Jerusalem represents an appropriate example for the study of modern settler colonialism and the mechanisms utilized to achieve its aims. Even before the June 1967 battles had subsided, the occupying force began imposing facts on the ground, as if the future vision for the city had been carefully prepared years before its occupation. Its actions attempted to decide the future of the city by laying the foundations for the current status quo. Israeli strategy toward Jerusalem has been one of its clearest policies, without needing further analysis, especially since Israel no longer disguises its motives on this issue. Nevertheless, Israel has not carried out its activities in an empty city; it has continually faced Palestinian challenges posed mainly by the city’s inhabitants and institutions, which have occasionally succeeded in hampering Israeli plans or their implementation.

International law – including resolutions of the UN Security Council, General Assembly, and UN agencies, and the International Court of Justice advisory opinion concerning the separation wall – considers the eastern part of Jerusalem occupied territory that is an inseparable part of the West Bank occupied since June 1967.¹ This view is reflected in the policies of countries that have refused to move their embassies from Tel Aviv to Jerusalem, since the future of the city has not yet been decided and will be determined through negotiations between the Palestinians and Israelis.² European Union country representatives in Jerusalem regularly issue reports that document Israeli practices and express apprehension concerning Jerusalem’s future and Israel’s unilateral actions that completely ignore Palestinian and international interests in the city.³

The religious and symbolic importance of Jerusalem for many of the world’s peoples has sometimes led Israel to be more cautious and
gradual in its implementation of policies. However, Israel has not hesitated to challenge the legitimacy of international organizations when it finds conditions to be conducive, as in its hostility to UNESCO.4

This article focuses on the land and population as it introduces the legal situation, reviews the impact of the occupation on the ground over the past five decades, and evaluates the performance of the Palestinian national response to the situation.

**Israeli Legislation and Its Uses**

Immediately after occupying the eastern part of Jerusalem, Israel declared it subject to Israeli civil law,5 while declaring the rest of the occupied Arab territories, including the Sinai and the Syrian Golan, subject to military rule.6 Israeli law in East Jerusalem was extended over the land (annexation) and not over the Palestinian population, who were granted residency status and not citizenship, unchanged until today. The extension of Israeli law over Jerusalem in 1967 was made by executive decision based on orders issued by the Israeli government. Perhaps with the intention of subduing international reaction, the Israeli Knesset passed legislation for these decisions in 1980, issued as “Basic Law: Jerusalem, Capital of Israel.”7 Initially this law included five basic points: unified Jerusalem constitutes the capital of Israel;8 Jerusalem is the seat of Israeli political institutions – the presidency, government, the Knesset, and the Supreme Court; the holy places shall be protected from desecration and religious members shall be protected from any violation of free access to holy places or of their feelings to those places; Jerusalem shall enjoy special funds including an annual grant from the government for its development and welfare of inhabitants, and special priority from state authorities for economic and other benefits. In 2000, the Knesset added amendments for delineating the municipal borders as they had been redrawn by Israel on 28 June 1967, and preventing the transfer of Israeli authority in Jerusalem to any foreign party.9

Israel issued other legislation over the last five decades to consolidate its occupation of the city, to confiscate land, and to restrict the presence of a Palestinian population. Some of these laws are: the Land Acquisition Law, Public Lands Law, Land (Acquisition for Public Purposes) Ordinance, Absentees’ Property Law, Land Administration Law, National Planning and Building Law, Antiquities Law, National Parks and Nature Reserves Law, Housing Law, Asylum Law, Noise Law (to stop the Muslim call to prayer), Revocation of Citizenship Law, Law of Entry into Israel, and “Ban on Family Reunification” – Citizenship and Entry into Israel Law.10 The Israeli occupation artfully implements, modifies, and reformulates laws whenever the necessity arises. These tools are completely unrelated to the ruling party’s political orientations. What is common among them is their goals: to expel Palestinians from the city, to expropriate the land or reserve it for settlement use, and to attract Israeli settlers to the eastern part of the city.

In 2014, the Israeli Knesset ratified a multi-faceted plan for East Jerusalem that aims to consolidate Israeli sovereignty over Jerusalem and intensify its detachment from the West Bank. The plan includes projects to improve infrastructure, teach Hebrew, and increase
the number of Palestinians who sit for the bagrut, the Israeli secondary school exams. It also includes stricter arrest policies, a steep increase in penalties for stone throwing, an increased police presence within Palestinian neighborhoods, surveillance cameras at main East Jerusalem crossroads, and stronger fortification of settlements in Jerusalem.

The plan was a result of the Israeli security forces’ failure to maintain control over Palestinians in East Jerusalem after an upsurge in various forms of resistance. The new policies were not restricted to government plans; Israeli settler organizations in cooperation with the Israeli Jerusalem municipality worked to strengthen Jewish presence in East Jerusalem by organizing daily tours for schoolchildren and army recruits and raising Israeli flags in every possible place. During their annual celebration of the occupation of Jerusalem in June, tens of thousands of youths from settlements and national-religious movements are mobilized and march within the Old City and its surroundings while holding up Israeli flags in what has been called the “Flag Dance,” chanting against Arabs, Islam, and the Palestinians. The Israeli police prevent Palestinians from crossing the route of the marchers and force shops to shut down in most of the Old City. Inevitably there are clashes as Palestinians attempt to raise their voices and protest against this colonial march. Israeli national religious societies (settlers’ organizations) also contribute by building museums to narrate the history of Jerusalem from the Israeli point of view. They have also funded archeological digs, especially of the network of tunnels underneath the city, while continuing to take over buildings in the Old City and its surroundings, and other activities that attempt to emphasize Jerusalem’s Jewish identity.

