

State of Affairs - Jerusalem 2008

Political Developments and Changes on the Ground

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Ir Amim for an Equitable and Stable Jerusalem with an Agreed Political Future

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Ir Amim ("City of Nations" or "City of Peoples") is an Israeli non-profit, non-partisan organization founded in order to actively engage in those issues impacting on Israeli-Palestinian relations in Jerusalem and on the political future of the city.

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Ir Amim's report, **State of Affairs - Jerusalem 2008**, surveys the political developments in Jerusalem over the last year in the context of the Israeli-Palestinian conflict. This was a tumultuous year that began with the fanfare of the Annapolis Conference and ended with the denouement of a government leaving office in the shadow of significant global and political changes. This report aims to bring to the Israeli public and to decision makers in the national and international arenas a current and complex picture of the reality of Jerusalem, of its political and public dimensions, of the impact of public discourse and its expressions in the fabric of daily life. The report examines how these elements are likely to influence the political future of the city and its chances of advancing an agreed-upon solution in Jerusalem.

After nearly five years of intense activity, Ir Amim is producing its first annual Jerusalem report. The report is a result of accumulated knowledge, wide-ranging political and public engagement, and meticulous fieldwork and investigation. The report illustrates the great importance Ir Amim places on providing professional and accessible tools to the local, regional, and world arenas for soberly analyzing and assessing Jerusalem events.

It is our hope that this report will aid municipal and national leaders, and those working toward political arrangements that ensure its future, as well as all those who cherish Jerusalem and aspire to a stable city shared by two nations, Israeli and Palestinian, a city that respects and provides for the wellbeing of all residents, as well as their religious, cultural, and historical sites.

Many thanks to the writer of this report, lawyer and Ir Amim founder, Daniel Seidemann, and to the Ir Amim staff who contributed to its production.

Yudith Oppenheimer Executive Director, Ir Amim INTRODUCTION

Jerusalem has acquired a reputation as a complicated city, and rightly so. This characteristic was particularly prominent throughout 2008. During this year, as in the past, the subject of Jerusalem simultaneously captured an important, sometimes central place in the Israeli public and the international arena.

STATE OF AFFAIRS - JERUSALEM 2008

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In the international sphere, the year 2008 began with the Bush Administration's proposal - the first of its kind in eight years - to move toward an agreement dealing with core issues of the Israeli-Palestinian conflict, including Jerusalem. The subject of Jerusalem threatened to thwart the very existence of the Annapolis Conference in November 2007, where the political process was initiated and any explicit mention of Jerusalem was highly charged. The year ended with the election of an American president, who, in contrast with recent decades of predecessors, refused - even under pressure - to embrace the depiction of Jerusalem as "The eternal, undivided capital of Israel."

In the internal Israeli sphere, the year began with Prime Minister Olmert's attempts to defend the acceleration of Israeli construction in East Jerusalem. Over the course of the year, the weakened Prime Minister, who was ultimately compelled to resign, publicly articulated his belief that the division of Jerusalem is inevitable. At the same time, the government he led took steps that made that division increasingly improbable. At the end of the year, the issue of dividing Jerusalem was used by leading candidates in the Jerusalem municipal elections as a provocative tool to energize their political base, while at the same time hundreds of thousands of East Jerusalem Palestinians were conspicuously absent from the electoral process; furthermore, Foreign Minister Tzipi Livni's refusal to commit to not discussing Jerusalem in future negotiations was the catalyst - or the pretext - for her failure to establish a new government under her leadership, leading Israel into new elections for the 18th Knesset.

On the ground, the construction of the separation barrier continued to sever East Jerusalem from the surrounding West Bank, while the security situation inside the city deteriorated significantly. Over the past year, there was both an escalation in terror originating in East Jerusalem, and a worsening of violence within the city's boundaries. Over the course of the year, Israeli construction in and along the perimeter of East Jerusalem significantly accelerated, but received almost no domestic media coverage. At the same time, the Israeli government initiated drastic changes in the historic basin surrounding the Old City - some of which were done through or in close partnership, and at times in collusion with, settler organizations active in East Jerusalem.

All of this happened against the backdrop of fundamental changes in the Israeli and international spheres: In the first quarter of 2009, a new American administration will begin engaging with Jerusalem, where a new Israeli government and a new Jerusalem mayor will be at work. There are sure to be significant changes in the Palestinian Authority as well. What Jerusalem will they engage with? What are the municipal and political patterns they will have to unravel? What are the hidden dangers to the stability of the city and the realization of potential political agreements? Are there any available political platforms that will allow tangible progress toward political agreement? If so, how can they be advanced?

In an attempt to provide even a partial answer to these questions, we find it befitting to shed light on the various trends that shaped Jerusalem in 2008. Accordingly, this document is written from an Israeli perspective, in an attempt to evaluate the impact of these trends on Israeli interests. We neither aspire, nor have the capability, to describe these issues from a Palestinian perspective. For this reason, our work, in a certain sense, is incomplete. Understanding the city in all its complexity demands listening to representatives of Jerusalem's Palestinian communities, in their own voices and from their own perspectives - rooted in the other half of Jerusalem.

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I. JERUSALEM IN THE POLITICAL ARENA

A. The Year of Annapolis

Politically speaking, 2008 began with the trumpet blast of the Annapolis Conference in November 2007, and ended with the calendar year and the demise of the Olmert administration, the end of the Bush era and, following the outbreak of the war on Gaza, the eruption of violent disorder in East Jerusalem, the severity of which has not been seen since the beginning of the second intifada.

In every mention of Jerusalem, this year exemplified what have long become familiar gulfs and contradictions: between myth and reality, between complexity and simplicity, between that which is evident and that which is concealed, that which is declared and that which is done, and between the sobriety of politics and the embellished histories of messianic narratives.

The issue of Jerusalem nearly derailed the Annapolis proceedings. Right-wing actors and coalitions tried, to the best of their ability, to prevent the convening of the conference.¹ Israel refused to put Jerusalem on the discussion table, and the Arab states and the Palestinians refused to take part in a symbolic ceremony that would evade the core issues. In the end, the parties settled on a compromise: to progress in deed, but not in declaration. Israel and the United States, for example, explicitly dealt with Jerusalem without announcing it publicly.² Like at Annapolis, Jerusalem was absent from the Security Council decision of December 16, 2008.³

The discussions between Olmert, President Mahmoud Abbas, and the negotiations team that were held in the wake of the Annapolis Conference were hidden behind a smokescreen of tendentious media leaks. Nonetheless, in February 2008, Olmert promised Minister Eli Yishai (of the Shas party), "No talks are being held over dividing Jerusalem,"⁴ while several months later, according to reliable sources, Olmert proposed exactly that to Abbas, that is, a political division of the city similar to what is outlined in the Clinton parameters.⁵

Olmert's version of the proposal to the Palestinians and a select number of Arab leaders was as follows: "The Jewish neighborhoods will fall under Israeli rule and the Arab neighborhoods will fall under Palestinian rule. The Historic Basin will be managed by a special regime which will include the relevant parties. Free access to the holy places will be assured." Even if Olmert's proposal was stillborn, given his own diminished

- ³ Decision number 1850 recycled earlier decisions that called for working out core issues, ratified the principle "Two states for two nations," and called for the continuation of the political process.
- ⁴ http://www.haaretz.co.il/hasite/spages/954024.html?more=1

¹ The organization "One Jerusalem," led by Natan Sharansky, launched a comprehensive media campaign that warned against a compromise in Jerusalem, under the motto "One Jerusalem United;" On the eve of the conference, the Yesha [West Bank Settlement movement] Council organized a large demonstration opposing participation in the conference, and Shas repeatedly threatened to leave the coalition if Jerusalem would be put on the table in the course of the conference. Shas ultimately remained in the coalition on the premise of defending Jerusalem.

² The joint statement at the closing of the conference read, "To establish bilateral negotiations toward a peace agreement that settles all the issues... including, with no exception, the subjects at the heart of the conflict, which will be outlined in the first agreements." In his speech, Prime Minister Olmert stated "We will not avoid any subject, and we will deal with every core issue at hand. My nation is aware. We are ready." In contrast, President Mahmoud Abbas (Abu Mazen) highlighted, in his speech, the Palestinian expectation regarding Jerusalem: The West will be the Israeli capital, the East will be the Palestinian capital, with universal access to the holy places.

⁵ The Clinton Parameters proposed Israeli rule over Jewish neighborhoods in East Jerusalem and Palestinian rule over Arab neighborhoods, as well as two options for special arrangements regarding the Temple Mount/Haram al-Sharif.

authority, its significance cannot be underestimated. Indeed, the proposal constitutes a decisive turnaround in the stance of a serving prime minister who had, only recently, led the struggle against a compromise in Jerusalem – implying at times that any such compromise would be treasonous – and was now articulating stances similar to those proposed by Ehud Barak at Camp David and Taba, and those of the Geneva Accords . Nevertheless, the Israeli media and public opinion treated this remarkable metamorphosis as a non-event.

At the exact same time, the Israeli government and its official and semi-official emissaries acted and continue to act in Jerusalem in ways that are contrary to prior agreements, and in a manner that raises doubts about the sincerity of stated Israeli intentions to achieve a future political agreement that will be acceptable to both sides.⁶ (See Part III.)

The political year in Jerusalem can be summarized as follows:

- The Israeli right continued to use the city as the symbolic banner around which it rallied opposition to any political process that could lead to a final status agreement. This symbolic power of Jerusalem appears to have weakened, but decision-makers accused of planning to divide the city remained on the defensive.
- The respective positions of the key stakeholders slowly converged toward consensus, in support of a demographically based division of the city with special arrangements in and around the Old City, while simultaneously failing to articulate these positions, much less providing the political platform necessary to implement them.
- There was an ever-widening gap between these political processes and actual Israeli policies on the ground in East Jerusalem which undermine the very possibility of ever implementing a sustainable two-state solution.

B. Jerusalem in the Israeli Public

1. Jerusalem in the Political Arena

As stated earlier, Jerusalem has become a critical tool for galvanizing opposition to the peace process, as such. However, those developments also disclose, at the very least, the anxieties and eroding self-confidence of the opposition itself.

Two weeks before the Annapolis Conference, an amendment to the Basic Law, Jerusalem: The Capital of Israel, was brought to the Knesset, exposing the right's sense that majority support of its position on Jerusalem was no longer a given. The amendment – which has not yet been approved – would require a majority of eighty Knesset members for every change in the borders of the city.

Such were the views expressed by the ideological right. If in the past the slogan, "The eternal, undivided Jerusalem" was considered axiomatic, an unassailable article of faith, today those clinging to an "undivided Jerusalem" feel compelled to justify their belief, focusing their explanations on two dimensions: security and sanctity. Ironically, these explanations are the mirror image of those offered by the proponents of a political division of the city.

⁶ Israel's main requirement with regard to the "Road Map" (2003) was the freezing of settlements, "including natural increase". But in 2008, at a time when this very issue was one of the core issues stated at negotiations, Israel maintained its claim that this obligation did not apply to East Jerusalem, seeing it as an "Israeli-controlled territory." Israel is also obligated to reopen Palestinian institutions in East Jerusalem ("as stated in prior agreements"), but this obligation was disregarded, and in July 2008, Israel extended the validity of the orders which called for their closure.

