The recent report from the World Bank, *An Update on Palestinian Movement, Access and Trade in the West Bank and Gaza*, vividly illustrates the damage that is being done to Palestinian people and trade by the ongoing occupation. However, the Bank concludes that the solution is to improve the mechanisms of Israeli Apartheid by enhancing harassment at terminals, and implementing improved systems to maintain the current occupation. It states “economic recovery cannot be divorced from the dismantling of today’s closure system”\(^1\) and yet it goes on to describe not how the system may be dismantled, but how it may be made more efficient.

The Bank argues that Israel's ongoing racist occupation is problematic not because it entails the continual theft of Palestinian land and suppression of Palestinian rights, but because it “act(s) as an impediment to economic mobility and social integration.”(\textit{WB}, p.11) It argues that the Occupation has split the West Bank into three 'economic zones': northern, central and southern (\textit{WB}, p. 2). This gives an impression of the immediate economic damage done by the occupation, but does not deal with qualitative factors of the campaign of harassment, arbitrary detention, attacks and attempted humiliation waged against ordinary Palestinians as they attempt to travel between, and even within, the economic zones. Neither does it deal, for example, with the effective clampdown on education as checkpoints restrict Palestinian students and teachers from attending educational institutions. Taking account of the full picture, 'separate economic zones' is an inadequate description the social, physical and economic fragmentation that is being inflicted on the West Bank and Gaza Strip (WBGS) by the Occupation: these are ghettos.\(^2\)

Movement between ghettos is extremely difficult, as the Bank describes. However, rather than calling for the dismantling of the system, the bank argues that it must be entrenched and supported by improved technology and more efficient colonial practice. The Bank apparently envisages Zionist occupation in perpetuity and calls for the gates of the open air prison to oiled in order to make it more palatable to the Palestinian inmates and more

---

1 World Bank, *An Update on Palestinian Movement, Access and Trade in the West Bank and Gaza*, p. 3
conducive to successful international trade.

The Bank advises that Palestinians should put aside concerns about national liberation and defer 'final status' issues to some unspecified future date.³ The thrust of the report is to imply that if the ongoing Occupation can be made less painful to Palestinians, there can be some degree of normalisation between Zionism and the Palestinian people and a degree of economic improvement and an environment in which international capital can flourish.

Recommendations for a more efficient operation of Apartheid include:

- The continuation of “preferential treatment” for Israeli trucks in the Hebron area once the Apartheid wall is finalised, allowing Israeli vehicles to use roads closed to Palestinian traffic. Without this, the report argues, "a trade management system with drawbacks similar to Gaza is likely to emerge." (WB p. 9) Apartheid roads are increasingly used to restrict Palestinian movement. On 7th September, the Occupation announced the construction of a new 'Jews only' road which will carve through the West Bank.⁴ 500 km of such roads are planned.
- A “secure perimeter” around the Karni crossing point (WB p. 8), which would annex yet more Palestinian land.
- The introduction of new scanning technologies to allow high levels of 'security' and commercial efficiency. (WB p. 5) The 'scanning technologies' are highly intrusive, and there have been questions raised over possible health side effects.⁵ Scanning technologies introduced so far have, as described in the Bank report, been used for scanning empty trucks returning from export, rather than full trucks. This is either incompetence on part of the Israeli authorities (as the Bank tentatively suggests), or a deliberate program to disrupt Palestinian trade. As described below, given the extent of – apparently deliberate – disruption wreaked on Palestinian trade by the Israelis, it seems more probable that is the latter.
- Reconstruction of Gaza’s airport with enhanced 'security solutions' to facilitate export of agricultural products and to permit the travel of investors to and from Gaza, which would almost certainly be administered by Israel and guarantee further Israeli military control of Palestinian soil.
- Investment in checkpoints within the West Bank to increase efficiency of the Orwellian control of Palestinian lives.

