



## *On the Record: Palestinian Civil Society Under Siege*

### **Issue 6: Breaking the Cycle of Dependency**

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#### **From the Editorial Desk: The Roots of Dependency**

This issue looks at some of the pressures facing Palestinian laborers who work in Israel and the efforts being made on their behalf by the Democracy and Workers' Rights Centre (DWRC) in Ramallah.

Before the uprising broke out last September, as many as 125,000 Palestinian workers - almost a quarter of the entire Palestinian workforce - were employed in Israel. This brought income to their families but it also meant that they were among the first to suffer when Israel re-imposed a complete "closure" on the territories following the uprising last September. [1]

The loss of so many jobs overnight created an instant economic crisis. This delegation was told in February that 72 percent of the population in the Gaza Strip and 51 percent of those on the West Bank were living below the poverty line.

As it has done in the past, the Israeli government cited security concerns to justify the closure. But Israel must also have been hoping that mass unemployment would somehow force an end to the uprising. This has not happened - and nor was it likely to. Instead, closure simply punished tens of thousands of hardworking people who had toiled to build Israel's economy.

Palestinian workers were first drawn to Israel in large numbers in 1968, when Israel created an "open door" policy towards goods and labor from the occupied territories. One of the aims was to create a pool of cheap Palestinian labor that could be used for unskilled and menial work in Israel.

To judge from what this delegation was told, the Israeli authorities care little about the working conditions, or the rights, of these laborers. The thousands of Palestinians who enter Israel every day, like the young man profiled in this issue, have no job security. They pay for benefits that they will never be able to collect. Even when they are entitled to collect benefits, they run the risk of being cheated by their employer.

Those who work illegally are even more vulnerable to abuse and exploitation. In spite of this, there is evidence that Israeli forces are turning a blind eye to the entry of some illegal laborers during the current crisis in an effort to ensure that settlements and isolated Israeli factories have workers.

As well as being abusive to the individuals affected, Israel's policy towards its Palestinian workers undermines the prospects for an independent Palestinian state because it sucks Palestinians away from agriculture and productive employment in the territories. Experts long ago concluded that this was part of a deliberate policy to starve the territories of any indigenous productive capacity - a process that author Sara Roy has termed the "de-development" of the territories. [2]

Palestinians expected that Oslo would change all this, and create a viable Palestinian economy that would generate jobs for Palestinians. One of the reasons that they lost faith in the peace process was its failure to deliver: during the 1990s, the Palestinian labor force grew much faster than the growth of jobs in the territories.

The ball is firmly in Israel's court. If Israel wants a productive and peaceful Palestinian neighbor it must work to build up an indigenous Palestinian economy and develop a skilled Palestinian workforce for the territories - instead of treating Palestinians as a cheap resource to be exploited and discarded without a second thought. Israel will also have to lift the many restrictions that prevent Palestinians from exploiting their land.

The alternative is an impoverished and embittered neighbor that will never view Israel as a friend and ally, but always as an occupier.

### **In the News**

Human Rights Watch calls for a criminal investigation of Ariel Sharon.

Human Rights Watch, the prominent US-based human rights organization, has called for a criminal investigation into the role of the Israel Prime Minister Ariel Sharon in the infamous 1982 massacres that took place in the refugee camps of Sabra and Shatila. In a statement released on June 22, Hanny Megally, the Executive Director of the Middle East and North Africa Division of Human Rights Watch said: 'There is abundant evidence that war crimes and crimes against humanity were committed on a wide scale in the Sabra and Shatilla massacre, but to date, not a single individual has been brought to justice. President Bush should urge Prime Minister Sharon to cooperate with any investigation.' The full text of the Human Rights Watch statement can be found on their [website](#).

Meanwhile, there is controversy over a recent BBC television documentary ("The Accused") in

which a number of prominent figures suggest that Sharon could be prosecuted for war crimes. Richard Falk, professor of international law at Princeton University, said in the film that he was in no doubt Sharon could be indicted over the massacres. Falk was one of the three members of an independent mission of inquiry that visited the occupied territories earlier this year for the UN's Human Rights Commission.

Also last week, Souad Srour Al-Mere'eh, a survivor of the 1982 Shatila massacre, left for Belgium in an effort to have Sharon charged for crimes against humanity under a 1993 Belgian law which allows Belgian courts to prosecute foreign officials for human rights violations, including genocide, committed outside Belgium. During the 1982 massacre, pro-Israeli Lebanese militiamen raped Mere'eh, then aged 14, and killed most of her family. Mere'eh survived, but has a bullet still lodged in her spine.