For example, Likud MK Dan Meridor argued against a political agreement on the grounds that it would mean Israelis would have to present a passport at the Jaffa Gate of the Old City,⁷ while Labor's Haim Ramon asked: "When was the last time you were in Wallajeh [a Palestinian village located in southern Jerusalem]?"⁸ Similarly, when Shas' Eli Yishai warned that relinquishing Beit Hanina would bring, sooner or later, the loss of the Temple Mount, Olmert asked: "Throughout the generations, have our prayers been tied to [the Palestinian neighborhoods of] Bir Nabala and Issawiya?"⁹ And to Binyamin Netanyahu, who warned that giving up East Jerusalem would bring "Hamastan" to the backyard of the Israeli capital,¹⁰ Olmert answered, "With 270,000 Arabs in Jerusalem, there will be bulldozers, too" (referring to a 2008 terrorist attack in Jerusalem using a bulldozer as a weapon).¹¹

The absence of coherent and articulated policy goals, the complex urban realities and a myth - laden subject all conspire to generate a political discourse that is simultaneously opaque, symbolic, and conducted in code words. For example, instead of soliciting public support for a clear political position to be accepted or rejected by the voting public, decision-makers obliquely affect this discourse by means of selectively leaked information from negotiations at Camp David, Taba, etc... Within the political arena, the myth of Jerusalem does not just illustrate the gap between those in favor of and opposed to negotiations, but it is also used as the ultimate means to discredit rivals within these camps themselves.¹²

At the same time, there has been a significant devaluation regarding the status of Jerusalem and its importance in Israeli public life. Following the beginning of Israeli rule in East Jerusalem in 1967, the city was de facto administered by the Prime Minister and government ministries. Ambitious projects such as massive construction in East Jerusalem were undertaken under the rubric of "National Projects," and were budgeted accordingly. Today, however, the Minister for Jerusalem Affairs is a marginal, almost fictional actor, and important decisions once made by the Prime Minister are now made by the local police precinct commander. During Teddy Kollek's mayoral terms, the office of the mayor was considered one of the most senior and prestigious in the country. By contrast, not a single major party offered a candidate for this office in the 2008 elections. Jerusalem, regretfully, is in a sort of twilight zone between bombastic declarations and worsening urban decay.

2. Jerusalem in the Israeli Media

Media coverage of Jerusalem in 2008 hovered between a reverie and a rude awakening. As mentioned, "Jerusalem slogans," like the vintage "Peres will divide Jerusalem!" were used by politicians to score points. The media similarly employed Jerusalem slogans, and mainstream media sources did not require politicians to present and defend a coherent platform, to explain contradictions in their stances or to hold topical discussions on the debates about Jerusalem. Neither did the media present original material or thoughts of its own. In other words, like politicians, media sources preferred to deal with Jerusalem on the symbolic plane, with all its vagueness.

⁷ http://www.ynet.co.il/articles/0,7340,L-3633964,00.html

⁸ http://www.kadima.org.il/article-archive.php?p=157&contrassID=&aid=8d82f69ec3b3605c9e84e3a2ff72ae64

⁹ http://www.haaretz.co.il/hasite/pages/ShArt.jhtml?itemNo=726823&contrassID=1&subContrassID=0&sbSubContrassID=0

¹⁰ http://www.netanyahu.org.il/news

¹¹ http://www.ynet.co.il/articles/0,7340,L-3574169,00.html

¹² After Livni's victory in Kadima's primary elections, she was attacked as a crony of Olmert, pronouncing, "The Foreign Minister is proposing concessions in Jerusalem," and struck back at Olmert, saying, "It's impossible to arrive at an agreement in Jerusalem on a tight schedule." Minister Eli Yishai, who as head of the Shas party that refused to join a government headed by Livni because she refused to promise not to discuss Jerusalem in the Israeli-Palestinians negotiations, mocked, "Netanyahu, too, will divide Jerusalem."

At the same time, Jerusalem is increasingly presented as damaged goods: the poorest city in the country, conflicted and de facto divided, abandoned by its young and educated - "A City Lost" (Tom Segev, Haaretz, 10.11.08) - and this at a time in which only one top journalist, Nadav Shragai of Haaretz (whose opinion pieces favor the right-wing, settler perspective on the city) continues to provide consistent coverage of Jerusalem. The local newspapers regularly cover Givat Zeev, Mevasseret Zion and Abu Gosh, while coverage of the Palestinian sector in East Jerusalem - wherein reside 35% of the city's residents - is superficial, sporadic or, more often, simply nonexistent. The recent "Operation Cast Lead" stirred violent outbursts in East Jerusalem, but protests in Amman and London won more coverage by foreign journalists than the coverage of events on the other side of town in the Israeli press. Neither the media nor the Israeli public bothers to show up in East Jerusalem.

Only one thing consistently compels the Israeli media to deviate from its systematic neglect of East Jerusalem: the slightest hint of international interest, through international media attention, outrage from the Arab street, or a combination of the two. The Israeli media discussion of post-Annapolis construction in East Jerusalem or the plans for the Mughrabi Gate, for example, gained momentum only after the American government and the international community put the issues on the agenda.

Moreover, Israeli media generally focuses more on American approval or opposition to Jerusalem settlements than that of the Palestinians, and sees the absence of American opposition as a stamp of approval to implement plans. Where is independent investigative journalism, which one would expect to be a source of reports on the routine management of Jerusalem, its stability, and the possibility of an agreement about the future of the city? Regretfully, such coverage is notably absent.

In short, Israeli press coverage of Jerusalem in 2008 discloses endemic apathy regarding goings-on in East Jerusalem – both mundane and formative - and reveals the media' s prevailing satisfaction with superficial and stereotypical discourse as opposed to grappling with the core questions: What was the government's stance regarding the future of the city? What was the role of Jerusalem in negotiations with the Palestinians? What are the "rules of engagement" that should apply during the negotiations period? Are developments in the city deliberately sabotaging the chances for future resolutions? What is the genuine Israeli national interest in the city? Such questions remain unanswered. In fact, they remain unasked.

3. Jerusalem in Israeli Public Opinion

The countervailing trends disclosed by an examination of contemporary political and media discourse are also clearly evident in the minds of Israelis. Despite the difficulty entailed in deriving empirically valid conclusions from public opinion polls and the ease of spinning their results, surveys dating from the end of 2007 to the end of 2008 and remarks from decision-makers and public figures reveal the deep shifts that are coalescing regarding Jerusalem issues. Most Israeli citizens support dividing Jerusalem.¹³ Large segments of the Israeli public believe that Jerusalem is already divided.¹⁴ The Israeli public acknowledges that it stays away from East Jerusalem.¹⁵ Most Israeli citizens do not see Jerusalem as the fundamental barrier to a lasting peace.¹⁶ Approximately 75% of the

¹³ In Natan Sharansky's "One Jerusalem" survey from November 2007, 76.5% of respondents opposed handing over Arab neighborhoods, the Old City, and the Temple Mount to Palestinians in the course of a peace agreement, whereas in the Geneva Accords survey from December 2008, 40% of the respondents supported dividing the city, and most supported dividing the Old City and the Holy Places (3% more supporters than in the previous poll from December 2007). Furthermore, when the division of Jerusalem is presented as "part of a package settlement" that would end the Israeli-Palestinian conflict, the percentage of supporters rises to 53%.

¹⁴ In the "Peace Index" survey of the Tami Steinmetz Center of Tel Aviv University from July 2008, 56% of respondents recognized that Jerusalem is already divided, as opposed to 41% who rejected such a statement.

¹⁵ The July 2008 "Peace Index" survey found that 39% of respondents had not once stepped foot in East Jerusalem in the past five years, and another 39% visited just one time.

¹⁶ In 1999, 57% of the public recognized that Jerusalem constitutes a fundamental barrier preventing a final settlement, as opposed to only 39% in November 2008.

public does not see East Jerusalem Arabs as Israelis, of a kind with Arabs from Jaffa or Taibe.¹⁷ Broadly speaking, there is a stable and firm majority among the Israeli public that supports a settlement based on "Two states for two nations," and favors returning to negotiations.¹⁸

At the same time, the Israeli public is deeply skeptical about the possibility of reaching a political agreement under current and foreseeable circumstances. Most Israelis consistently express doubt about the chances of arriving at a settlement with the Palestinians. The sense of wariness about the Palestinians' sincerity and their very capacity to establish credible governance in the territories that would be relinquished, and the fears that such a settlement could jeopardize Israeli security, applies to Israelis' feelings toward Israeli decision makers as well.¹⁹ While acknowledging the de facto division of Jerusalem and anticipating its ultimate political division, the Israeli public expresses deep fears about the ramifications of dividing the city. In other words, Israeli public opinion is hovering over the abyss between the politically impossible and the historically inevitable.

4. Summary: Jerusalem in Domestic Public Discourse

- Over the years, significant subterranean shifts have taken place in the way that the Israeli public and Israeli
 decision makers perceive Jerusalem. The mantra of Jerusalem as the "Eternal, undivided capital of Israeli"
 is now held by a minority of Israeli society, primarily on the ideological right. Apart from that, the mantra is
 mainly being used as a tool for eliciting short-term political responses.
- These changes were born out of the growing recognition of the political reality that "Jerusalem is already divided," and the understanding that "United Jerusalem" is an empty slogan whose time has passed. Accordingly, the shifts testify that the Camp David and Taba talks, even if they didn't ripen into agreements, slowly trickled down from the level of decision makers to the Israeli public at large.
- The collapse of the perception of a "United Jerusalem" has not been replaced by an alternative perception. Are East Jerusalem residents Israeli or Palestinian? Is East Jerusalem part of Israel, or is it territory similar to the West Bank, or is it a historical bargaining chip to be used in future negotiations? All these questions not to mention their answers - remain shrouded in mist.
- Despite all this, the collapse of the traditional conception has not yet translated into sweeping support for dividing the city. The absence of a coherent view of Jerusalem has left undisturbed the ambivalence of the general public, which thereby facilitates political paralysis, which itself facilitates further ambivalence, and so on and so forth. This cycle of dissonance makes it that much harder for the expired myth of the "United Jerusalem" to be replaced by a new, more coherent perception.
- The breakdown of the traditional stances, the absence of a broadly held vision of East Jerusalem, and the lack of a concerted political process, has created a cognitive void in East Jerusalem, which enables official and semi-official Israeli bodies to act decisively to establish facts on the ground which aim to thwart the existence of a future political agreement between Israel and the Palestinians while undermining the delicate balances on which the city's stability is based. (See part III.)

¹⁷ With few exceptions, the 270,000 residents of East Jerusalem are not Israeli citizens but, rather, permanent residents. They do not hold Israeli passports and are forbidden to vote for the Knesset. They may participate in municipal elections-but may not run for the mayoral office.

¹⁸ In the "Peace Index" survey of April 2008, 70% of respondents supported the two-state solution, and 57% supported continuing peace talks with the Palestinian Authority.

¹⁹ "Peace Index" survey, March 2008: 61% of respondents do not believe Olmert's declarations that he intends to reach a peace settlement by the end of 2008.

II. JERUSALEM OF ELECTIONS

In Jerusalem, 2008 unfolded against the background of three electoral processes: the local municipal elections, the American presidential elections, and the Israeli Knesset elections that will be held in February 2009. From each we learn about both the Israeli and international approaches to Jerusalem.

A. Jerusalem Municipal Elections

Nir Barkat's decisive win of the mayoral elections on November 11, 2008 is attributed to the uprising of the secular, the religious/traditional yet non-Orthodox, and the national-religious sects against the Haredi (ultra-Orthodox) rule of the past five years, and also to the internal splits in the Haredi camp. As far as they relate to East Jerusalem, however, the elections may as well have never happened. The leading parties steered clear of the voting public in East Jerusalem. This is even true of Meretz, whose leader, City Council Member Pepe Alalo, has spent days and nights working on the needs of East Jerusalem residents. Only the political oddity Arkady Gaydamak tried to solicit votes from East Jerusalem, and the outcome is apparent. And as far as the Palestinians go, they did not bother to present a candidate or come to the polls.²⁰

Palestinians claim that Jerusalem elections are for Israelis only. An empirical survey of the elections system and voting behavior shows their claim to be accurate. On the one hand, East Jerusalem residents are treated as "extras" in West Jerusalem's political drama. On the other, they accept this casting – but for their own reasons. Both leaders in the Palestinian Authority and various Islamic religious rulings (fatwas) called for an elections boycott, but the influence of such factors on voter turnout – which has never been high even in past elections – should not be overstated. If elections are an indication of trust and belonging, Jerusalem's Arabs voted with their feet, and this fact is stark testimony to the prevailing deep - and reciprocal - alienation between the Israeli and Palestinian populations in Jerusalem.