The raw data in the report provides a useful illustration of the huge damage that Zionist aggression has wrought on the Palestinian economy. Significantly:

- 'Between late-2000 and mid-2006 Palestinian personal income per capita has fallen by roughly 50 percent in real terms.' (WB p. 2)
- 'In 2005, 90% of the $3.3bn in Palestinian trade was with Israel or through Israel to the rest of the world.' (WB p. 2)
- Israel is in violation of the Agreement on Movement and Access (AMA), agreed on November 15 2005, committing Israel to an average daily export flow of 150 trucks

³ World Bank, “Money Won’t Fix Things Here” - Interview with Nigel Roberts, World Bank Country Director for the West Bank and Gaza
⁴ Stop The Wall, Israel Announce New Apartheid Road, 14th September 2006, www.stopthewall.org
⁵ See Anti Apartheid Wall Campaign, Do-It-Yourself Apartheid in Palestine (La Citta Del Sol, 2005)
per day by December 31, 2005 and 400 per day by the end of 2006. The report notes that 'actual daily numbers through mid-June 2006 have been less than 25 trucks, with the crossing open, on average, for only half of scheduled days of operation'. (WB p. 2) As absurd as it is that Palestinian trade should be entirely dependent on the good will of the Israelis, as enshrined in the AMA, it is entirely unsurprising that Israel is in daily violation of this agreement, given their cavalier attitude to international agreements generally.

- 'Direct losses to Palestinian exporters on days when Karni was closed through much of the winter agricultural season was in the vicinity of US$600,000 per day, with losses to agricultural producers amounting to 75-85 percent of this.' (WB p.3)
- The situation continues to worsen with all exports blocked since June 23 except for 2 days when a total of 19 truckloads exited Gaza.
- The disastrous impact of the Karni terminal on Palestinian exporters to Israel. However the critique of the Karni principally focuses on the 'inefficiency' of the system operated by the Israelis, makes only passing reference to the bribery and corruption at the terminal (WB p. 3) and provides no analysis at all of the reasons for the Zionist government's deliberate occupation of Palestinian trade.

However, the analysis that accompanies the data is at best superficial and at its worst a master-class in economic and political doublethink. In the interview published accompanying the report, Nigel Roberts, former World Bank Country Director for the West Bank and Gaza, responds to the question of why the report does not address the question of 'the bigger issues of final status and statehood'. His response is illuminating:

Final status and statehood are issues that need to be taken up at a political level in the context of the Roadmap. Right now, though, it is necessary to move out of the intifada period and to help foster re-engagement and cooperation between Palestinians and Israelis.

As far as the World Bank is concerned, the political dimension to the economic situation in Palestine is to be seen purely in terms of the settlement of 'final status issues' at some undefined point in the future. Exactly how this is to be accomplished remains mysterious, particularly given that, throughout the report, Roberts appears to rule out the possibility that Apartheid Israel's brutal land-grab and suppression of Palestinian rights might have anything to do with continuing Palestinian resistance. It furthermore asks Palestinians to give up their struggle against the Occupation to facilitate the World Bank plans in the West Bank and Gaza. The bank reiterates its view that

the twin goals of enhanced Israeli security and improved Palestinian movement are compatible in the near-term – and that over a longer time-period, Israeli facilitation of Palestinian economic recovery is key to the achievement of sustainable Israeli security. (WB, p.3)

The question of how to ensure that Palestinians can protect themselves from occupation, expulsion and apartheid is completely ignored.

The report refers to 'closure' – the euphemistic term for the system of checkpoints, flying checkpoints and of course the Apartheid wall which the Zionist government uses to prevent Palestinians from going about their business, barring farmers from accessing their land, sick people from receiving medical care and students from getting to university. In order to end closure, the report suggests the following:

Israeli perceptions of Palestinian intent are critical in shaping a willingness to relax closure. The Bank's view remains that the PA must do all it can to counter Palestinian violence against Israelis if it is to achieve a reciprocating response from GOI in the closure sphere. (WB p.4)

The bank moves on specifically to deal with the role of the 'closures' in defending the

---

illegal Israeli settlements:

Given that a principle function of today’s movement restrictions inside the West Bank is to protect Israeli settlers at a time of intense Palestinian hostility to their presence, it would be harder to ensure settlers’ security in a landscape free from all movement restrictions. (WB p.4)

Rather than suggest that the Israelis should remove settlements which are illegal under international law, the Bank suggests that the solution is for Palestinians to ignore the fact that the settlements are illegally built on confiscated land which was worked on by Palestinian farmers for generations.7

Israeli attacks on Palestinian farmers are well documented. Many have had their land unilaterally annexed by a militant Zionist regime which has made public its intention to consolidate gains in the West Bank.8 Farmers are obviously concerned to reassert their right to the land that legally belongs to them. Attacks by settlers on Palestinians, their land and goods, are now so routine that they are no longer reported by mainstream media. Israel's Apartheid Wall, constructed with the intent and the effect of isolating Palestinian communities in virtual ghettos and annexing yet more Palestinian land, is also illegal under the ICJ ruling of 2004. The Bank chooses not to present the argument that there is one very simple way to stop Palestinian violence against militant Zionist settlers and the Occupation: remove the illegal settlements, give the Palestinians back their land and let them return to their homes.