Israel's Kahan Commission named Sharon in 1983 as the Israeli commander who sent Lebanese Christian militia to the Sabra and Shatila Palestinian refugee camps.

Gaza human rights leader prevented from leaving Gaza.

On June 18, Dr. Eyad El-Sarraj, the founder and director of the Gaza Community Mental Health Programme (GCMHP), was prevented by Israeli security forces from leaving the Gaza Strip to take part in a television interview with the BBC. Israel cited "security reasons." A press release from the GCMHP described the action as "part of Israel's collective punishment policy against the Palestinian people" and as "illegal, totally unjustified, and a flagrant violation of human rights." Dr. El-Sarraj, whose organization was profiled in issue 4 of this series, said he will challenge the ban in the Israeli High Court.

### **Profile: The Democracy and Workers' Rights Centre**

The Democracy and Workers' Rights Centre (DWRC), which is profiled in this issue, was created in 1993 after 25 Palestinian workers were summarily dismissed without compensation from an Israeli firm in the Atarot industrial zone near Ramallah.

Working with Israeli labor lawyers, a small group of Palestinian activists took up the case and succeeded in winning compensation of 370,000 shekels (\$90,000). The workers were so grateful that they donated 20,000 shekels to help the lawyers assist other Palestinian workers who faced similar problems. The Palestinian lawyers used these funds to establish the DWRC.

The DWRC has continued to fight for the rights of workers, both in Israel and in the territories. Last year the organization acted on 1,009 complaints, and completed 893 cases. About 30 of these involved Palestinian day laborers who were cheated out of their wages by Israeli employers. Another 20 or so were detained or fined by Israeli security forces.

The Centre also acted on behalf of workers who were dismissed from their work in the private and public sectors within the Palestinian areas. These even included a large group of about 600 daily workers who were dismissed by the UN relief and Work Agency for Palestinian Refugees (UNRWA). When we visited in February, the DWRC had just received a complaint from seven employees who had been dismissed by another Palestinian human rights agency.

The DWRC views the rights of workers as one of the pillars of a democratic society and it was quick to exploit the opportunity presented by the creation of the Palestinian Authority in 1995.

After the Authority drafted a new labor law without any input from workers, the DWRC helped to organize a coalition of groups from civil society to draft an alternative law. Drawing on a grant from the European Union, the DWRC launched a series of hard-hitting television advertisements and even picketed the homes of individual members of the parliament. In the Middle Eastern context, this was unprecedented.

Eventually, the persistence paid off. The campaigners managed to get almost all of their demands inserted into the draft, including paid vacation, severance pay and the right to elect representatives to the federation of unions. The law was accepted by the parliament in May last year, although it had still not been signed by President Arafat when we visited.

The DWRC views the right to free association as an essential ingredient of workers' rights, but it has run up against the fact that the Federation of Palestinian Unions is highly centralized and under the political control of President Arafat. This might have made sense under Israeli occupation when all of civil society was committed to the political goal of independence, but it is at odds with the vision of an independent, democratic civil society.

Since 1995, the DWRC has urged the Authority to make the unions more democratic by holding elections for the Federation and by allowing teachers to create their own independent union. This has not gone down well with the government: we were told that 13,000 teachers have signed a petition requesting a union but that several of their leaders have been arrested. The DWRC has been trying to strengthen the independence of the judiciary, by holding training courses for young lawyers and encouraging them to stand for election to the Palestinian Bar Association, which is also close to the Authority.

All of these activities are aimed at building a democratic Palestinian state. But the heart of the DWRC's mandate remains its legal work on behalf of dismissed workers like Nafez El-Dabbas, who is profiled in this issue. Grassroots International supports the DWRC's legal unit.

The DWRC operates a program of assistance in the Gaza Strip where working conditions are considerably worse than the West Bank. But because of time constraints, this delegation was only able to look at the DWRC's work in the West Bank.

### **The Illegal Worker**

(The subject of the following profile is referred to by a pseudonym)

In September 1998, Nafez El-Dabbas, a 40 year-old Palestinian from the village of Beit Liqqya, began working for an Israeli poultry firm in Israel.

El-Dabbas did not have a permit from the Israeli government, and this made him an illegal worker. It did not, however, appear to bother his new Israeli employers - perhaps because they knew it would mean they had fewer legal obligations towards El-Dabbas than if he had worked

legally. The border authorities also turned a blind eye when El-Dabbas crossed into Israel to work. They probably understood that illegal workers demanded fewer benefits, which meant higher profits for the firm.