These facts reveal a fundamental truth: neither Israelis nor Palestinians aspire to share a political community in Jerusalem. As we have seen, this truth is trickling into the Israeli consciousness, and any future political resolution in Jerusalem will be based on this foundation.

Election campaign materials were composed, as in the past, of clichés touting the unity of the city, calling for Jewish construction in East Jerusalem, and stances on issues that are simply beyond the mayor's authority. Newly elected mayor, Nir Barkat, took the lead, and Meir Porush, his main adversary, was not far behind. Barkat declared his support for Jewish settlement in the Muslim Quarter of the Old City and in Silwan, promised to help French Hill residents maintain the Jewish character of the neighborhood, and came out in support of establishing a new Jewish neighborhood in Anata, as well as establishing a subway that would pass beneath the Old City on its way to the Western Wall and City of David.²¹ Regarding future negotiations, Barkat promised to establish a special staff that would work against the division of the city from his personal mayoral chambers in Safra Square. He also organized media tours with David Be'eri and Aryeh King, known activists of the ideological right.²² However, Barkat will not be judged for his campaign promises, but rather for his actions as mayor. Time will tell.

²⁰ Of the 270,000 Palestinian residents of East Jerusalem (35% of the city's population) 128,000 have the right to vote. Of those, fewer than 2,000 voted (with a turnout rate of 1.7%, which is the lowest since1967). Gaydamak and his party did not receive enough votes to win a seat, and he left the country.

²¹ http:///www.nrg.co.il/online/54/ART1/807/414.html

²² Be'eri, one of the founders of the army intelligence unit "Duvdevan," is the head of the El-Ad organization which is settling Silwan and the historic basin of the Old City. Aryeh King is known, among other things, for his efforts to encourage Arab migration from Jerusalem.

B. Jerusalem and the American Presidential Elections

In September 2007, in the midst of her candidacy for the Democratic nomination, Senator Hillary Rodham Clinton declared her unwavering support for Jerusalem as the "eternal, indivisible capital of Israel." Her declaration was not unexpected, and was received with indifference, but some wondered if the candidate was aware of the [President] Clinton Parameters, which call for turning over Arab neighborhoods to Palestinian control.

Shortly after he won the Democratic primaries in June 2008, Senator Barack Obama spoke at an AIPAC conference and declared that Jerusalem will "remain the capital of Israel, and will remain undivided."

This remark stirred grievances in the Arab World. Palestinian president Mahmoud Abbas declared that Obama had shut the door on a political process - and within a day, Obama qualified his statement, saying that what he meant was that Jerusalem would not be divided by barbed wire and checkpoints as it was between 1949 and 1967. Jerusalem stands as an issue for bilateral negotiations, declared Obama, who further stated that he did not intend to express a stance on negotiation outcomes. Daniel Kurtzer, one of Obama's closest advisors and a past American ambassador to Israel and Egypt, went even farther, saying that holding significant talks between Israelis and Palestinians would be pointless if Jerusalem were not put on the table.

Generally, Obama conveyed his sympathy and support for Israel without pandering to the traditionally pro-Likud elements in the Jewish community with regard to Israel in general, and Jerusalem in particular. Moreover, in clarifying his stance on Jerusalem, Obama went much further than what was acceptable for both Republican and Democratic candidates in previous elections; and, apparently, the sky did not fall: Obama won the sweeping support of around 78%²³ of American Jewish voters.²⁴

At the time this report was written, it had yet to be seen if the Obama administration would be recruited to an intensive Israeli-Palestinian political process. In any event, it seems that Obama, unlike his predecessor, will enjoy broad room to maneuver in the American political arena, and that the decision to advance toward a political process will not be solely influenced by engagement with Jerusalem but, rather, by other considerations.

C. 18th Knesset Elections

The 1996 Israeli elections were held in the shadow of Prime Minister Yitzhak Rabin's assassination and a series of murderous attacks by Hamas on Israelis. The gap narrowed between the leading candidate, Labor's Shimon Peres, and Likud head Binyamin Netanyahu, until, days before the May 29th elections, Netanyahu engaged in an aggressive campaign declaring, "Peres will divide Jerusalem". The election results are known. There are many reasons for Peres' loss, but considering the miniscule gap distinguishing the two candidates, this charge is understood to have played a significant role in Peres' downfall.

Netanyahu, once again the Likud's candidate, at the beginning of 2006 opened the 17th Knesset elections campaign from the E-1 territory, with a similar warning: "Olmert will divide Jerusalem!" In response this time, however, the Israeli public yawned; pushing the Jerusalem button did not keep Netanyahu from a burning defeat.

²³ See http://jewishvirtuallibrary.org/jsource/US-Israel/jewvote.html

²⁴ It should also be noted that for the first time in years, the issue of moving the embassy to Jerusalem was not raised in a serious manner during the elections process; Only McCain brought up the topic, but the opinion just as soon vanished into thin air. Alas, murmurings with doubtful electoral advantages tend to have expiration dates.

The current 18th Knesset electoral process was opened with the symbol of Jerusalem. Following the resignation of Prime Minister Olmert and the selection of Tzipi Livni as the new head of the Kadima party, Livni engaged in an intensive effort to stave off new elections by forming a new governing coalition. In the course of coalition negotiations, Shas demanded that in return for joining the coalition, Livni promise to keep Jerusalem off the negotiating table. Livni, who could have acquiesced to the demand and formed a government, refused; the move toward elections advanced. The public, it should be mentioned, saw Livni's refusal in a positive light. And as reported above, Olmert tried to reach an agreement that would include Jerusalem before the elections.

Do these stirrings and allegations herald Jerusalem as a main influence in these elections and those that follow? Undoubtedly, the results of the Knesset elections will affect the very possibility for negotiations with the Palestinians, and specifically around the question of Jerusalem. Even as these lines are being written - three weeks before the elections that are planned for the February 10, 2009 - the top concerns of the Israeli voter are primarily the war against Hamas control in Gaza and the most severe financial crisis since 1929.

III. JERUSALEM 2008 – FROM THEORY TO PRACTICE

As we have seen, the political discourse on Jerusalem treads the elusive seam line between clandestine talks and tendentious leaks. But the viewpoints of the decision makers should be tested not only by means of the gap between the covert and the overt, but according to government's own acts and omissions - that is, the reality that is taking shape on the ground which may, in the near future, render diplomacy irrelevant.

The most significant developments impacting on the future of Jerusalem may well be taking place not around the negotiating tables but in the streets and neighborhoods of the city. These are the product of a planning regime – including home demolitions – that serves a largely defunct ideology of a "United Jerusalem" and an expanded, "Greater Jerusalem." This is a regime that aspires to bring about accelerated development of the Jewish sector in East Jerusalem on the one hand, and the restriction of development in the Palestinian sector on the other. This includes the new Israeli construction in East Jerusalem, the continuing construction of the separation barrier severing the eastern part of the city from its West Bank environs, and a discriminatory system of services based on national affiliation.

This chapter will briefly survey the most recent developments in Jerusalem and their significance.

A. Background

In the wake of the Six-Day War, Israeli governments consistently adopted policies geared toward preventing a renewed division of the city of Jerusalem. After 1967, Israel ostensibly annexed about 70.5 square kilometers (27 square miles) of the area of East Jerusalem and its environs. From this area, the State confiscated about 24 square kilometers (9.3 square miles), and about 35 percent of the area annexed, on which almost 50,000 residential units have subsequently been built, in neighborhoods meant for the Israeli Jewish public only: the Jewish Quarter in the Old City, Ramot Eshkol, Maalot Dafna, French Hill, Ramot, Neveh Yaakov, East Talpiyot, Gilo, Pisgat Ze'ev, Rekhes Shuafat and Har Homa.

Today, about 190,000 Israelis live in these neighborhoods, as compared to 270,000 Palestinian residents in East Jerusalem. These are almost homogeneous neighborhoods of Jews, located adjacent to existing Palestinian neighborhoods. Occasionally the seam line between the Israeli and Palestinian neighborhoods is a main traffic artery, like the border between Beit Hanina and Pisgat Ze'ev; occasionally it is a secondary road, like the border between Jabal Mukabar and East Talpiyot; and occasionally it is the backyard fences, as in the divided neighborhood of Abu Tor.

In 1995, the Rabin government began the process of expropriating about 535 additional dunams (130 acres) in East Jerusalem. The move aroused an international uproar and the expropriation plan was canceled. Rabin subsequently promised the U.S. administration that Israel would refrain from future expropriations in East Jerusalem. Practically speaking, the promise was of only secondary importance, because by that time almost all the readily available land in East Jerusalem had already been confiscated, while expropriating the remaining empty areas between the Israeli and Palestinian neighborhoods, and larger areas (in Atarot in the north of the city, in Khirbet Mazmoriya and in Wallajeh, in the south) was technically complicated, due mainly to private ownership issues.

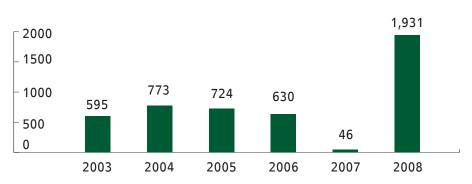
Consequently, the surge of construction that began after the Annapolis conference took place on the background of two basic facts: the "State Lands"²⁵ in East Jerusalem, with a few exceptions, were fully exploited; and any attempt to enlarge the inventory of State Lands required the adoption of radical, complex and protracted measures.

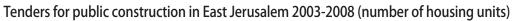
²⁵ State Lands are lands owned by the State of Israel, the Development Authority (primarily lands deriving from absentee Palestinian property) and Jewish National Fund lands. 93% of the lands of Israel are State lands, generally placed at the disposal of the public by means of long-term leases.

B. Construction Tenders Issued in East Jerusalem Following the Annapolis Conference²⁶

The signal for the opening of an accelerated and comprehensive campaign of Israeli planning and construction in East Jerusalem was given barely a week after the Annapolis Conference: On December 2, 2007 the Israel Lands Authority (ILA) published a tender for the construction of 307 residential units in the Har Homa neighborhood of East Jerusalem, and on December 31 a tender was published for the construction of 440 additional residential units in East Talpiyot.²⁷ In comparison, during the first ten months of 2007 - in other words, the whole year, up until the Annapolis Conference - tenders were published for the construction of only 46 residential units in all of East Jerusalem.

During December 2007 and in the course of 2008, the Ministry of Construction and Housing and the ILA issued tenders for the construction of 1,931 residential units in East Jerusalem. Once these units are completed, about 6,750 Israeli residents will be added to the area. All the tenders were issued in the course of the first seven months of the year. This signals a quantum increase of hundreds of percentage points compared to previous years.