Land and Settlement

The Israeli occupation forces, through their various branches and under different titles, have made use of all laws at their disposal to take control of 87 percent of East Jerusalem’s total area of 72 square kilometers – building settlements on 35 percent of East Jerusalem, and classifying the remaining 52 percent as “green” areas and kept in strategic reserve for Israeli settlements – meanwhile squeezing the Palestinian neighborhoods into the remaining 13 percent.

The British Mandate Land (Acquisition for Public Purposes) Ordinance issued in 1943 has been used to expropriate 35 percent of East Jerusalem land on which fifteen settlements have been built for more than sixty thousand housing units. Construction and building regulations have been used to confiscate the 52 percent of land classified as green, which prevents Palestinians from building on them, as they are considered suitable only for building Israeli settlements. An insignificant percentage of this land was used for public parks, but the areas are small and restricted, like the strip girdling the Old City, the slopes of Jabal Zaytun (Mount of Olives), and Wadi al-Rababa (Valley of Hinnom) below Jabal Sahyun (Mount Zion). The rest has been kept as reserve for further settlement expansion.

The Planning and Construction Laws are not only used to confiscate lands, but also to hamper development on lands that are not confiscated; by arbitrarily limiting the percentage of land on which construction is allowed, the number of inhabitants is limited
and the cost of construction is raised to exorbitant levels. Even as construction within settlements in East Jerusalem is allowed to expand at a rate of 300 percent, construction within Palestinian neighborhoods does not exceed 75 percent. This enormous difference has exacerbated the severe housing crisis in Palestinian neighborhoods and has contributed to the expulsion of Palestinians from the city.

In the remaining lands, apart from some construction, the Absentees’ Property Law facilitates Israel’s takeover of the property of Palestinians living outside Palestine and may also be applied to those present in the West Bank. For example, a Palestinian who owns land in “new” Bayt Hanina (which Israel included within the Jerusalem municipal boundaries after 1967) could find that his property has become “absentee property,” despite the fact that he resides only meters away from it in Bayt Hanina village (which remained part of the West Bank).

A great deal has been written about settlement in Jerusalem and its various phases. What interests us here is the final stage of this long and complicated process of implementation, outlined below.

**Settlement Blocs that Skirt Jerusalem Municipal Boundaries**

Jerusalem is surrounded by four large settlement blocs located outside the Israeli-delineated municipal boundaries: 1) The Beitar bloc lies to the southwest of Bethlehem and meets the municipal boundaries in the south. It is a large bloc that is connected in the south to the Gush Etzion bloc. Its population now exceeds 65,000 settlers, and it is planned to absorb up to 100,000 settlers by the year 2020. 2) The Givon settlement bloc northwest of the municipal boundaries incorporates the beginning of the northern highway that connects Jerusalem with Tel Aviv. 3) The Binyamin bloc is northeast of municipal boundaries in the area of Hizma-Jaba’ and Mikhmas villages. 4) The Ma’ale Adumim bloc is directly east of the municipal boundaries.

The settlement blocs to the northwest and southwest of the city achieve more than one objective. In addition to expropriating lands to prevent Palestinians from building close to the Green Line (the pre–June 1967 borders), and populating Jerusalem’s periphery with settlers, the settlements consolidate the corridor linking the coastal plains of Tel Aviv with Jerusalem. The narrow corridor that had connected the two areas during the 1948–1967 period – in many areas, no more than three kilometers – has been expanded to an area that is thirty kilometers wide.

The number of inhabitants in these four settlement blocs is estimated at 140,000. This enormous settler reserve can be used to quickly change the demographic balance of the city by simply adjusting municipal boundaries. If the settlement of Ma’ale Adumim were to be incorporated into the Jerusalem municipal boundaries, for example, that would increase the number of Jews in the city by 40,000. Adding the settlement of Beitar Ilit would mean an increase of 60,000 settlers. Just as municipal boundaries can be extended in any direction by the Israeli authorities, they can also be moved to exclude large numbers of Palestinians. Kafr ‘Aqab and Shu’fat camp and its environs, home to one-third of Jerusalem’s Palestinian residents, are within the Israeli municipal boundaries but outside the separation wall and vulnerable to such a tactic.
Map 1: Settlement blocs surrounding Jerusalem as of November 2015. Source: Palestinian Negotiation Affairs Department.
Settlements that Isolate East Jerusalem from the West Bank

Another series of settlements have been built within the municipal boundaries on the outskirts of the city. These settlements constituted a barrier between Jerusalem and the West Bank even before the construction of the separation wall; they have played a security role by preventing Arab neighborhoods from expanding towards the West Bank. Gilo separates Bayt Safafa from Bayt Jala and Bethlehem in the southwest, Har Homa (Jabal Abu Ghunaym) separates Sur Bahr and Umm Tuba from Bethlehem and Bayt Sahur, while Pisgat Ze’ev and Neve Ya’acov settlements in the northeast separate Bayt Hanina from Hizma and Jaba’. (See Map 1 on page 11.)