As for El-Dabbas himself, he was in no position to help Israel enforce the legality of its own labor laws. With a wife and eight children he had to make a living, and there was simply no other possibility for work in the town of Beit Liqqya. Virtually all of its male workers were employed in Israel.

Nafez El-Dabbas told this delegation that over the 18 months that he worked with this firm, his wages were systematically skimmed by his Israeli employers who took advantage of his illegal status. Last September, he suffered yet another blow when Israel closed the border to Palestinian workers in the wake of the uprising. El-Dabbas was one of about 125,000 Palestinian workers - legal and illegal - who suddenly found themselves out of work.

Nafez El-Dabbas's misfortune illustrates the impact of Israel's economic stranglehold over the Palestinians at the personal and community level. This has caused some Palestinian civic leaders to wonder whether they can turn the enforced siege to advantage and nurture the seeds of self-sufficiency in villages like Beit Liqqya. The experience of Nafez El-Dabbas shows how this might happen - but also how difficult it will be.

### **Demanding Rights**

The dependency of the Palestinian economy on Israel is the product of a deliberate policy, according to Hasan Barghouthi, who heads the Democracy and Workers' Rights Centre in Ramallah.

For thirty years, said Barghouthi, Israel has systematically discouraged investment in the Palestinian areas, particularly in agriculture. The goal was two-fold: first, to reduce the threat of competition to Israeli farmers from cheaper Palestinian produce, and second to create a pool of cheap Palestinian labor for Israeli firms.

This has produced a psychological as well as economic dependency. The years of being stopped at roadblocks and questioned by Israeli soldiers have robbed many of the Palestinian workers of their confidence and self-esteem, said Barghouthi. Those who crossed to work in Israel before the current crisis did so with lowered eyes and a subdued demeanor. Any pride had long since been squeezed out of them.

"These workers have no chance of empowerment," said Barghouthi. "They cannot take control of their lives. Most don't even know their rights." Like Nafez El-Dabbas, most of them finished school at the age of eighteen. Many also come from farming backgrounds and are not used to keeping documents. All of this makes them highly vulnerable to exploitation by unscrupulous employers.

## **The Challenge**

At first sight, El-Dabbas fits the profile of a humble migrant worker. He hardly seems the type to demand his rights and challenge an employer. This, however, is exactly what he did last year.

After several months of work, El-Dabbas began to notice a discrepancy between the wages he was supposed to receive - which was printed on a pay-slip each month - and the checks he received. His employer was skimming about 500 shekels (\$125) from his monthly wages.

Instead of protesting and getting fired, El-Dabbas began quietly to take photocopies of his monthly checks before he handed them over to be cashed. (Palestinians do not have the right to open bank accounts in Israel and El-Dabbas was forced to pay \$15 to have each check cashed).

By the summer of 2000, El-Dabbas had collected a formidable amount of written evidence against his employer. The firm, for its part, had moved from Israel to the large industrial zone at Atarot, just outside Ramallah. Its intention, clearly, was to escape taxes and take advantage of the large pool of unemployed Palestinian workers in the area.

El-Dabbas took his damning evidence to the Democracy and Workers' Rights Centre in Ramallah. Atarot is particularly well known to DWRC lawyers because it employs so many Palestinian workers. At the same time, the zone is considered Israeli territory and the Centre's (Palestinian) lawyers are not allowed to enter its confines. So they seek out workers like El-Dabbas at home, and ask if they have any problems or irregularities.

The DWRC also employs two Arab-Israeli lawyers, who are entitled to practice in Israeli courts. Once they realized that El-Dabbas had preserved written evidence, the lawyers entered a complaint against the firm. The case was quickly sent to arbitration by the judge. This is standard practice, says Barghouthi, because the small handful of Israeli judges who deal with labor disputes cannot possibly deal with the thousands of cases.

The DWRC sought 24,240 shekels for El-Dabbas, to cover loss of pay and several other benefits that should extend to illegal as well as legal workers. But the DWRC had to settle for 7,000 shekels, because it lacked written evidence for everything except the checks.

As far as is known, there has been no official sanction against this firm, or indeed any crackdown on such activities. Such is the contempt for the Palestinian workers sweat it out for Israel's economy.

## **Cutting Corners**

Skimming wages is only one of many devices that Israeli firms employ to cut corners. According to Barghouthi and his colleagues from the DWRC, many firms are engaged in almost constant subterfuge to reduce costs at the expense of their Palestinian workers.

According to Barghouthi, 120,000 Palestinians were working legally and another 80,000 illegally in Israel before the uprising. (Others put the figure lower than this). Legal workers receive their authorization after being carefully screened by the Israeli authorities. They are required to be

over 25 years old and also married, in an effort to prevent potential terrorists from slipping into Israel.