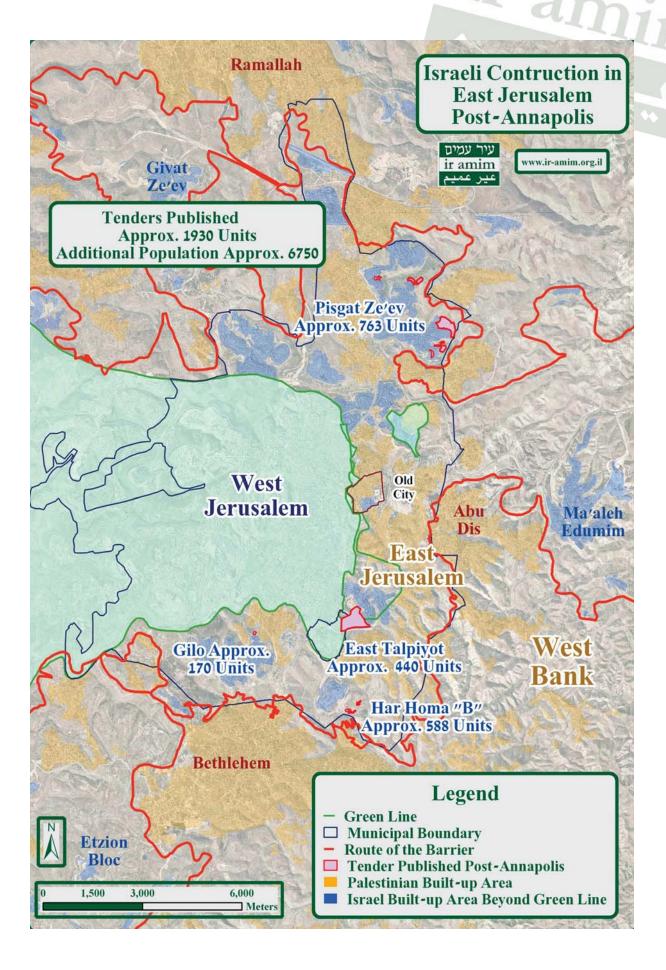
The 2008 column includes tenders that were published in December 2007

What characterizes the locations in Jerusalem for which these new construction tenders were issued? Most of the tenders seek to "fill in the blanks" between Jewish and Palestinian neighborhoods – for example, between East Talpiyot and Sur Baher, or between Pisgat Ze'ev and Hizma – expanding the Jewish neighborhoods, stifling growth of the Palestinian neighborhoods, and further cementing the Israeli presence in the area. Others seek to expand the footprint of an existing neighborhood, like tenders that would expand the area of Har Homa Stage B beyond the existing contours of the neighborhood.²⁸ Still others seek to fill in empty spaces within existing Jewish neighborhoods in East Jerusalem, like two tenders providing for construction in open spaces inside the neighborhoods of Gilo and Pisgat Ze'ev.

²⁶ The publication of a tender for public construction (in other words, construction on State Lands and/or on the initiative of the Ministry of Construction and Housing) is a decisive stage on the way to implementing a construction plan. Until tender publication, state ownership of the area and implementation of the town planning scheme enables construction, but does not require it. But from the moment the tender is published, and an agreement is signed according to the conditions of the tender, third-party rights of contractors and purchasers are involved, making the construction plan virtually irreversible.

²⁷ In the eyes of most of the Israeli public, the Israeli/Jewish residential areas in East Jerusalem are considered "neighborhoods" (with the exception of isolated settler enclaves or single residences located inside Palestinian neighborhoods, which are considered "settlements"). In the eyes of the Palestinians, and most of the international community, both categories are considered settlements, and their residents are considered "settlers." The term in this document is used for the purpose of convenient reading, and should not be given any political interpretation whatsoever.

²⁸ Har Homa is the last of the Jewish neighborhoods built in East Jerusalem, and is located in the southeastern corner of the city, between the West Bank town of Beit Sahur and East Jerusalem. It was planned in the Oslo years, constructed in the late 1990s and populated beginning in 2001. Because of its symbolic nature and the influence of its construction on the future political border, the construction in the neighborhood always arouses the most furious reactions, both among the Palestinians and in the international community.



C. Expedition of Town Plan Schemes

In comparison to recent years, 2008 also witnessed a highly significant acceleration of the approval processes of town planning schemes as well.²⁹ In 2007 not a single Israeli plan for construction in East Jerusalem was deposited for public review, a key step in the approval process. In contrast, in 2008 numerous town plans were deposited for public review, involving approval for the construction of about 5,431 residential units in Givat Hamatos, Pisgat Ze'ev, Ramot, Neveh Yaakov and Har Homa C. Similarly, in 2007 statutory plans were approved for the construction of a total of 391 residential units in the entire Israeli sector of East Jerusalem. In contrast, in 2008 final approval was given for two construction plans (in Givat Hamatos A and in Neveh Yaakov³⁰) that allow for the construction of approximately 2,730 residential units. While statutory approvals do not necessarily equate with actual building starts, approval of these plans is an essential and concrete step toward their implementation.

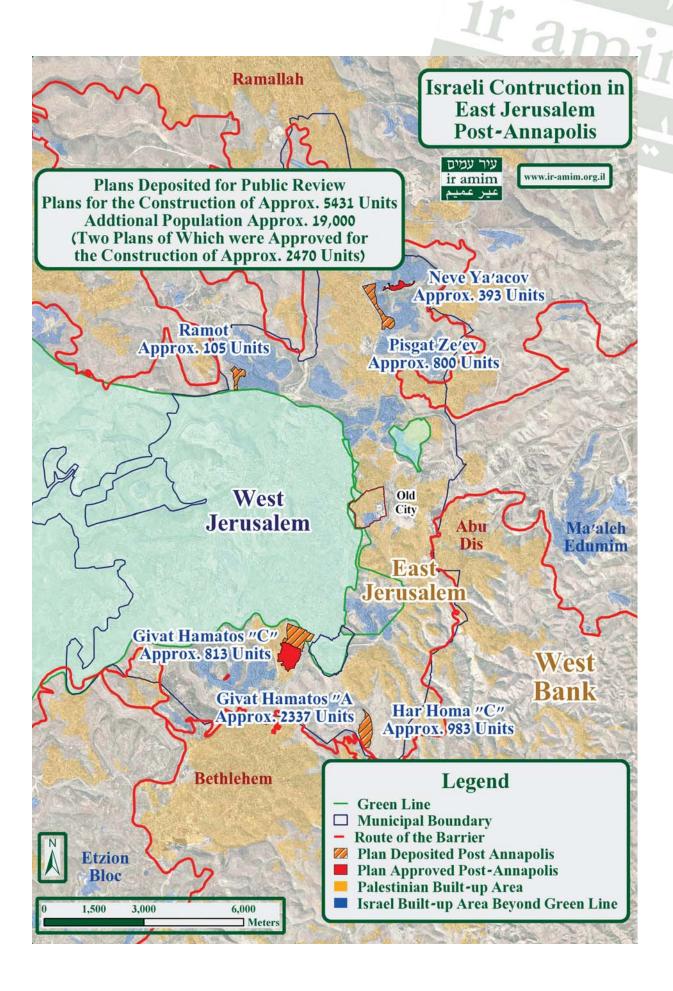
Similar to the construction tenders issued in 2008, these new construction plans target the open spaces between the Israeli and Palestinian neighborhoods (in Ramot, Pisgat Ze'ev and Neveh Yakov) or expand an existing envelope (in Har Homa C).

The Givat Hamatos plan is of particular importance, since it deals with one of the most complex areas in Jerusalem and will designate how land may be used in and around the Palestinian village of Beit Safafa. In light of the location of the village, Israeli construction plans in Givat Hamatos will make final status territorial arrangements based on the Clinton parameters in the Beit Safafa area difficult, if not impossible. Consequently, this plan, if and when it is carried out, will be the most significant of all the plans that were approved in 2008. But as opposed to the other plans that have been approved, the development of this area is still not possible due to the legal complexity related to the structure of land ownership.³¹ Therefore, while the danger to future arrangements that underlie this plan is great; it is not immediate, but neither is it remote.

²⁹ A town planning scheme that has been properly approved is the essential statutory basis for any construction plan. Usually the approval procedure for such a plan takes a number of years and is composed of several stages: opening a planning file in the local committee, approval of the plan by the local planning committee, transferring it to the district committee, depositing the plan for public review and soliciting objections from those with interests in the land, deliberations on the objections before the district committee, and finally approval of the plan. Only after approval of the plan can a building permit be issued and the construction rights implemented by means of receipt of a building permit.

³⁰ These two plans were also deposited for public review during the course of 2008, and were approved in an accelerated process. For this reason, the number of residential units according to these plans is also including among those same 5,431 residential units in spite of the fact that they were deposited in 2008, and were mentioned above in this paragraph.

³¹ Between 1949 and 1967 a small percentage (about 10%) of Beit Safafa was in the territory of the State of Israel, and most of it (about 90%) was in Jordanian territory. The village is located between the Gilo, Pat, and Katamon neighborhoods and the Hebron Road. The lands in question are either State owned, or privately owned by Jews or Palestinians. Additional statutory planning for unification and division of plots (parcelization) will be required prior to the issuance of almost all building permits and the commencement of construction. Unique among the areas covered by tenders and statutory plans in 2008, ultimately some of the construction will be for the benefit of the Palestinian population.

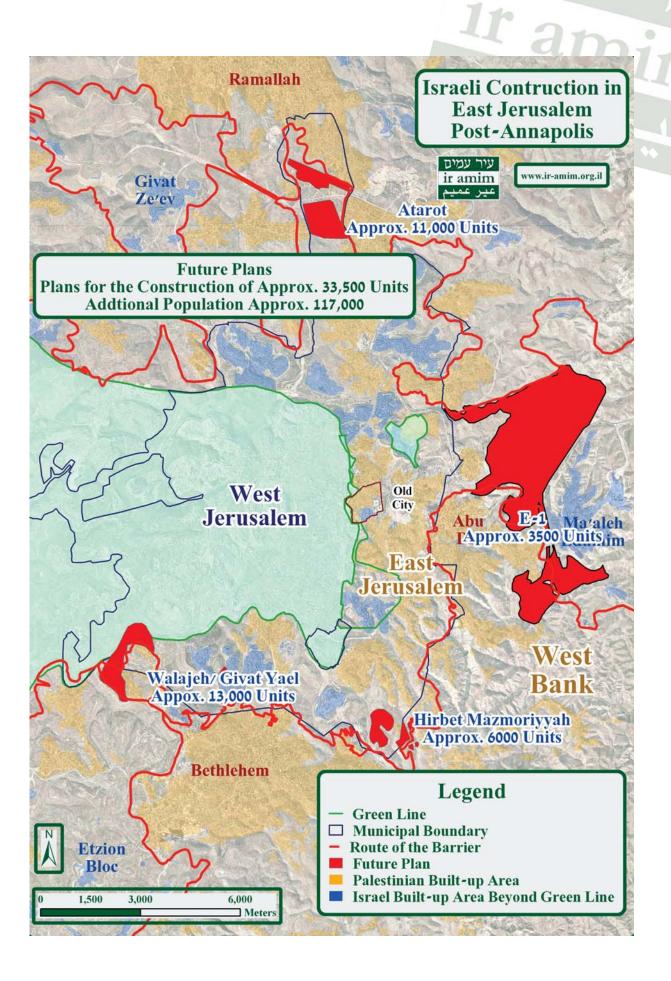


D. Plans Under Preparation

During 2008, the Ministry of Construction and Housing worked intensely on three new plans in East Jerusalem: in Atarot, in northern Jerusalem; in Khirbet Mazmoriya, in the southeast of the city; and in Wallajeh, in the southwest corner of the city. These plans have not yet acquired statutory status, but the pace of their formulation, the intention of their creators and their implications, if implemented, testify to their importance.

As of today, Neveh Yaakov is the northernmost point of Jewish settlement in East Jerusalem. A new Jewish neighborhood in Atarot will expand the area of Jewish settlement northward and westward, and will create an Israeli settlement intrusion deep into the Palestinian urban fabric between Beit Hanina in the east, Bir Nabala in the west and Kafr Aqab and Ramallah in the north. This involves a danger of demographic and geographic "Balkanization" of north Jerusalem. The construction of the Israeli neighborhoods in Khirbet Mazmoriya and in Wallajeh will create a buffer between East Jerusalem and Bethlehem, just as Plan E-1 is designed to cut off Jerusalem from its natural West Bank environs in the northeast sector (a subject discussed below). It is almost certain that the absence of a geographical connection between East Jerusalem and the West Bank will also preclude a political link between the city and its environs as well. This would clearly call into question the availability of a political agreement under which East Jerusalem can become the capital of the Palestinian state.