Settlements that Separate Palestinian Neighborhoods

Settlements placed between Palestinian neighborhoods tear them apart and disrupt the existence of a continuous Palestinian urban fabric as a unified bloc: settlements such as French Hill and Ramat Eshkol separate the Old City and the Shaykh Jarrah neighborhood from Shu’fat, the Atarot settlement separates Bayt Hanina from Qalandiya and Kafr ‘Aqab, and Eastern Talpiot settlement separates al-Sawahira from Sur Bahr. (see Map 2).
Settlements that Obliterate the Green Line
The areas next to no man’s land were exploited for building roads that join both parts of
the city or connect settlements to the western part. The occupation authorities also sought
to erase the pre-June 1967 borders so that the settlements would seem as if they were an
expansion of the western part of the city despite the fact that they were built completely
on lands occupied since 1967. One of the main roads that carried out this purpose was
Road Number 1, which was built along the northern wall of the Old City, continuing north
toward the settlements of Pisgat Ze’ev and Neve Ya’akov, and then toward the settle-
ments built northeast of the city (Benyamin bloc). The settlements that have obliterated
the Green Line are Ramat Shlomo, Ramat Eshkol, Ma’alot Dafna, Eastern Talpiot, Gilo,
Ramot, and Givat HaMatos.

Settlements within Palestinian Neighborhoods
No Palestinian neighborhood in East Jerusalem is free of the existence of a settlement
cluster composed of a group of buildings, one building, or even part of a building that
makes life hellish for the surrounding Palestinian residents. These settlements create
continuous tension due to tight security measures, checkpoints, high-powered night
lighting, monitoring cameras that disregard privacy, and annoying disturbances from
the settlers who are, in most cases, students of religious schools. The aim is to tear apart
the neighborhood and prevent its inhabitants from living as a group. Such epicenters of
discord, no matter their size, can be found in several locations in Shaykh Jarrah, Ras al-

Settlements within Palestinian Homes
This type of settlement, found primarily in the Old City, Silwan and a few other locali-
ties, is the most violent and extreme, as it fundamentally aims at expelling Palestinian
inhabitants from homes in certain neighborhoods within the Old City and its surroundings
in order to claim the Zionist narrative of the history of Jerusalem.

Settlements in the Old City
Settlements have taken over large areas of the Old City: from al-Buraq Wall (the Western
Wall of al-Haram al-Sharif) in the east through the ruins of the Mughrabi quarter, which
was razed to the ground in 1967, al-Sharaf neighborhood, and the Jewish quarter until
the Armenian quarter in the west. These neighborhoods constitute 15 percent of the area
of the Old City. Ninety settlement epicenters have also sprung up in the other neighbor-
hoods of the Old City, and especially in the area west of al-Aqsa Mosque, in addition to
al-Qirami neighborhood and al-Khalidi and al-Saraya ascents.

The legal (from the Israeli point of view) acquisition of both the Imperial and Petra
hotels located in ‘Umar bin al-Khattab square near Jaffa Gate has not resulted yet in their
handover to settlers due to unsolved legal complexities; it is not clear how long this situa-
tion will last. Despite the huge obstacles involved in handing over property in the Old City
due to the obvious awareness of Palestinians and their strong resistance to relinquishing
property, the settlement societies have not given up and still strive to take over any property.
The focus of settlement activity has moved from the Old City of Jerusalem to underground where tunneling has increased and branched out in numerous directions. This operation is not restricted anymore to discovering a tunnel here or there, but also to link large spaces and halls that are used for religious purposes, to create a network between the various settlements within the Old City, and to connect al-Buraq plaza with various points in the Old City and surroundings. These tunnels, which have become a complete network not all of whose branches have been disclosed, are utilized to narrate a history of the city from a Zionist point of view. The Judaization of the cultural scene has become increasingly intense, as Israeli flags are raised atop all the settlement epicenters. Moreover, the Hurva Synagogue, with a stone dome towering over the middle of the Jewish quarter, was rebuilt in 2014. A larger synagogue called Tiferet Yisrael with a huge dome rising above the skyline of the Old City will be built nearby.

Al-Buraq plaza is currently undergoing major construction activities, including a three-story building constructed in the northern area, another building planned in the western area of the plaza, and a huge elevator that will connect al-Sharaf neighborhood to al-Buraq plaza. Also under discussion is whether to construct one or two stories under the plaza. Tracks for the light rail will be constructed from the northwest corner of the Old City through a tunnel under the Old City to al-Buraq Wall. This will enable visitors to access al-Buraq Wall from most parts of East Jerusalem without going through Palestinian neighborhoods. A project has also been approved to install a cable car beginning next to the late Ottoman-era train station in West Jerusalem, with a station at Mount Zion (Nabi Dawud) Gate, and ending near al-Buraq Wall. Additionally, detailed construction plans have been approved for establishing Kedem, a towering seven-story tourist center, just outside Bab al-Maghariba (Dung Gate), which will incorporate archaeological components and historical gardens with advocacy and settler centers. Israel’s completion of these projects will further promote the centrality of al-Buraq Wall as an Israeli religious and political symbol in the heart of the Old City, while marginalizing all other central sites. The aim of these projects is to create a new status quo that carries the message: Jerusalem cannot be divided again; it is the “Jewish Capital.”