In theory, the fact of being legal should cushion them from the sort of abuse suffered by Nafez El-Dabbas. In practice, it may not always turn out that way. For example, workers pay for a number of benefits that they will never be able to enjoy. 1 percent of their wage goes to the Israeli trade union Histadrut, which does little for Palestinian migrant workers. According to Barghouthi, 12 percent of their wage goes to "social insurance," which helps to pay for a range of benefits (including retirement and education) that they cannot collect.

Palestinian workers will derive more practical benefit from their health insurance contribution, because this can now be collected in the Palestinian areas even if the work is done in Israel. (75 percent of the deductions collected in Israel are supposed to be transferred by Israel to the Palestinian Authority, although transfers have been frozen during the current crisis.)

### **Severance Pay**

According to Hasan Barghouthi, severance pay brings out most greed in Israeli employers. This, he feels, is because it comes out of a fund which is predominantly (72 percent) paid by employers.

Palestinians are entitled to severance pay if they work in Israel for the equivalent of 26 days a month over a period of six months. For each six months worked, they are entitled to receive the equivalent of 15 days salary. According to Hasan Barghouthi, "almost all" Israeli employers try to wriggle out of this obligation. "Many employers will enter fewer days on the pay-slip than the worker actually works and make up the difference in cash in order to reduce their contributions." As a result, said Barghouthi, a worker like El-Dabbas can work for two years but end up with only a year's entitlements.

The DWRC has won many prosecutions against Israeli employers, only to find that there is no money in the firm's bank account to pay the fine. This is because the owner of the firm may have transferred the account to his wife or a relative. There is no recourse against this under Israeli law, according to Barghouthi.

The DWRC faces many other obstacles in their pursuit of justice. Because of closure, Palestinian plaintiffs cannot attend court hearings in Israel in person. Plaintiffs are also asked to put down a guarantee in case they lose the case - but no such demand is made of the employer.

But if the search for justice can be exhausting and discouraging, it can also produce some dramatic successes. In 1997, working with Israeli lawyers, the DWRC won a landmark case when the Israeli courts agreed that employers were liable to pay compensation in the event that a worker is laid off because the borders are closed. Barghouthi estimates that 8,535 persons (workers and families) were able to benefit from this last year, to the tune of \$1.3 million.

## **Illegal Work Continues**

It is ironic and unsettling to Barghouthi that Israel has kept open the door to illegal workers during the current crisis while punishing those who are honest and play by the rules.

According to the Palestinian Authority, roughly 15,000 Palestinians from the West Bank continued to work in Israel in the last quarter of 2000, after the outbreak of the uprising. One of them was Nafez El-Dabbas, who was able to find work in an abattoir in the Atarot industrial zone within two weeks of the closure. During the month of February, he managed to work for fifteen days, at a wage of 100 shekels a day.

This would not have been possible without the tacit approval of Israeli forces. El-Dabbas said that he was recruited by a Palestinian intermediary who has been hired by his Israeli employer to find laborers. He is occasionally detained at a checkpoint and held for several hours, but this is rarely followed by serious punishment. Hasan Barghouthi said that some Israeli employers are so desperate for workers that they drive to the West Bank and smuggle Palestinian workers back in the trunk of their cars.

This suggests that dependency clearly cuts both ways: Israeli employers need the labor, just as the laborers need work. Nonetheless, it is Israel that calls the shots and the Palestinian workers who are at the greater disadvantage. Even with fifteen days of work, El-Dabbas has only managed to earn 1,500 shekels in February. This put his family well below the poverty level because he is the only breadwinner.

El-Dabbas is one of ten brothers, and only four were working when we visited Beit Liqyya in February. Like many others in the town, this extended family has drawn closer as a result of the crisis. They have been sharing more and drawing on savings. The one major consolation is that free health care is being provided for all members of the main Palestinian trade union, at the instructions of President Yasser Arafat.

## **The Challenge of Economic Self-Sufficiency**

According to the United Nations, the Palestinian economy lost \$336 million in the first five weeks of the uprising. [3] The fact that it could be brought to its knees within a matter of weeks underlines its acute vulnerability.

But this has also prompted Hasan Barghouthi and other leaders of civil society to ask if the closure might possibly be a blessing in disguise. Might it force Palestinians to reduce their economic dependency on the Israeli economy, and so strengthen the economic prospects for an independent Palestinian state?