While these plans have not yet been submitted to the authorities and the planning process has not yet formally commenced, their influence is already being felt. Their very existence serves as a pretext for the demolition of Palestinian homes in those areas, and for blocking construction plans initiated by Palestinians who live in the vicinity. (See the section dealing with home demolitions and the planning regime.)



The E-1 plan is a category in itself. The plan was designed to enable massive Israeli construction on an area of about 12 square kilometers (4.7 square miles) between Ma'aleh Adumim and East Jerusalem. Because of its strategic location, implementing the plan will sever East Jerusalem from its environs to the north and the east, and will dismember the West Bank, creating two noncontiguous cantons: a Ramallah-Nablus canton in the north and a Bethlehem-Hebron canton in the south. Dividing the West Bank in this manner and severing the West Bank from East Jerusalem will seriously undermine the viability of any future Palestinian state, and will clearly hasten the demise of the "two-state solution."

In 2004, then-Prime Minister Ariel Sharon began construction in E-1, even though there was no approved town plan, no building permits and no approved budget - all of which are required by law. Under pressure from the Bush Administration the construction was halted, and subsequent activities were limited to the construction of the West Bank Israeli Police Headquarters in E-1. Construction was completed in April 2008 and the police moved in shortly thereafter. In tandem with this construction project, however, the infrastructure of the greater E-1 plan was completed as well: the road network, the pipe and drainage system necessary for building the entire neighborhood, and a "segregated" highway connecting E-1 to Jerusalem, while connecting the Palestinian village of Hizma to its neighbor Al-Azariyah by means of a sealed artery.³² On the other hand, nothing was done to promote the statutory plans that would enable the construction of a residential neighborhood in E-1.

In the 2006 elections, and in the present election campaign, Likud chairman Binyamin Netanyahu persistently declared his support for the construction of E-1. If he is elected, and if he keeps his promises, he still has to complete the statutory planning before construction can begin; that will take at least six months or so. If he does so, he will find all necessary infrastructure in place and the area ready for construction. We can reasonably assume that if Netanyahu is elected, E-1 will likely be one of the central disputes between him and U.S. President Barack Obama in 2009.

E. Post-Annapolis Construction: Motivations and Ramifications

Defending the publication immediately following the Annapolis conference of new tenders for construction in Har Homa, Minister of Construction and Housing Ze'ev Boim declared that Jerusalem, including East Jerusalem, was sovereign Israeli territory and there was nothing to prevent construction in those areas. Prime Minister Olmert likewise declared that construction in Israeli neighborhoods of East Jerusalem would continue.

However, in late 2008, during a visit to London, a certain change was introduced into this position: Prime Minister Olmert declared that construction in East Jerusalem after the Annapolis Conference had been concentrated in areas that will likely be ceded to Israel in the framework of any future political agreement between Israel and the Palestinians.

To a great extent, the key to understanding the motives for Israeli construction in East Jerusalem in 2008 and their consequences can be found in these two declarations.

One of the patterns that characterized the Oslo process was that every ostensibly conciliatory step on the part of the Israeli government toward the Palestinians was accompanied by an inflammatory and

³² The Hizma-Al Azariya highway constitutes an important element in the strategic concept of E-1. This is a highway divided by a wall: While the "Israeli side" of the highway is linked to the network of highways, the Palestinian side is a sealed route that crosses E-1 without any possibility of getting on to it or leaving it. The highway-a kind of "umbilical cord" linking the north and south of the West Bank-was designed to serve as a basis for an Israeli claim that there will be territorial contiguity for the future Palestinian state, contiguity that is 16 meters in width.

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defiant counter-move in Jerusalem. So, parallel to the approval of the 1998 Wye River agreement and the redeployment in Hebron, Netanyahu approved construction plans in Har Homa and Ras al Amud, personally sabotaging the very diplomatic process he was purporting to lead.

Even if, following Annapolis, Olmert did not deliberately sabotage the political process to which he was committed, he does bear direct responsibility for the continuation of these traditional patterns of using construction in East Jerusalem in order to undermine political processes. The surge of planning and construction in the months following Annapolis was carried out openly and with the full backing of his cabinet ministers. The construction campaign continued even after vigorous Palestinian and international protests, and even after Olmert had declared that any new construction in East Jerusalem would be subject to his personal approval.³³ Even if he did not deliberately undermine the Annapolis process, there is no question that Olmert either could not or would not impose his authority on his government and on those almost autonomous organs in the government ministries and the ILA that serve the settlement enterprise. The publication of tenders for construction in East Jerusalem was often accompanied by the declarations of ministers, including those of Minister Boim who bore ministerial responsibility for the construction, to the effect that East Jerusalem is an area under full Israeli sovereignty and that construction in it is an untrammeled and legitimate Israeli right and interest.

The concentration of the tenders and the depositing of the construction plans for public review during the first half of 2008 were hardly random. They continued despite the protests of the Palestinians and the international community, including the Bush Administration, and it seems likely that they were speeded up precisely because of these protests. The construction served as a useful mechanism geared to undermine the political process, in a manner that made it difficult for those in favor of the process to intervene. In the second half of the year, these actions were no longer essential, because the Annapolis process had already been depleted of its energies.

Even if the causes of death of the Annapolis process were varied, the acceleration of construction in East Jerusalem contributed significantly and directly to its demise.

At the same time, we should examine the consequences of the construction in East Jerusalem in light of Olmert's claim that it is likely that these areas will remain in Israel's hands in any future political agreement.

- None of the projects that were implemented in 2008, in and of themselves, caused a mortal blow to the possibility of drawing a reasonable political border in Jerusalem. However, reducing the already "cheek and jowl" distances between the Israeli and Palestinian neighborhoods will make it even more difficult when the time comes to draw a viable political border in Jerusalem, and some of the tenders, primarily in Har Homa, indeed dictate an expansion of the future border of Israel in areas that are in dispute, both symbolically and practically.
- On the other hand, implementing some of the plans that were approved in 2008, and all those that are in an accelerated planning process, will likely undermine the very feasibility of a political agreement in Jerusalem, since they will disrupt any Palestinian territorial contiguity in Jerusalem and in its close environs. The danger is not vague and distant, but clear and present: E-1 may be subject to implementation already in 2009, and the Givat Hamatos plan will be feasible about a year or two later.

³³ http://glz.ms.co.il/NewsArticle.aspex?NewsId=12533

• The most serious harm caused by construction and planning activities in East Jerusalem relates to the credibility of the political process as the arena in which the conflict can be resolved. During the Oslo years, the population of settlers in the occupied territories doubled. Just as it is impossible to conduct a credible political process under the threat of terror, it is impossible to conduct negotiations in good faith on the subject of borders and simultaneously dictate these borders by means of earth-moving equipment. Israel's activities in 2008, like the "conciliatory" declaration by Olmert at the end of the year, indicate that nothing has been learned: Israel continues to exploit its superior power in order to try to determine what "reasonable" borders are, thus emptying the negotiations of any practical significance.

These steps aroused doubt about Olmert's sincerity regarding the process, about Abbas' ability to deliver palpable achievements for the Palestinians by means of negotiations rather than armed struggle, and about the authority and prestige of then-U.S. President George W. Bush, who failed to enforce fair rules of negotiation on the parties.

F. Developments in the Historic Basin of the Old City and Silwan

On August 9, 2005, the Israeli government adopted a resolution to "strengthen Jerusalem as the capital of Israel" by means of developing the historic basin of the Old City and the Mount of Olives, with a cumulative investment of about NIS 400 million.³⁴ In 2008, this project was becoming a reality, and at an accelerated pace. The historic basin of the Old City was divided into nine national parks, and some of the areas have already been fenced in. Some of these parks and the fences around them are located on private lands. The project is being run without real transparency, without the approval of statutory town plans that were deposited for public review, for the most part without building permits, occasionally without the consent of the land owners, and with a total blurring between government institutions and ideological right-wing organizations, so that it is not clear who is serving whom.³⁵

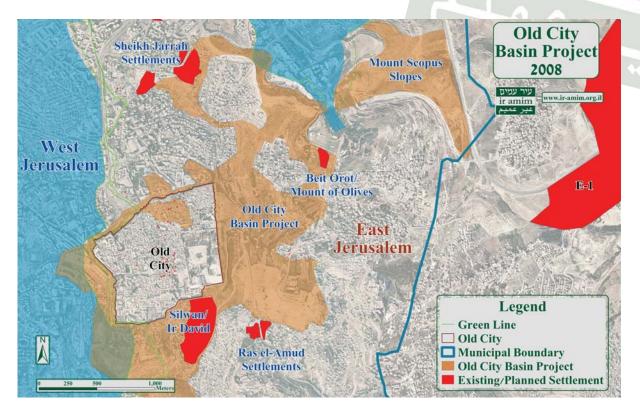
The borders of the project extend beyond the visual basin of the Old City to the eastern slopes of the Mount of Olives-Mount Scopus. The "anvil" that this creates physically links the historic basin to E-1, on the way to Ma'aleh Adumim, and at the same time severs the Palestinian neighborhoods of A-Tur in the south from Issawiya in the north. De facto, the project reveals a close symbiosis between the government authorities and the right-wing settler associations,³⁶ and there is a high degree of dovetailing between the various

³⁴ The wording of the decision is as follows: "To strengthen the status of Jerusalem as the capital of the State of Israel and to allocate a total of NIS 50 million in each of the budget years 2006-2013 for the rehabilitation, development and maintenance of the area of the Holy Basin and the Mount of Olives. The activities will be carried out through the Jerusalem Development Authority. The authority will report on the manner of implementation of the tasks imposed on it to the Director General of the Prime Minister's Office, the Director General of the Municipality and to the Head of Budget at the Ministry of Finance. The project will be conducted with a designated budget, and with the help of subcontractors."

³⁵ The supervisors of the Israel Nature and Parks Authority chase away the Palestinians who harvested olives in these areas for centuries, while permitting planting by the settlers of Beit Orot in the area of the "national park"; and in recent years the ILA has been leasing an olive grove of about 29 dunams (7 acres) in Sheikh Jarrah (Kerem Hamufti) to the Ateret Cohanim settlers' organization.

³⁶ The archaeological site adjacent to Ibrahimiya College, the Visitors' Center on the Mount of Olives and the GIS project for the Mount of Olive sites - all claimed by the Elad association - are presented as an inseparable part of the government plan. The hiking paths in the parks are the same as the hiking routes of the right-wing organizations. The tour guides wear t-shirts bearing the symbol of the Nature and Parks Authority, with the symbol of Elad on their sleeves. The district director of the IPPA was formerly the director of the Elad Visitors' Center in Silwan. Tours of the site are devoted to the biblical narrative only, and the locations of Christian and Muslim religious sites, which also fill the area, is almost totally absent from the program.

plans and their borders on the one hand, and the existing and planned settlements of the right-wing settlers in Sheikh Jarrrah, the Mount of Olives, Ras al Amud, and Silwan Wadi Hilweh/City of David on the other.³⁷



The efforts of the settlers in East Jerusalem coalesce in the Silwan area, where their ultimate goal is, in effect, to turn the neighborhood into a natural continuation of the Jewish Quarter. As of the end of 2008, around 1,600 Palestinian residents and around 400 settlers live in the Wadi Hilweh/City of David section of Silwan. If in the past the settlers focused on gaining possession of residential buildings in this area, during recent years their activity has concentrated on imposing their hegemony in the public domain.

³⁷ In Sheikh Jarrah, the planned neighborhoods are adjacent to the grave of Simon the Just and in the area of the Shepherd Hotel, and the construction of Amana headquarters is also planned. On the Mount of Olives there is the compound of Beit Orot and the settlements in the A-Tur neighborhood, along with a plan to build a national visitors' center for the IPPA. In 2008 the construction of 60 residential units in the Ma' aleh Zeitim began (in Ras al Amud), and there is a plan for the Ma' aleh David neighborhood in the compound of the former West Bank Police headquarters which has since been relocated to E-1.