The Biblical Parks
Within its Judaization activities in East Jerusalem the Israeli authorities have approved the various steps for establishing a group of public parks based on an Old Testament narrative, and for developing what is called the “holy basin” to be free of Palestinian inhabitants. The parks project includes the area surrounding the Old City to the east and south and extends to parts of Silwan up to al-Bustan neighborhood where the Israeli government has decided to demolish Palestinian buildings to achieve their objective. The parks include Wadi al-Rababa (Valley of Hinnom) and the western slopes of the Mount of Olives, in addition to its northeastern slope between al-‘Isawiyya and al-Tur villages and the slopes of Jabal al-Masharif (Mount Scopus). These parks will use land within East Jerusalem and include only a few areas in the western part of the city, for example, the “parks” of the Ma’man Allah (Mamilla) cemetery, which is classified as a green zone but includes new buildings, among them the so-called Museum of Tolerance. (see Map 3).
Map 3: The “Torah Gardens” that are planned and will be established in the Old City, whereby part of the plan has actually been accomplished, from the Jerusalem plan 2000. Source: Israeli Municipality of Occupied Jerusalem.
The Palestinian Population in Jerusalem

Before discussing the population one should point out, even if only theoretically, that of the 350,000 or more Palestinian Jerusalemites who carry an Israeli civilian identity card, the “blue ID,” some live within the separation wall and others live outside the separation wall, either in neighborhoods that are included within the Israeli occupation’s municipal boundaries, or in Jerusalem suburbs outside of the municipal boundaries – in Ramallah, Bethlehem, or Jericho, or even outside Palestine. Approximate population data can be found in the Israeli Ministry of Interior, which the Jerusalem Institute for Israel Studies uses in part to produce a statistical yearbook. Exact data is not available, only estimates, and all data in circulation is politicized. For example, the Applied Research Institute – Jerusalem calculates that the real number of settlers in East Jerusalem is 25 percent above that officially circulated.\(^{22}\)

This data problem is a product of Israeli policies that force Palestinian Jerusalemites to present proof of living within the municipal boundaries. This provides statistical misinformation, as many Jerusalemites resort to buying or renting any available room within the municipal boundaries in order to have proof of an address, whereas they really live outside Jerusalem’s municipal boundaries due to factors mentioned below. Some estimate that the number of Palestinian Jerusalemites who live within the separation wall does not exceed 200,000, while 150,000 Jerusalemites live in neighborhoods located outside the separation wall, either within or outside the municipal boundaries. Although Israeli statistics indicate that the percentage of Palestinians in Jerusalem has reached 39 percent of the total population, the percentage living within the separation wall is only 25 percent.

In comparison, the numbers of Jewish settlers in East Jerusalem has reached almost 220,000, that is, roughly equal to the Palestinian population there. The rate of Palestinian population increase in Jerusalem is 2.7 percent, but has been gradually declining from 3.65 percent between 1990 and 2000 due to the difficult socio-economic conditions of the separation system. Still, this percentage is much higher than the 1.5 percent rate of population increase among Jews in Jerusalem.\(^{23}\)

The future will not carry good tidings unless there are radical changes. Two developments concerning Jerusalem residents are likely in the coming years based on continued population increase on the one hand, and the necessity of land for construction on the other: the first expectation is pessimistic and the second is less so, but both will have a negative effect on Palestinian presence within the city.

The First Scenario

Israel adheres to the municipal boundaries decided by the Knesset that push out the neighborhoods of Kafir ‘Aqab, Shu‘fat refugee camp, al-Salam neighborhood, Ras Khamis, and other small neighborhoods in the southeast of the city, and cancels the right of the residents of these neighborhoods to live in Jerusalem. In the process, these residents are transformed into bidun (undocumented), since the Palestinian Authority will not agree to replace their Jerusalem residency with West Bank residency, and Israel will prevent them, as with all other West Bank residents, from entering Jerusalem without a permit.
At the same time, the Israeli authorities begin implementing projects for building settlements within East Jerusalem that will increase the number of new settlers by 100,000; some will live in new settlements like Giv’at HaMatos and Atarot, while the rest will be housed in new units in established settlements (a continuous process known as thickening settlements).

In order to increase Jewish demography and marginalize the number of Palestinians, in this scenario the settlement of Ma’ale Adumim will be included within Jerusalem municipal boundaries. Beyond the demographic factors, this is also a strategic decision, as this settlement lies on the road between Jerusalem and Jericho and the Dead Sea. It is also the eastern gateway to East Jerusalem, so its annexation will achieve more than one Israeli objective.

This scenario, even if it occurs in stages, will result in Palestinian inhabitants totaling less than 30 percent of the Jerusalem population, which has been a goal of Israel, evident in the 2020 master plan for Jerusalem.