Indeed the Bank makes not even passing reference to Israeli violence against Palestinians and there is no analysis of the Israeli occupation as the root cause of the resistance. During the period 31 August - 06 September 2006 (the last period for which figures are available), the Palestinian Centre for Human Rights (PCHR) recorded the following violence against Palestinians:

- 11 Palestinians, including a child and a man and his son, were killed by IOF.
- 5 of the victims were extra-judicially executed by IOF in Rafah and Jenin.
- 67 Palestinian civilians, including 16 children and a woman, were wounded by the IOF gunfire.
- IOF launched a series of air strikes on a number of houses in the Gaza Strip.
- Two houses were destroyed in the northern Gaza Strip.
- IOF conducted 33 incursions into Palestinian communities in the West Bank, and 4 others into the Gaza Strip.
- IOF arrested 36 Palestinian civilians in the West Bank, and 3 others in the Gaza Strip.
- 10 houses were destroyed by IOF in the northern Gaza Strip town of Beit Hanoun.
- IOF raided an Islamic charitable society in Tubas.
- 6 houses were transformed by IOF into military sites.
- IOF have continued to impose a total siege on the OPT; IOF have imposed a tightened siege on the Gaza Strip and there have been shortages of foodstuffs and fuels; and IOF positioned at a various checkpoints in the West Bank arrested 4 Palestinians, including Head of the Presidential Guard in Ramallah.
- IOF have continued to construct the Annexation Wall in the West Bank; they confiscated 152 dunums of land in Bethlehem; and 467 olive trees located

---

7 The Settlements and Apartheid Wall are the subject of numerous UN declarations and and ICJ ruling declaring their illegality. Indeed the World Bank refers to the illegality of the settlements on page 12.
8 Since the ICJ ruling of July 9, 2004 Israel has announced tenders for more than 2,300 more housing units in the West Bank.
behind the Wall in Qalqilya were burnt. 

Despite this, and indeed despite the explicit recognition of the massive damage being done to the Palestinian economy by the Israeli occupation, the Bank still manages to reach the conclusion that the key to improving economic conditions in the area is for the PA to “do all it can to counter Palestinian violence against Israelis” in order “to achieve a reciprocating response from GOI” (WB, p.4). There is no corresponding demand on Israel to unilaterally end its occupation and racist laws against Palestinians.

Though much of the Bank’s data is valid, its focus on the creation of improved economic conditions leads it to completely ignore the political reality on the ground in Palestine. Consider this analysis of the Israeli government's opposition to improving the operation of the Karni crossing point:

A petition was brought to the Israeli Supreme Court in April by an Israeli civil rights organization, requesting the opening of the Karni crossing for “regular, sufficient, and predictable hours, in order to end the economic choke-hold on Gaza and to permit its residents to live a normal life, including to receive humanitarian goods and to participate in a properly functioning economy”. The Government of Israel argued before the court that the state had no legal obligation to keep the crossing open, and the court declined to issue an opinion on the petition. (WB p.5)

This begs the obvious question of why the Israeli government is reluctant to ensure that the functioning of the Karni crossing is “regular, sufficient and predictable”. The most cursory survey of Israeli policy in Gaza and the West Bank reveals a consistent programme of attack on Palestinian industry. Even the World Bank recognises the “obvious commercial advantages” to Israeli industry conferred by Occupation's policy of closure (WB p. 9). What it does not make clear is that the policy is a deliberate colonial strategy to enrich Israeli economy at the expense of Palestinians which goes hand-in-hand with the continuing expansion of Zionist settlements and theft of Palestinian land. The Israeli government argues against regular, sufficient and predictable hours at Karni because arbitrary closure benefits the Israeli economy at the expense of Palestinians, and ‘security measures’ provide the justification for the ongoing occupation of Palestinian industry. One example (cited by the Bank itself) is that Palestinians are forced to use expensive Israeli trucking services to transport their produce to Israel (some 90% of Palestinian exports):

