *The Jerusalem Report*, 4, no. 26, 5 May 1994, pp.16-18.