The optimists could ask, noting the widespread response to the construction of the separation wall was that many Jerusalem Palestinians moved back within the wall to guarantee their residency: “Will there not be a Palestinian Jerusalem reaction to these procedures, at the very least?” Should this scenario unfold, most of those who live behind the separation wall will attempt to move to neighborhoods in Jerusalem inside the wall. But where will they go? The number of apartments added in Palestinian neighborhoods in East Jerusalem can be counted in dozens or at most a few hundred, and they are available only at exorbitant prices unaffordable to most of those who resorted to building or renting in cheaper neighborhoods outside the separation wall but within the municipal borders, such as Kafr ‘Aqab and Shu’fat refugee camp. Even if, for argument’s sake, one-third (an exaggerated proportion) of those who live outside the wall can return inside Jerusalem, despite the poor living conditions, in the end Israel will expel 100,000 Palestinian Jerusalemites, on the one hand, and increase the number of settlers by 100,000, on the other.

The optimists could also ask: What will happen to the natural increase in population of Palestinian inhabitants? It has been mentioned above that this growth is in continuous regression and it could reach, within the coming years, only 2 percent. Still, even 2 percent is considered a significant rate of growth, and it cannot be absorbed in Jerusalem under the present conditions. If these individuals are determined to remain in the city, which is expected, then they will increase the corrugated iron roofs in Palestinian neighborhoods, leading to greater impoverishment within already poor living conditions.

The Second Scenario
In this less pessimistic scenario the Israeli authorities will not succeed in altering the municipal boundaries and thus will not deny the residency rights of Palestinians who live behind the separation wall, or in the West Bank or outside Palestine. The Israeli actions to change Jerusalem’s demography will be limited to settlement.

The question still remains: Where will the Palestinians go? With Israeli authorities in total control of the construction process, the era of building without a license is over; it has become virtually impossible for Jerusalemites to add any construction without an
official license. The most they can do is add one or two rooms here or there to try to exploit the occasional lack of attention by the Israeli monitoring apparatus.

At the same time, the process of breaking down existing apartments into small units has been going on for years. What is left of lands where construction is allowed is very limited and can only absorb a small percentage of the annual need for new apartments. Taking this into consideration, as well as cases of small buildings being pulled down to build larger ones on the same area of land, there is a lack of housing that already exceeds 20,000 units, with the knowledge that 20,000 other housing units have been built without an Israeli license and are threatened with destruction.

The Palestinian housing shortage leaves Jerusalem residents with only two choices: one, to live within Israeli settlements in the eastern part of the city, which is a process that has been taking place slowly and silently for years. There is no statistical data about this phenomenon but it has become tangible in the settlements of Neve Ya’akov, Pisgat Ze’ev, and French Hill. A few hundred Palestinian families already live in these settlements and this could increase within the coming years, just as similarly Palestinians within the 1948 borders have moved into Nazareth Ilit settlement (Upper Nazareth) built on Nazareth’s lands and now represent one-quarter of its residents.

The second choice is to continue building within the municipal boundaries, but outside the separation wall. This process is near saturation in the areas mentioned, which are, by all standards, terrifyingly overcrowded. A few more towers could be built, which may accommodate at most a few hundred apartments.

With these limited options for Jerusalemites, the housing problem will continue to intensify in the coming years. This will cause more Jerusalemites to leave the city for the West Bank. The locations that they would likely seek out in a first wave, namely the surrounding villages such as Hizma, ‘Anata, al-Ram, Bir Nabala, al-‘Ayzariya, and Abu Dis, are nearing capacity. The next wave will likely be to the places still able to absorb population growth: Ramallah, al-Bireh, Jericho, and Bethlehem. If they can maintain their right to live in Jerusalem and continue to carry a Jerusalem identity card, the Palestinian population of Jerusalem in three years will exceed 40 percent of the total population of “united Jerusalem,” even as the number of Jewish settlers in both parts of the city increases.

**Social and Economic Conditions**

Economic and social conditions in East Jerusalem are declining. According to the Israeli National Insurance Institute, more than 79 percent of Palestinian families in Jerusalem live below the poverty line. Poverty will increase in the coming years due to the lack of development projects in the city. East Jerusalem is considered a depressor of Palestinian investments: production costs are high, there are no industrial zones, the price of real estate is very high, and the problem of guarantees prevents borrowing from Israeli banks. Palestinian banks do not lend to Jerusalemites because of the inapplicability of Palestinian law in Jerusalem. Furthermore, the Israeli tax system in Jerusalem is complex and particularly high for the Palestinian investor (who does not enjoy tax exemptions
unlike the Israeli investor), and language and cultural barriers also discourage investment. In contrast, nearby Ramallah is more attractive for investment of Jerusalem capital: it provides infrastructure, an attractive tax system, and a common language and culture.

The tourism sector no longer occupies a strong position in the Palestinian economy in Jerusalem, as the Israeli tourism industry has succeeded in almost entirely dominating this sector. The number of hotel rooms in East Jerusalem, all built pre-1967, has actually decreased, as has the number of tourists who avoid the dominance of Israeli guides and shop in East Jerusalem markets. Thus, the income that tourism once provided for the middle class and a wide range of workers is disappearing. In a city whose economy depends primarily on tourism, the three million tourists who visit Jerusalem annually do not leave a big impact on the Palestinian economy. The number of Muslim tourists who make up strategic reserves is growing, but their number so far is small, and political obstacles limit the possibility of increasing it.29

The Jerusalem trade sector suffers greatly because of Jerusalem’s isolation from the West Bank by the separation wall, which limits its market customers to residents of the city and from the 1948 areas. It is also unable to compete with the large Israeli marketing networks that have opened branches in and around East Jerusalem, and that offer attractive prices that the small Jerusalemite merchant cannot compete with, and are more affordable to Jerusalemites with poorer purchasing power.