Events in Silwan expose the profound symbiosis between official Israeli government bodies and organs of the ideological right. For example, all the "State Land" in Wadi Hilweh/City of David has been handed over, without a tender, to the organization known as Elad.³⁸ The control in the national park in Silwan has been handed over to Elad, and the entrance fee to the park is paid to Elad. According to the settlers' own reports, about 40,000 IDF soldiers visit the area every year as part of tours led by the settler organizations. All the archaeological excavations on the site are carried out under the sponsorship of Elad, or in close cooperation with it, and the vast majority of these excavations are financed by Elad. With one exception (the excavations of Eilat Mazar in the Visitors' Center), all the digs are being carried out without an excavation license issued under the provisions of the Antiquities Law.

In 2008 the excavation/exposure was begun of a tunnel that is designed to lead from the Siloam Pool to the Old City, whose opening is to emerge near the walls of the Temple Mount. These works, too, were conducted, literally, beneath public domain and beneath private property of Palestinian residents, and were frozen only after an interim order issued by the High Court of Justice in response to a petition from affected Palestinian residents of the area (some of the Palestinian petitioners were arrested shortly after it was filed). Security control of Silwan, as in the rest of the historic basin, is partly in the hands of private security firms that are in close contact with the settlers' organizations. They are financed, to the tune of over NIS 40 million annually, by taxpayer money.

In December 2007 the Jerusalem Municipality approved a town planning scheme for Silwan, a step preceding the plan's deposit for public review by the District Planning and Construction Committee. In spite of the fact that Silwan/City of David is one of the most important archaeological sites in Israel, the plan allows accelerated development by contractors in the heart of the archaeological park. The plan partially

³⁸ The ILA and the settlement associations refuse to reveal the transactions carried out by the state on State Lands in Silwan, and more is hidden than known. According to a study we conducted, each of the 20 plots owned by the state in blocs 30124, 30125 and 30126 in Silwan has been transferred to the control of the right-wing associations. Not a single plot of state land in these blocs was identified that had not been transferred to their control.

dovetails with the initiatives of the settlers.³⁹ Part of the plan approved by the Jerusalem Municipality borders on the bizarre: Among other things, the plan includes the construction of a cable car station near the Dung Gate which will lead to the Mount of Olives, Abu-Tor or both, and the construction of escalators on the slopes of the archaeological park. Thus, the government/settlement initiative has trappings of a Jewish evangelical theme park of the religious-nationalist right.

Toward the end of 2008, comprehensive infrastructure work began in Wadi Hilweh, a rare sight in the neighborhoods of East Jerusalem, at a cost of about NIS 30 million. Palestinian residents of Silwan opposed the project, claiming that it was designed to serve the settlers and to strengthen their control of the public areas, but in vain. The suspicions of the residents were confirmed by the notice published by the state/municipality-run Moriah Corporation which handles most public works in Jerusalem, announcing that: "The City of David association, in coordination with the Ministry of Transportation and the Jerusalem Municipality, wanted to promote an improvement and expansion of the Ma'aleh Silwan Road that ascends from the Siloam Pool [at the bottom of the ridge] to the Givati parking lot [a major settler development at the top of the ridge]." Parallel to this, the trend of containing the Palestinian residents of Silwan on the part of both the municipal and government authorities continues.

In summary, as the various solutions for the Israeli-Palestinian conflict are all converging, under terms acceptable even to the center-right of the Israeli political spectrum (i.e., a Palestinian state alongside the State of Israel on the basis of the 1967 lines, with three settlement blocs to be annexed to Israel, and accompanied by land exchanges), the conflict is being reduced to its volcanic core: the Old City and the historic basin surrounding it. Here - in the one square kilometer of the Old City and the surrounding five square kilometers - the territorial dimension of the conflict is compounded by a symbolic dimension of mythic proportions. Literally "God's little acre," it is here where the mutually contradictory/complementary religious narratives of Judaism, Christianity and Islam, and the conflicting Israeli and Palestinian national narratives, cohabit the same limited sacred and terrestrial space.

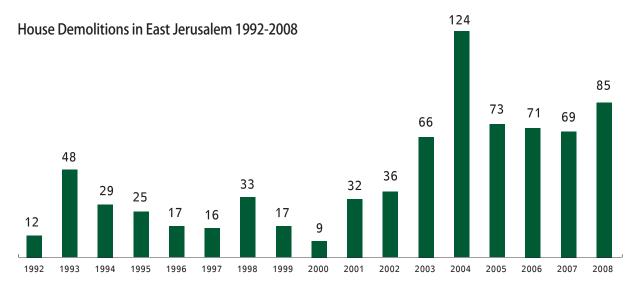
Traditionally, Israeli governments have paid reverence to the religious, historical and cultural complexity of the Old City and the historic basin surrounding it. No longer. The Holy Basin project and the activities in Silwan reflect heavy-handed and exclusionary policies - unprecedented in scope and nature - designed to incorporate these areas into an untrammeled Israeli sovereignty. These policies impose an extreme, exclusionary Jewish-Israeli narrative on the religious, national and cultural narratives of the Palestinian, Christian, and Muslim "other," dwarfing the physical embodiments of their beliefs and memories. And at the same time, the encroachment of settlers from the national religious right into existing Palestinian neighborhoods is creating a territorial entanglement that will be hard to undo. This step constitutes a real threat to the historical character of Jerusalem, its stability, and the very chance of eventually reaching a political agreement that will guarantee, among other things, that none of the sons or daughters of Jerusalem will be required to struggle to maintain his or her identity.

Jerusalem, in spite of its image as a powder keg, is an eminently stable city. The source of the periodic conflagrations that it experiences from time to time usually derive from a sense of threat - whether genuine or imagined - to the integrity and inviolability of sacred space. The Old City historic basin project, in its various aspects, thus has the potential for unimaginable destruction.

³⁹ In April 2008, settlers submitted a planning file for the construction of a synagogue, 10 residential units and an underground parking lot in the heart of Wadi Hilweh and in the middle of a very important archaeological park. The construction work by the settlers (ultimately to build a multipurpose building at the Givati site), which was carried out in the context of "archaeological excavations," was stopped only after a petition to the High Court of Justice and the receipt of an interim injunction.

G. House Demolitions and the Planning Regime in East Jerusalem

Between January and early December 2008, the Jerusalem Municipality demolished 85 structures in East Jerusalem, compared to 36 in West. For East Jerusalem, this represented an annual increase of about 32 percent, compared to 2007, and an increase of about 217 percent compared to the annual average number of demolitions from 1992 until 2006.⁴⁰ Contrary to what one might assume, this increase in home demolition in East Jerusalem took place against the backdrop of a "very sharp decline in the quantity and size of illegal construction in East Jerusalem. In some places there has been a decline of 70 percent in offenses compared to various periods,"⁴¹ as indicated by the statistics of the Jerusalem Municipality. This decline is largely attributed to a new policy - which was approved by the Attorney General - which permits the confiscation of heavy equipment carrying out construction not sanctioned by a legally issued building permit.



The planning regime in East Jerusalem has been fully discussed and thoroughly researched elsewhere in recent years. In the current context the following observation will suffice: throughout the 42 years of Israeli rule in East Jerusalem, the planning regime has been informed by the calculus of "maintaining the demographic balance in Jerusalem." In other words: ensuring a solid Jewish majority in the city. This has led to the massive expropriation of lands in East Jerusalem and accelerated development of the Israeli sector only, while artificially limiting development in the Palestinian neighborhoods and restricting construction in them to the existing built-up areas. The astronomically lopsided ratio between construction for Israelis and construction for Palestinians speaks for itself.⁴²

It also led to a selective and disproportionate policy of home demolitions in the Palestinian sector. While home demolitions are most visible and receive the greatest attention, they are themselves the result of the discriminatory nature and scope of the town planning schemes that govern development in

⁴⁰ In 2007, 69 structures were demolished. The average number of demolitions from 1992 to 2006 is about 40 per year. The peak of demolitions was registered in 2004, a year in which 124 structures were demolished in East Jerusalem. This phenomenon is explained mainly as "catching up" with the delays in enforcing the construction laws, delays that were created during the first years of the intifada because of the security situation.

⁴¹ Source: Construction supervision, the Jerusalem Municipality

⁴² For the sake of comparison, since 1967, the Israeli government has built almost 50,000 residential units in East Jerusalem for the Israeli sector; during the same period fewer than 600 homes were built for the Palestinian sector with government assistance – the last of them over 30 years ago. The tenders that were issued in only one year, 2008, for the construction of 1,761 residential units for the Israeli public represent 300 percent more than the number of units built for the Palestinians in the city, from 1967 to the present.

East Jerusalem.⁴³ Under normal circumstances, the government and municipal bodies are responsible for statutory planning, the goal of which is to fulfill the needs of the community at large. As such, the citizen is a statutory end consumer of planning services. For the most part, the citizen or the entrepreneur may realize their rights by receiving a building permit made possible by statutory town plans, which have been initiated and approved by government.

But in sizable parts of East Jerusalem the planning regime does not allow for the receipt of building permits, partially because broad areas have been designated as "green areas" where construction is not permitted, and partially because in many areas there is no statutory planning at all. In the areas where construction is indeed permitted, development is restricted to existing built-up areas, so that the construction potential in them has already been exploited to the full. Consequently, a situation has been created where the right to apply to the authorities to receive a building permit in the Palestinian neighborhoods of East Jerusalem is reserved for the privileged few.

Where an Israeli simply submits a request to receive a building permit, a Palestinian is required to begin the Sisyphean process of submitting a town planning scheme and securing its approval by the planning institutions: a long, expensive and complicated process, often with little chance of success. This state of affairs has given rise to an absurd phenomenon in recent years. For example, in 2008 the Palestinian residents of the city submitted 190 town plans to the planning institutions, in contrast to only 125 building permits granted in the Palestinian sector of East Jerusalem during the entire year. In the Israeli sector most of the plans are meant to provide for construction in new areas, or to update previously approved plans that are now outdated; in the Palestinian sector, in the absence of approved urban construction plans, most of the construction plans are designed to legitimize illegally built homes, to enable construction in areas where there is no statutory planning, or to allow construction in areas in which the development has been artificially restricted for demographic reasons.

The planning regime in East Jerusalem suffers from a fundamental structural failing, reflecting an ironclad rule of politics: elected officials and public servants do not grant rights or benefits to those who do not vote for them. The residents of East Jerusalem are not entitled to vote in Knesset elections, and choose not to vote in the municipal elections. There is thus a profound, systematic and built-in - and, in our opinion, inevitable - alienation between the Jerusalem planning institutions and the Palestinian collective in the city. The rational planning of East Jerusalem will therefore become possible only in the context of a political agreement that enables an empowered Palestinian population of the city to assume responsibility for its own fate.

Since 1967, most of the houses in East Jerusalem were built without a valid town plan and/or without building permits. Some of the illegal construction in East Jerusalem was done by criminal elements using strong-arm tactics, but there is little dispute that the vast majority is the result of genuine distress. Enforcement of Israeli building rules has been by means of demolitions that have customarily been both arbitrary and random. But there is one prominent exception to this randomness: In recent years, there has been a tendency to concentrate the home demolitions in the historic basin of the Old City, mainly in the Bustan quarter of Silwan, an area targeted by the right-wing settler organizations. Indeed, on June 24, 2008, a hearing was held in the Knesset State Comptroller's Committee on the subject of the "failure to enforce the planning and construction laws" in this area. The hearing took place at the initiative of those close to the East Jerusalem settlers, who aspire to force the wholesale demolition of approximately 88

⁴³ The formulation and approval of a Town Planning Scheme (TPS) are in essence a government act, in whose context the balances between public and private needs are determined, as well as the conditions for issuing building permits. The receipt of a building permit is basically a private act of a private person or an entrepreneur, who realizes his property rights in accordance with the conditions of the TPS. In East Jerusalem, the residents are often required to fill the vacuum left by the government, and to take care of planning procedures that by nature are the responsibility of the authorities.