According to statistics collected by the DWRC, a dramatic shift has already taken place in the Palestinian areas as the result of the Israeli economic blockade. Employment in the building sector in Gaza - a major employer - has fallen from 16 percent to 3.5 percent for the simple reason that cement is no longer available. [4]

At the same time, the number working in agriculture inside the territories has increased



dramatically. "People are returning to the land and growing more of their own food," said Barghouthi. "It's a matter of survival."

Could this be the first step on a road to greater economic self-sufficiency? To judge from Beit Liqya, the answer is not yet.

Beit Liqya is exceptional only in being so close to the Israeli border. In many other respects it is representative of other small country towns on the West Bank. For a start, it has almost no productive capacity. There are a handful of shops and three garages, and two farmers produce chickens for a cooperative in Ramallah. Otherwise, we were told, the town has no other source of employment. Like many families, El-Dabbas and his brothers own 200 dunums of land with olive trees, but these produce about 20 kilos of olive oil a year for his family.

In other words, there is no economic base in Beit Liqya to build on. Oslo has not helped, because Beit Liqya is split by one of the internal boundaries created by the peace plan. On one side of the main road the land is Area A, which means it is under the control of the Palestinian Authority. On the other side, it is Area B, which means it is still subject to scores of Israeli security regulations which rule out any economic initiative. This would make it very difficult for any organization that wanted to promote a comprehensive economic development project in Beit Liqya.

The DWRC hopes to launch a scheme to provide credit for small businesses. It has received initial capital of \$500,000 from an Italian organization and also persuaded the Palestinian Authority (through the Authority's Development Fund) to provide a matching grant. Loans of up to \$10,000 will be provided to small businesses, at a monthly interest rate of 1.2 percent. The Project will provide training in business and management.

The first question is who should benefit? Hasan Barghouthi and his colleagues are inclined to select workers who are known to the DWRC so they could include Nafez El-Dabbas. The problem is that there is so very little to build on in El-Dabbas's home town of Beit Liqya. As a result, the DWRC is more inclined to help shopkeepers in larger towns like Ramallah, where there is more economic activity and a better chance of getting the loans repaid. The problem with this is that the need is so much more pressing in the rural areas of the West Bank.

When we visited in February, Hasan Barghouthi and his colleagues at the DWRC were trying to resolve this dilemma, and also determine the elements of a successful comprehensive development strategy. At first sight it seemed a strange task for a group of labor organizers. But creating jobs is very much a part of the DWRC's broad mandate for defending the rights of workers and protecting economic rights. And as the next dispatch in this series shows, not every town is as poor as Beit Liqya.

[1] As noted in an earlier issue, "closure" consists of banning the movement of labor and goods by Israeli forces in anticipation of, or following, a security incident. Closure was first instituted 1993 and became an integral part of Israeli policy towards the territories. There are at least three different forms of closure: general (between the territories Israel) total, and internal (between Palestinian communities).

Between 1994 and 1999 - the Oslo years - Israel imposed 443 days of closure. In 1996 alone, the West Bank was "closed" for 132 days, and the Gaza Strip for 138. Closure is devastatingly effective precisely because the Palestinian economy is so dependent on Israel. Following two months of total closure in March and April 1996, a staggering 66 percent of the Palestinian labor force was either unemployed or under-employed.

[2]"De-Development Revisited: Palestinian Economy and Society Since Oslo," by Sara Roy (The Journal Of Palestine Studies, Spring 1999, pp 64-82).

Experts like Roy have noted that the "de-development" of the territories go hand in hand with Israel's determination to create a pool of cheap and unskilled labor. Many of the Palestinians working in Israel were forced from the land. During the first decade of occupation, Israeli policies imposed restrictions on agricultural activity by Palestinians in order to expropriate land for settlements. Under Israeli law, any land that was left uncultivated for 3 years was considered "abandoned" and liable for expropriation. By restricting cultivation, Israel was able to keep farmers off the land and render it liable for expropriation. After the first decade, Israel began to declare land that had not been registered by individuals as "state land." Given that Palestinians had been prevented from registering private ownership of land, there was plenty of land to claim.

For more on the impact of occupation on the economy of the territories see "Eyes Without Country" by Souad Dajani (Temple University Press, 1994) pages 8-16.

[3] Figure from UNSCO, the Office of the United Nations Special Coordinator in the Occupied Territories.

[4] The 1.2 million inhabitants of the Gaza Strip are almost totally dependent upon work in Israel because three quarters are refugees, and thus have no family assets to fall back on in times of emergency. They have no possibility of resorting to agriculture. This accounts for the elevated levels of poverty over the West Bank.

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