Social problems such as drugs, dropping out of school, and domestic violence are widespread, exacerbated by poverty. The dropout rate in Palestinian Authority schools is one percent, while in Jerusalem it exceeds 13 percent.30 Many experts consider the unsuitability of educational facilities to be one reason for the high dropout rate; East Jerusalem urgently requires 2,200 classrooms to accommodate students in schools that meet educational standards. The Israeli authorities have also attempted to Israeliize education by restricting the teaching of the Palestinian national curriculum and banning parts of or whole books. Schools that insist on teaching the Palestinian curriculum are not financially supported, whereas the Israeli authorities encourage schools to teach Hebrew through financial support, and pressure some schools to teach the full Israeli curriculum for the Israeli high school matriculation certificate, bagrut. The core issue is national identity targeting. The Israeli curriculum highlights the Israeli narrative and disregards Palestinian history.31

Israel applies pressure to Jerusalem Palestinians in many ways: house demolitions; revocation of residency rights (withdrawal of identity cards); high taxes that are disproportionate to income; lack of housing and high rents; security harassment and arrests, especially of children; constant surveillance by cameras and presence of police and border guards; flash checkpoints on Palestinian streets; discrimination and maltreatment by Israeli institutions; cultural and linguistic barriers in dealing with Israeli bureaucracy; and low wages and low level of employment in the Israeli market.32 Moreover, resentment and indignation are increasing daily due to the tremendous pressure on the holy places generally and on al-Aqsa mosque in particular, which may ignite tensions in the city as has happened in the past. The process of alienation and expatriation of Jerusalemites proceeds as their familiar cultural surroundings are altered and lost day after day.
Palestinian Performance in Jerusalem

The Palestinian Authority has developed several medium-term sectoral studies to define its strategy in Jerusalem, which are updated regularly. This in itself is an achievement that must be noted, but recommendations have not been implemented. The limited power of the Palestinian Authority and its inability to perform can be understood in the context of considerable Israeli obstacles. What is impossible to understand is its lack of influence or the necessary mechanisms to implement its policies. The Palestinian Authority’s approval of funds to support Jerusalem is below the minimum, and contrasts with the repeated slogan that Jerusalem is the capital of Palestine.

This article will not examine the Palestinian performance in Jerusalem in detail, which requires a separate article, but suggests topics for such a discussion, and highlights several here.

Leadership

Jerusalem enjoyed a central position in Palestinian life until the establishment of the Palestinian Authority in 1995. From 1967 to 1995, Jerusalem was the home for Palestinian newspaper publishers, the main printing presses and publishing houses, the best hospitals, the most important schools, the largest and most important commercial market, the center for trade union associations, and so on. It was the undisputed economic center and the center of the national movement and its official and unofficial leadership and institutions. During the first intifada, the Orient House under the leadership of the late Faisal Husayni became the political center of Jerusalem as the de facto capital of Palestine. It was important both symbolically and diplomatically, as it welcomed Western Europe diplomats and official visitors for meetings with Palestinian leaders. From 1990 to 1993, the Orient House played a central role during the preparations for the Madrid Conference and the subsequent negotiations in Washington. However, after Yasir Arafat set up headquarters in Ramallah in 1995 as a result of the Oslo accords, the political prominence of Jerusalem began to diminish. The Israeli occupation installed checkpoints around the city and prevented residents of the rest of the occupied territories from entering Jerusalem without a permit, isolating it from the West Bank. Following the completion of the separation wall in 2006, Jerusalem’s isolation was nearly complete.

Jerusalem’s status was weakened further by the sudden death of Faisal Husayni in 2001, which Israel followed by dealing additional blows of closing down central institutions in Jerusalem, most notably the Orient House and the Chamber of Commerce. The siege of Jerusalem’s institutions was tightened through discriminatory Israeli laws, the loss of funding, and the Palestinian Authority’s lack of interest and ability to maintain institutions in the city; more institutions were closed and others left to Ramallah. The Palestinian Authority and the Palestine Liberation Organization (PLO) failed to replace the leadership of Faisal Husayni. There was great confusion among the Jerusalem leadership, and the multiplicity of references contributed to weakening the status of Jerusalem, which became an empty political slogan. It is true that the Palestinian Authority maintains a Minister for Jerusalem Affairs in the government and established the Jerusalem
governorate (headed by the Minister for Jerusalem Affairs), but it was unable to invest enough in these two institutions to maintain the city’s centrality.