Palestinian-owned homes in this area. While the settlers and their representatives took an active part in the deliberations, the Palestinian residents of Silwan were not even invited. At the end of the session, the committee instructed the State Comptroller to prepare a special report regarding the enforcement of the planning and construction laws in "Gan Hamelekh" - the settlers' name for the al Bustan area. The accelerated home demolitions in the Bustan area are at least in part a result of these and other political pressures.⁴⁴

Should there be any lingering doubt regarding the political nature of the demolition policies, the case of Beit Yehonatan should dispel them. Beit Yehonatan is located in Silwan, at a distance of about 300 meters from the houses that were demolished in Bustan. It was built illegally – without a building permit – by, or for, the settlers. Beginning in July 2008, there has been a court ruling that requires the evacuation and sealing of the house. The implementation of the ruling has been repeatedly postponed as a result of pressures on the enforcement authorities by politicians affiliated with the settlers. At the end of 2008, the settlers in Beit Yehonatan remained in the house, guarded by Israeli Border Police and private security guards, funded by the State budget. The State Comptroller's Committee has not discussed the failure to enforce the planning laws regarding Beit Yehonatan.

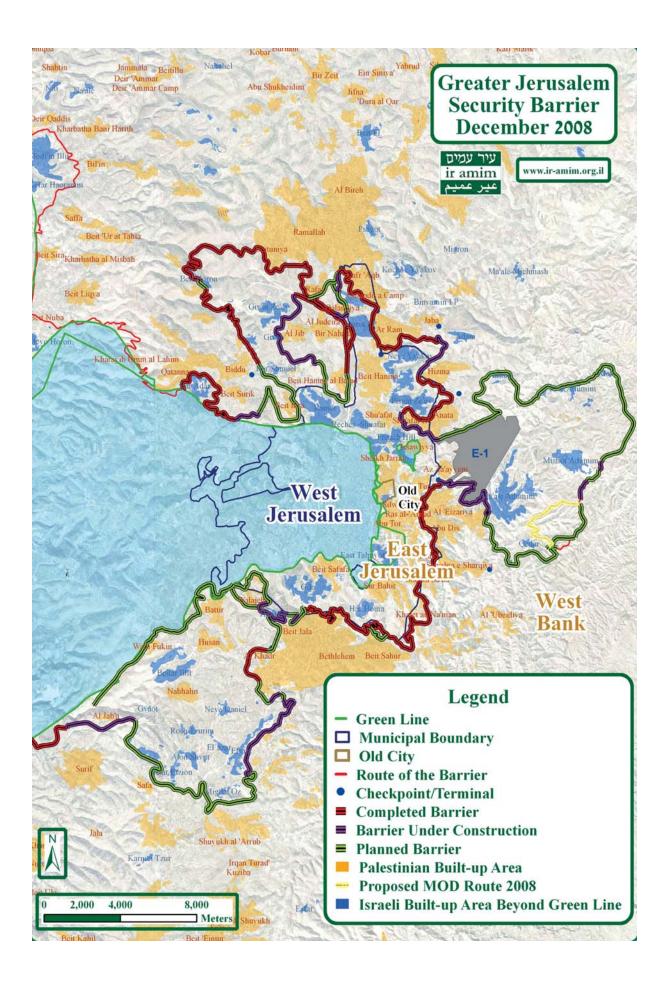
Even in the absence of a radical overhaul of the planning regime in East Jerusalem there is a moral, public, and legal imperative to limit the demolitions to a minimum - those cases where a genuine public interest is being harmed. The protected "public" interest should also include the interests of the Palestinian public, which constitutes over one-third of the city residents.

H. The Separation Barrier and the Decline of Civil Society in East Jerusalem

The planned length of the separation barrier in and around "Greater Jerusalem" is about 214 kilometers (133 miles). Of this, 41 kilometers (25.5 miles) is wall, generally 9 meters (29 feet) high, most of which passes through built-up urban areas. The area surrounded by the barrier can be schematically divided into four blocs: East Jerusalem, Givat Ze'ev, Gush Etzion and Ma'aleh Adumim. By the end of 2008 about 84 kilometers (52 miles) of the barrier were complete, including most of the built-up areas of "Greater Jerusalem." (See map.) The barrier includes about 225 square kilometers (87 square miles) of the West Bank land on the "Israeli" side.⁴⁵ The barrier is by its nature an almost impermeable seal that severs East Jerusalem from its Palestinian periphery to the north, east, and south.

⁴⁴ For these very reasons (and as confirmed - not for attribution - by Israeli officials), two plans initiated by the Palestinian residents of Abu Tor and Silwan for legalizing existing buildings - some of these buildings decades old - were rejected. Approval of the construction would have disturbed the settlers' schemes in this area.

⁴⁵ The separation barrier in Greater Jerusalem stretches from a point located south of Beit Surik east of Har Adar to the northernmost point of Surif, in the southwest corner of Gush Etzion (see map). This is a circuitous route. Between 1949-1967, the length of the ceasefire line between Israel and Jordan was only 41 kilometers (25.5 miles). Today, as mentioned, the length of the barrier is about 214 kilometers. The four areas surrounded by the barrier are: 1. East Jerusalem with about 68 square kilometers (26 square miles) in its territory, not including the Anata-Shuafat refugee camp-Ras Khamis chain and Kafr Agab, where the route of the barrier cuts them off from Jerusalem in spite of the fact that they are within the municipal boundary; 2. The Givat Ze'ev bloc, northwest of Jerusalem about 25 square kilometers (9.7 square miles) in its territory; 3. Gush Etzion, southeast of Jerusalem about 71 square kilometers (27 square miles) in its territory; 4. The Ma'aleh Adumim bloc about 61 square kilometers (24 square miles) in its territory. In the area between the Green Line and the barrier in the Greater Jerusalem area, there were about 286,000 Israeli residents at the end of 2008: about 190,000 in East Jerusalem, about 12,000 in the Givat Ze'ev bloc, about 47,000 in Gush Etzion and about 37,000 in the Ma'aleh Adumim bloc. In the same area between the Green Line and the separation barrier there were about 243,000 Palestinian residents, about 225,000 of them in East Jerusalem and about 18,000 in the blocs north, south, and east of the city. In addition to the wall itself, the barrier is composed of about 173 kilometers of a system of fences, ditches and patrol paths, whose width is about 40-70 meters (130-230 feet). Up to the end of 2008, about 84 kilometers (52 miles) of the barrier in Greater Jerusalem had been completed, about 39 additional kilometers (24 miles) are under construction, and about 91 kilometers (57 miles) are planned but their construction has yet to begin. The construction of some of the sections of the fence was discussed in the courts the most prominent among them are the fence routes in the area of Ma'aleh Adumim, Gush Etzion and Sheikh Saad. In effect, construction has been completed in the built-up areas, and the sections in which the construction has yet to begin are concentrated in distant peripheral areas.



There is little question that the separation barrier makes it very difficult for terrorists from the West Bank to penetrate into Israel, and it has clearly contributed to a reduction of the levels of violence from what was encountered in the first years of the second intifada. The achievements of the security and intelligence forces, the erosion of Palestinian motivation after eight years of intifada and the rehabilitation of the Palestinian administration in the cities adjacent to Jerusalem also significantly contributed to the waning of terrorism.

During every week of the first seven years of the second intifada, Israel detained between 100 and 200 suspects in the West Bank for security-related offenses; the construction of the separation barrier symbolizes more than anything else Israel's despair of its ability to influence the desire of the Palestinians to harm us, and focuses on depriving them of their ability to do so. On the other hand, during the entire first seven years of the second intifada, Israel arrested a total of only 240 suspects from among the residents of East Jerusalem – fewer than the number of those detained every two weeks on the West Bank.

Under these circumstances, it could have been expected that in 2008 Jerusalem would have enjoyed relative calm on the security front. But that is not what happened: From January to September 2008, 104 residents of East Jerusalem were arrested on suspicion of involvement in hostile terrorist activity - a dramatic increase compared to the previous years. Most of them operated as individuals, outside the framework of a terror cell and without any clear political affiliation.

As holders of Israeli ID cards, residents of East Jerusalem enjoy freedom of movement throughout Israel, and they share places of work and public places with Israelis. Until now, the residents of East Jerusalem have not participated in terror activity in significant numbers. That is a result of choice - not of lack of opportunity. In those cases where residents of East Jerusalem have engaged in terror - for example, the notorious "Silwan cell" - the results have been particularly lethal.

The radicalization in East Jerusalem has not remained confined to individuals, and is also evident in violent acts that do not reach the point of terrorism. During the final days of 2008, with the IDF military action in the Gaza Strip, large-scale violent protests erupted in East Jerusalem. These were greater in scope and intensity than those in Ramallah and Bethlehem.

These changes cannot be attributed to statistical deviations, and even analysts in the defense establishment describe this is a new, significant, and dangerous phenomenon.⁴⁶

Much can be learned about factors that led to, and are leading to, this radicalization by analyzing the Israeli response to the incidents of terrorism. For part of the Israeli public, East Jerusalem is "an inseparable part of the State of Israel," and its residents are viewed as no different than Israel's Arab citizens. For these people, the fact that "one of ours" carried out a terrorist act arouses astonishment, apparently forgetting that the attacker is Palestinian, and not Israeli. Others view the East Jerusalemites as a hostile alien population that, like residents of the West Bank, should be subject to military rule. Consequently, according to this view, one deals with such a population with the usual tools of military rule: breaking its spirit by means of collective punishment, or buying it by means of social benefits. For example, former mayor Uri Lupolianski attributed the recent attacks to the failure to complete the barrier, ignoring the fact that the attackers lived inside the barrier. By doing so, Lupolianski revealed the extent of his own denial or ignorance regarding the existence of a Palestinian collective in the city that he headed. Defense Minister Ehud Barak began proceedings to demolish the homes of the families of the attackers even when acknowledging that they did not participate

⁴⁶ See the report of the Center for the Intelligence Legacy about the security situation in East Jerusalem, from October 2008. http: //www.washigtonpost.com/wp-dyn/content/article/2009/01/09/AR2009010902324.html?hpid=opinionsbox1

in the plans of the attackers, or did not even knew about them.⁴⁷ There were those who suggested denying National Insurance Institute benefits to the families of the attackers; others suggested denying the residents of East Jerusalem the right to drivers' licenses, and Minister Binyamin Ben Eliezer called for giving the Arab residents of the city license plates of a different color from Israeli ones.

The scope of this survey does not enable us to discuss the complex issues that have historically removed the residents of East Jerusalem, by choice, from the cycle of terror, but we can point to the following unique phenomenon. Since 1967, according to cultural, family-related, social, and political parameters, the population of East Jerusalem has lived "facing" the Palestinian periphery in the West Bank. However, according to economic parameters - sources of employment, health services and social welfare benefits - the populace has actually been "facing" Israel. The ambiguous patterns of life of the residents of East Jerusalem have historically endowed the city with much of its stability. In other words, the population of East Jerusalem has maintained an internal balance by straddling the West Bank and Israel, with its vitality based on countervailing political and economic trends.

Severing East Jerusalem from its surroundings in the West Bank is the most significant change that has taken place in the Palestinian sector of the city since 1967. On the one hand, the separation barrier wrests the Palestinian population from the organic fabric of life of the West Bank and "annexes" the population, physically, to the State of Israel. The Palestinians, for their part, in spite of their desire to continue to enjoy a relatively high standard of living, health services, and easy mobility, do not aspire to be annexed to Israel. On the other hand, according to every significant parameter, the State of Israel does not want to accept this population into it, nor is it taking any meaningful steps to integrate it into Israeli life. In other words, Israel is not offering an alternative to the living environment from which East Jerusalem's population has been torn away. This situation is described by Israeli defense establishment analysts as a "governance vacuum."