Gazan manufacturers estimate the cost of transporting a truckload of goods from Karni to the port of Ashdod---a distance of some 40 km---at around US$2,000, or US$50 a kilometre. This is almost three times the cost for the same route in 2003. (WB, p.7)

The situation is described succinctly in the report:

restrictions on the movement of West Bank goods both within the West Bank and entering Gaza mean that Israeli goods, rather than Palestinian goods, have a market advantage in Gaza. (WB, p. 14)

Another example is the export of strawberries from Gaza. Palestinian farmers in Gaza are forced to sell their strawberries to Agrexco, in Israeli company in which the government has a 30% share. Agrexco have been given a de-facto monopoly on agricultural exports from Gaza, so Palestinian farmers are dependent on Agrexco which sets prices, quantities and time of export. Output of strawberries in Gaza is around 20-30 tons of strawberries per day, but currently the Occupation refuses to allow exports above 10-15 tons. The Occupation is able to maintain a vice-like grip on agricultural production in Gaza.11

---

10 Stop The Wall, Gaza Farmers Further Squeezed by the Occupation, www.stopthewall.org
11 Even if the crossing at Gaza was allowed to function without hindrance, it is likely that export-based
The Bank describes the ideal trade conditions it envisages for exports from Palestine:

On March 14, however, three trucks left Rafah carrying Palestinian goods for exhibition at a trade show in Cairo. This exceptional arrangement, based on transferring Palestinian goods onto Egyptian trucks on the Gazan side of Rafah, offers a practical example of how goods can be exported from Rafah in the near-term. In that case, Egyptian trucks entered the Rafah facility, picked up the Palestinian cargo and documentation, and exited the border facility under the supervision of EU inspectors. Cameras installed in advance allowed transmission of the operation to Israeli security authorities at nearby Kerem Shalom. These or similar procedures should now become a regular feature of Rafah. (WB, p. 14-15)

So in 'the near term', Palestinian trade is to depend on constant surveillance by EU inspectors and the Israeli security personnel. It will be interesting to see exactly what is meant by the 'near term', given the current level of investment in Apartheid infrastructure, including for example 512 km of 'Jews only' roads which are planned to carve through the West Bank.

In the interview that accompanies the release of the report, Roberts perceptively remarks that economic stability and prosperity “will not happen unless there is also a political process which Palestinians believe is leading them to independence and statehood – and there is little such belief right now.” Palestinians do not believe that the political process leads to statehood because they live with evidence of Oslo’s failure every day. The World Bank's proposed solution is a consolidation of Apartheid Israel's vice-like grip on the occupied territories and the introduction of 'management solutions' in order to run the open-air prison in Gaza and the West Bank more efficiently. Palestinians' defence of their occupied land – inadequately and maliciously characterised as 'violence' – is portrayed as the main obstacle to economic recovery, despite all the evidence presented by the Bank itself that this is not the case.

That the Bank attempts to gloss over the manifest, deliberate and systematic attacks on the Palestinian economy is indicative of the gaping holes in their analysis. All of the evidence presented by the Bank leads to the inevitable conclusion that Israel is deliberately reinforcing the siege and ghettoization of the West Bank and Gaza to create – among others - favourable economic conditions for its economy. It is evident that the legitimate and natural response to Israeli occupation and stranglehold is ongoing resistance on the part of the Palestinian people. Yet the report still manages to conclude that it is up to the PA and more generally the Palestinian people to manage a “decline of hostilities” and normalisation with the Israeli regime. The World Bank seemingly does not understand that for Palestinians it is not good enough a reason that the bank has solidly integrated the Israeli “security” propaganda in its work to give up the struggle for their land and rights.

Palestinians reject the occupation and the World Bank's proposals to prop up the Zionist regime. There will be no economic recovery, and no peace, while Apartheid Israel continues its deliberate program of wrecking Palestine in the name of racist Zionism.

Further Reading
Anti Apartheid Wall Campaign, Do-It-Yourself Apartheid in Palestine (La Citta Del Sol, 2005)

industries encouraged by the Bank such as strawberry production would not be conducive to wealth creation for the majority. The Bank's argument for increased efficiency in the ghettoes must be see in the context of the Bank's overall project for the area. See the Stop the Wall's factsheet Against Sustainable Apartheid and Occupation, http://stopthewall.org/factsheets/920.shtml