**Land and Housing**

Over the past ten years after Israel tightened its clampdown on unlicensed construction, the Palestinian private sector constructed hundreds of licensed housing units, either by small construction companies or by the owners of the land for family housing. Some initiatives came from Palestinian investors outside of Jerusalem and some limited support was available from Arab and Islamic funds. Together these actions enabled hundreds of families to remain in Jerusalem. Most of the construction work was carried out on plots of land inside Palestinian neighborhoods, some of which require complex legal procedures: inventory of inheritance over generations; proof of ownership (sometimes requiring travel to Istanbul and Amman); many bureaucratic forms; high legal costs; preparation of zoning plans for a complete area where no plan exists; and so on. These measures inflated the cost of an apartment, which can exceed half a million dollars (to be made in a single payment, in cash) for a 100–120-square-meter apartment in Jerusalem. Such expenditure is feasible for less than 5 percent of Jerusalemites. The average rent of an apartment has long exceeded one thousand dollars per month, more than half the monthly income for 80 percent of Palestinian Jerusalemites. Despite the need in Jerusalem for 20,000 housing units, with some estimates double that figure, the Palestinian Authority and the PLO have been unable to contribute seriously to this matter, whether due to their inability or because of the unavailability of the necessary funds. However, the Palestinian Authority could contribute to alleviating the problem in many other ways such as offering financial support for the owners of demolished houses, legal support, and building loans.

**Schools and Education**

The Israeli municipal and education authorities absorb more than half the city’s Palestinian students, while the rest are absorbed by the Palestinian Authority and private schools, including church and Islamic *waqf* schools. With the exception of some private schools, there has been a clear decline in the level of education and a rising dropout rate, endangering the system and presenting a real problem for future generations of Palestinian Jerusalemites. After five decades Israel is still unable to manage all of Jerusalem’s students; only half receive education from Israeli-operated schools while almost half of the city’s students are educated in Palestinian institutions that preserve their identity. The challenge now is to maintain Palestinian educational institutions and to resist Israeli educational curricula being imposed on educational institutions, including those controlled by the Israeli authorities. If the Palestinian Authority wants to absorb new students and contribute to maintaining their identity, Jerusalem needs 2,200 classrooms immediately. This is a wide open door for work. It is undeniable that the Palestinian Authority, Islamic *waqf*, and Christian churches have made great efforts to protect education in the city, but every day the challenge is to preserve what has been achieved, which is in itself a difficult task, to say nothing of expanding this work to fulfill the real need. Resisting attempts to impose the Israeli curriculum on schools requires efforts from a
wide range of actors within the Palestinian Jerusalemite community and the support of the Palestinian Authority, and may also require resorting to international organizations.

**Health**

The Jerusalem community lost the battle to preserve the independence of the health sector in the face of Israeli annexation. The occupation forced the Palestinian health system to be dependent on the Israeli health system. In East Jerusalem, medical clinics can no longer work outside the framework of the Israeli health system. The six main hospitals that have been preserved – al-Maqasid, Augusta Victoria, St. Joseph’s, the Red Crescent Society, St. John Eye Hospital, and the Princess Basma Center – are independent institutions with regard to management and financing, but they must operate under licenses approved by the Israeli health authorities. Half of their patients are Jerusalemites insured by Israeli health insurance for services purchased by the Israeli sick funds. The remaining patients are referrals from the West Bank and Gaza Strip sent to Jerusalem hospitals for specialized care and financed by the Palestinian Authority. The continued existence of the hospitals and their ability to maintain high quality services is an achievement in itself, thanks to the support of many parties. However, the failure of the Palestinian Authority to pay the entirety of their debts to these hospitals has caused severe financial crisis which threatens their sustainability.

**Conclusion**

East Jerusalem is facing serious challenges after a half century of occupation. The machine of occupation used various mechanisms that were quick to devour the city and keep its residents under pressure through all means and in all sectors. Jerusalem’s Palestinian residents were able to endure this onslaught and maintain their existence reasonably well and within their available means. Their existence suffers from complex structural problems, but the sheer presence of more than 350,000 Palestinian Jerusalemites in the city makes the task of Judaization very difficult, especially since many are well practiced in how to resist the occupation. One of every two Palestinian Jerusalemites has been in one of the occupation’s prison cells, and all have been subjected to the occupation’s attempts to uproot them from the city in one way or another. Every Jerusalemite feels targeted on a daily basis, yet the people of Jerusalem are still holding on to their city.

To remain in Jerusalem and to preserve its national interests does not depend solely on the decision of its people to stay and their steadfastness at whatever price. While this is indeed central, it is also necessary to take specific measures, especially to create institutions that can lead the day-to-day struggle for existence in the city and support the steadfastness of existing institutions threatened by closure.

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Endnotes


2 From the mid-1970s to 1980, thirteen countries transferred their embassies to Jerusalem: Holland, Bolivia, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Ecuador, Guatemala, Haiti, Panama, Uruguay, and Venezuela. They gradually returned their embassies to Tel Aviv, following UN Security Council Resolution 486 issued in 1980 in response to the Israeli Knesset law. The resolution considered the decision to annex Jerusalem and the decision to transfer embassies to Jerusalem to be in violation of international law. Only the Christian Embassy, which was established by Christian Evangelicals in response to the decisions of the thirteen countries to transfer their embassies out of Jerusalem, remains. In 1995, the U.S. Congress adopted a resolution recognizing Jerusalem as the capital of the State of Israel. Since then, every successive U.S. president has renewed executive orders every six months to postpone transfer of the U.S. embassy from Tel Aviv to Jerusalem. Discussion of implementing the transfer has gained currency in the Trump administration, but no steps have been taken in that direction as of November 2017.