In fact, Israel's security presence in East Jerusalem has been gradually increasing in recent years. Sudden roadblocks in the streets of East Jerusalem have become routine. Checkpoints at the exits and entrances of Arab neighborhoods are also common. We have already discussed the failure to reopen the Palestinian institutions in accordance with the "Road Map" obligations (see footnote 6); what is reported less is that many political and communal gatherings in East Jerusalem, even the most innocent, are met with orders forbidding them, or are prevented by police intervention. The ever-tightening security measures in East Jerusalem are, at least in part, causing the area to assume the troubling characteristics of an area under semi-military rule.

This creeping militarization is being accompanied by an accelerated withdrawal of Israel's civilian presence from East Jerusalem. Indeed the provision of governmental services in East Jerusalem has always been weak, and at times non-existent. In the 1990s, between 5% and 12% of the municipal budget was devoted to the Palestinian residents of East Jerusalem, at a time when they constituted about 28% of the entire population of the city.⁴⁸ Anyone who is tempted to wax nostalgic about the glorious period of former mayor Teddy Kollek should recall how Kollek himself summed up his years as mayor: "We said empty things and did not keep our word, we repeatedly said that we would equate the

⁴⁷ On January 4, 2009, the High Court of Justice rejected the petition of the family of the Mercaz Harav attacker, residents of Jabal Mukabar, and approved a partial demolition of the house they own (HCJ 9353/08), Abu Dahim v. the Home Front Command (unpublished), and on January 20, the building was sealed.

⁴⁸ A survey by the Jerusalem Institute for Israel Studies, whose principal findings were published by Israel Kimhi and Amnon Ramon, "Municipal Services for the Residents of East Jerusalem," Ora Ahimeir ed., *Jerusalem: Situation Assessment*, Tel Aviv, Defense Ministry (published in Hebrew in 1995).

rights of the Arabs to those of the Jews in the city - empty talk... [Former Prime Ministers] Levy Eshkol and Menahem Begin also promised them equal rights –they both violated the promise. I have done something for Jewish Jerusalem in the past 25 years. For East Jerusalem? Nothing! Schools? Nothing. Sidewalks? Nothing. Cultural institutions? Nothing."⁴⁹

But since the outbreak of the second intifada, and even more so since the construction of the separation barrier, civilian Israel has been disappearing from East Jerusalem at increasing pace. On the "other" (i.e. West Bank) side of the barrier, services have completely collapsed - even when it comes to areas under the jurisdiction of the Jerusalem Municipality, such as Ras Khamis or Kafr Aqab. But even on "this" i.e., the "Israeli" side of the fence, one notices the rapidly declined level of services as one approaches the barrier.

A number of examples from the past year: In the municipal elections, no polling stations were set up in Anata or Kafr Aqab, although these areas are within the area of municipal jurisdiction, and 50,000 Jerusalem residents live there. In East Jerusalem, according to official estimates, there is a shortage of about 1,500 classrooms, and tens of thousands of students are unable to realize their legal right according to the Compulsory Education Law to a free education. In the wake of a petition to the High Court of Justice by Ir Amim and a number of community organizations in East Jerusalem, the State of Israel promised to allocate NIS 40 million a year to expropriate lands necessary for building schools for tens of thousands of Palestinian children. This is less than the budget for private guards for the 2,300 settlers in East Jerusalem. And in 2008 only 34 percent of the approved budget was used.⁵⁰ Even when money is invested in infrastructure in East Jerusalem - as in the abovementioned case of Silwan - it is usually connected in some way to settlement enterprises.⁵¹

As a result of the construction of the barrier, fear of economic decline caused tens of thousands of East Jerusalem residents, who had previously lived in the West Bank, to return to live in the city. But in 2008, another trend became evident.

The bustling commercial centers built at the end of the 1990s in Al-Ram, Al-Azariyah and to a lesser degree in Bethlehem, as a solution to the closure that prevented the entry of residents of the West Bank into East Jerusalem, have declined as a result of the construction of the wall. Yet their economic activity has not been moved back to East Jerusalem, but instead to Ramallah. As of the end of 2008, the economic and cultural elites of East Jerusalem can be seen every morning commuting in substantial numbers to Ramallah, where there is lively commercial, economic and cultural activity. Some of them already own residences in both Ramallah and East Jerusalem. The acceleration of the economic pulse in Ramallah is inversely proportionate to the economic and cultural activity of East Jerusalem, which is gradually atrophying. And thus, East Jerusalem is being depleted of its the vital forces, which are flowing to Ramallah, leaving a poorer, more passive, and less educated population in East Jerusalem.

⁴⁹ Interview with Dov Goldstein, Maariv, October 10 1990.

⁵⁰ During one of the discussions before the High Court, the petitioners complained that even if all the government commitments for the construction of classrooms are honored (and experience teaches that they are not), even then the number of needed classrooms will only increase. One of the justices on the panel replied: "Do you know what the status of East Jerusalem will be four years from now?" Or in other words, why invest in areas that in the final analysis will not be a part of the State of Israel? That is how the withdrawal from East Jerusalem in the public consciousness is translated in the language of policy.

⁵¹ For example: A 500-meter section of highway in Jabal Mukaber was repaved, and along it was built a sidewalk with upscale tiles. The project began in a place where the highway is used by the residents of the Nof Zion settlement, and ends at the entrance to the Jewish neighborhood that is still unpopulated, almost in front of the first Palestinian house. The line separating the renovated highway that serves the Jewish population and the rocky road inside Jabal Mukaber looks as though it was cut with a knife.

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2008 not only signaled a significant deterioration in the security situation of Israelis, but for Palestinians as well, who were increasingly exposed to acts of nationally motivated Jewish/Israeli violence. In the wake of the terror attacks, right-wing demonstrations quickly turned into vigilante raids into the Palestinian neighborhoods; security forces were seen standing aside while the homes of the Palestinian residents were attacked and ransacked. There were increasing numbers of attacks on Palestinians in the streets of Jerusalem, mainly in the ultra-Orthodox neighborhoods and in Pisgat Ze'ev. In the absence of precise statistics regarding the level of violence directed at the Palestinians in past years, we cannot determine whether there has been a drastic worsening. However, these events arouse concern that the conflict in Jerusalem is spilling over into an intra-communal conflict being conducted in the streets, a kind of "Hebronization" of Jerusalem. This situation must be closely monitored.

In summary, we can say that the construction of the separation barrier has led to the following complex tendencies: the severance of the Palestinian population from the West Bank, without the creation of alternative societal attachments; an increasing militarization of everyday life in East Jerusalem accompanied by an Israeli civilian withdrawal; the sweeping prohibition of any Palestinian political activity, while adhering to empty symbols of a "United Jerusalem"; and the influx of Palestinian Jerusalemites previously residing in the West Bank into Jerusalem, in parallel with the outflow of the most productive, educated elements of East Jerusalem's population to the vital economic centers on the West Bank, leaving the economic and social life of East Jerusalem to decay. If in the past the countervailing trends that have shaped life in East Jerusalem were moderating factors, today the area is being transformed into a political, social and economic "twilight zone," fertile soil for political radicalization and increasing violence among and toward the Palestinian residents of the city.

Israel would do well to adopt a more informed and nuanced view of the Palestinian collective of East Jerusalem, with its complex identity and its multiple ties. Such an understanding is a condition for formulating policies that will hold back the trends of radicalization that have recently been unleashed.

SUMMARY

Jerusalem is not merely real estate, and the struggle being waged in it is not a mundane territorial conflict. In Jerusalem there is nothing more concrete than the symbolic. Even the rehabilitation of a dirt road leading from here to there reverberates in the realm of sanctity and its physical embodiment in holy sites. Although Jerusalem sewage still obeys the laws of gravity, Jerusalem physics is governed by a mixture of the sacred and the profane, the mythic and the realistic, residing in the consciousness of believers from the three religions and the two nations who claim title to it.

The belief in a "United Jerusalem" was born in unusual historical circumstances, in which a number of formative events were concentrated in a short period of time: the existential anxiety on the eve of the Six-Day War, the swift victory in the war that "liberated" the Old City and the holy places; and the direct encounter of the Jewish public with places imbued with memory and sanctity. Since then, 42 years have passed, during which "United Jerusalem" has been immersed in a constant conflict with the complex urban and political reality, "a war of deeds" (Meron Benvenisti) between the Israeli takeover of areas in East Jerusalem and a Palestinian public that has sought to preserve its identity and has continued to reject the legitimacy of Israeli control.

In 2008, these complex and contradictory trends in Jerusalem became stronger and were accelerated. There was an election campaign that totally ignored East Jerusalem and its residents in all but one sense: the recycling of the tired argument that Israel cannot give up the integrity of the "united" city. But one-third of the city's population, the Palestinian public, are present-absentees as far as the Israeli government is concerned, and they choose not to participate in the charade. The separation barrier severed the organic connection between this public and its natural surroundings in the West Bank, without Israel offering any substitute for the severed connection. This move gave rise to two immediate dangers: the economic and social atrophying of East Jerusalem and an increase in the inter-communal violence. Civilian Israel is gradually abandoning East Jerusalem, and is imposing on it more and more trappings of military rule.

On the other hand, the decline of "United Jerusalem" as one of the catechisms of Israeli society has not been replaced with an alternative view. There is, in many ways, a cognitive void. This void has been partially filled with a viewpoint that has taken root in parts of public opinion, to the effect that Jerusalem is divided in any case, and will be so in a future political agreement, with the Geneva Initiative reflecting and leading this trend. On the other hand, this void has also been filled by the activity of the national religious right, and the planning and construction to create an *ersatz* Biblical kingdom in the historic basin of the Old City - an effort that has drawn its power from the highest echelons, including the Prime Minister's Office. But for the most part, the void has not been filled at all, and the acts of the government, like the public conceptions, have been conducted on their own, according to the inertia of traditional patterns of behavior.

So where are we at the end of 2008 and the beginning of a new year?

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There have been very significant changes in Israelis' views of Jerusalem, which create political opportunities that did not exist even a few years ago, and that can be translated into actions. On the other hand, the lack of confidence in the availability of political arrangements and the very well-founded fears about their consequences create great obstacles to the promotion of solutions.

But in Jerusalem, doing nothing is not an option. The trends that were revealed in 2008 demonstrate how clear and present is the danger of the irrevocable loss of the two-state solution. They also underscored the extent to which the current trends, left unchecked, will lead to a continuing and increasing deterioration in the security situation. Finally, they illustrate the degree to which developments in the Old City and its environs are creating patterns that endanger the stability in the city and are liable to transform a political conflict that can be managed and ultimately resolved by mortals, into a hopelessly intractable religious conflict. We are witnesses to economic and social trends that are making life in East Jerusalem impossible, and are contributing to the degeneration of West Jerusalem.

Jerusalem is a wise city, capable of teaching a great deal to those who are attentive to its wealth of contradictions. Those who are concerned about Jerusalem's welfare and those who determine its fate would do well to formulate an empathetic, yet sober view of Jerusalem in all its complexity. While paying reverence to its symbolic power and resonance, they should also be attentive to the pulse of this living organism, a city that, while split, is also alive and functioning. They should adopt policies that will strive to provide a reasonable life for those people, Israeli and Palestinian, who live, love, and die here, even while knowing that such a reasonable life will only become fully possible when the city will be healed by future political agreement. They should identify the threats to the unique character of the city and its stability, and work to prevent them. They should lend an attentive ear to the fears of both the Israeli and the Palestinian publics regarding their futures, and the futures of their children.

Moreover, the policy makers would do well to identify and adopt the available political platforms - the Arab League peace initiative and the support of faith communities for reconciliation, the political empowerment of the Palestinian public in East Jerusalem - in order to create a sober, yet resolute mechanism that will enable tangible progress toward a final status agreement upon which the fate of Jerusalem depends.

It has long been a commonplace among the pundits to argue that Jerusalem is such a sensitive and complex subject, so "radioactive," that dealing with it should always be postponed until the "end" - that same unknown date that never arrives. But if our assessments are correct, Jerusalem's time has come.