5 The decision to apply Israeli law to East Jerusalem was taken on 11 June 1967. The decision to establish the final map of expanded municipal boundaries, which was prepared by Israeli army generals under the supervision of Rehavam Ze’evi, was made during an Israeli government meeting on 28 June 1967. See the article by Uzi Benziman in Haaretz (25 May 2017), online at www.haaretz.com/israel-news/.premium-1.791568 (accessed 4 November 2017). The new borders considered Israeli security and strategic needs, including ensuring sufficient areas for settlement. The municipal boundaries did not include Rachel’s Tomb, on the outskirts of Bethlehem, which is considered in Jewish heritage as the third most sacred Jewish shrine. However, it annexed Kafr ‘Aqab on the outskirts of Ramallah to control Jerusalem Airport at Qalandiya.

6 Israel withdrew from the Sinai Peninsula in 1982 as a result of the peace agreement with Egypt (the first Camp David Agreement). This withdrawal was completed by another from the Taba enclave in 1989. Israeli civil law was imposed on the Golan Heights in December 1981, replacing military administration, and unofficially annexing the territory.

7 See Israeli Basic Laws online at www.knesset.gov.il/laws/special/eng/basic10_eng.htm

8 The boundaries of the Jerusalem Municipality were expanded from 6.5 km² (as it was during the Jordanian period) to 70.5 km², in addition to approximately 36 km² that already existed in the western part. Thus, the area of “united Jerusalem” reached about 107 km². In 1990 the city border expanded in the western part of the city to increase the Jewish population, reaching an area of approximately 126 km², which is the current size of the “United Jerusalem.” For the development of the boundaries of Jerusalem, see Anna Hazan, Jerusalem Municipal Boundaries 1948–1993, Background Papers no. 17, Jerusalem Institute for Israel Studies, 1995.


10 For various laws, see www.knesset.gov.il/laws/special/eng/basic10_eng.htm and www.adalah.org/en/law/index


12 Real estate values in East Jerusalem have increased due to the shortage of land available for construction, the high cost of obtaining building permits (about $50,000 per apartment), and real estate finance issues.


15 The question of annexing Ma’ale Adumim settlement to Jerusalem has been mentioned often as a way to annex more land, including the area to the east of the Mount of Olives called E1, and to increase the proportion of Jews in Jerusalem.

16 Serious suggestions have been made in study centers and in the corridors of the Knesset to move all Palestinian neighborhoods of Jerusalem that are located behind the separation wall to outside the boundaries of the municipality. Such as change requires the approval of two-thirds of Knesset members, 80 out of 120 votes, which may be difficult but possible. Disposing of one-third of the population of Jerusalem and placing their responsibility on the Palestinian Authority, would reduce the Palestinian population in Jerusalem from 39 percent to 20 percent. An Israeli consensus may already exist around these issues. See Maram Bukhari, “Dahla: khutta sirriyya li-fasl Kafr ‘Aqab wa mukhayyam Shu’fat ‘an al-Quds” [Dahla: A Secret Plan for the Separation of Kafr ‘Aqab and Shu’fat Refugee Camp from Jerusalem], Panorama, 28 May 2017, online at panet.co.il/article/1776932 (accessed 5 October 2017).

17 In an unprecedented move, the Israeli government held its weekly meeting on 28 May 2017 in an underground hall that was once a Mamluk bath, 50 meters from the western wall of al-Aqsa Mosque, as a media demonstration to express its position towards Jerusalem and especially the Old City. The meeting occurred shortly after U.S. president Donald Trump’s refusal to be accompanied by any Israeli politician during his visit to the Old City, which U.S. policy considers not part of Israel.


24 In 2014, construction of 2,561 settlement units in Givat HaMatos was approved as a first phase, with a plan to build double that number in the following years. The construction of 15,000 settlement units in Atarot was planned in an initial phase, but the final project will include 58,000 settlement units, all located within the municipal boundaries and built on the land of Qalandyia airport and the surrounding area. See Muna al-Qawasmi, “al-Musadiqa ‘ala mashru’ mustawtana Jiv’at HaMatus janub al-Quds” [Plan Approved for Givat HaMatos Settlement South of Jerusalem], PLS48.Net, 29 September 2014, online at www.pls48.net/?mod=articles&ID=1188080#.


26 The concern that Palestinians would move to live inside the separation wall may be one of the reasons behind the reluctance of the occupation authorities to change or delay the municipal boundaries. Some believe that the delay was meant to encourage Palestinians to build, without supervision and with high taxes on construction, in the neighborhoods outside the separation wall, so that a good percentage of Jerusalemites would move as they did, and could be later stripped of the right to live in Jerusalem.

27 The mayor of Upper Nazareth insisted that the Arab population would not be allowed to build mosques or churches and even set up a Christmas tree or a Ramadan lantern in the settlement, in an interview in the Washington Post: William Booth and Ruth Eglash, “High Above Nazareth, an Israeli Mayor Wants to Keep His City Jewish ‘Now and Forever’,” Washington Post, 19 September 2013, online at tinyurl.com/ya8rl2bg (accessed 6 October 2017).


31 For example, Augusta Victoria is the only hospital in the occupied Palestinian territories that can provide radiation treatment for cancer, and St. John Eye Hospital is the only specialized ophthalmic center.