

# The Guardian

## 'We were looking for a nice, peaceful place near Jerusalem'

If the construction of settlements in the West Bank is meant to be on hold, why are Israeli buyers being offered new properties on Palestinian land at knock-down prices?



New housing under construction in Almon: 'Residents do not fit the headline-grabbing stereotypes of fanatical settlers. There is a marked paucity of Israeli flags.' Photograph: Warrick Page

**Rachel Shabi**

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**T**he housing project currently under construction in Almon offers enticingly priced, spacious family homes with a garden and a view. The surrounding neighbourhood, also known as Anatot, sits on a ridge overlooking the Judean hills, near Jerusalem, a blaze of cultivated greenery in the parched landscape. Residents have a relaxed air, and newcomers who have recently relocated from Jerusalem wish they'd made the move years ago. If I were a prospective house-buyer, I'd be charmed. But I would not be looking here - because Almon is in the occupied West Bank.

It is a Jewish settlement with a population of around 1,000, established in the early 80s.

Like all Jewish settlements in the Palestinian West Bank, Almon is illegal according to international law. But its residents do not fit the headline-grabbing stereotypes of fanatical settlers, motivated by a national-religious drive to claim land. There is a marked paucity of Israeli flags and no settler-slogan banners bedeck the streets. If the West Bank became part of an autonomous Palestinian state, residents of Almon would be unlikely to put up a fight, as the ideological settler movement has sworn to do. Instead, they would pack up and move back to Israel.

The settlement movement began almost immediately after Israel occupied the West Bank and Gaza, seized as the spoils of the 1967 Arab-Israeli war. Settlers were initially ideological but, by the 80s, the rightwing government that came to power realised that greater numbers of, perhaps less politically-motivated, Israelis would have to be enticed on to Palestinian land. Israel has always argued that settlements are a strategic and military asset. Former prime minister Ariel Sharon - one of the settler movement's biggest supporters - summed up Israel's approach in 1998 when he said of the occupied territories: "Everyone there should move, should run, should grab more hills, expand more territory. Everything that's grabbed will be in our hands. Everything we don't grab will be in their hands."

Yet in 2007, when the Israeli organisation Peace Now polled settlers about their motivations for living where they do, 77% cited "quality of life", suggesting that economic factors and proximity to Israeli cities were primary considerations. That percentage can be split into two camps: there is the rapidly expanding, low-income, ultra-Orthodox community, which, priced out of Jerusalem, has migrated to nearby settlements such as Modin Illit and Beitar Illit; then there are secular or mixed community settlements, such as Almon. These are often located close to the Green Line, the internationally recognised border between Israel and the Palestinian West Bank. And they exist primarily because the state wants them to.

In Jerusalem - just as in the rest of Israel - decades of state planning has priced people out of the city and into settlements in Palestinian East Jerusalem and the West Bank. Meanwhile, ideologically-motivated budgeting has resulted in enticements and benefits for Israelis who live on occupied Palestinian land.

Settlements, and the resources, infrastructure and military might required to keep them going, are a major impediment to negotiations to end the Israeli-Palestinian conflict. Under international pressure, for the past 10 months, Israel has operated a partial freeze on settlement construction. However, the incentives still offered to Israelis to live on Palestinian land are so considerable that, leaving politics aside, it would be silly not to take advantage of them.

To find out how easy it would be to buy a settlement home on Palestinian land in the midst of this supposed freeze, I pose as an Israeli buyer, looking for a reasonably priced property for myself, my fictitious husband and the family we're planning. Walking into a Jerusalem estate agency with an imaginary spend of £200,000, a realistic sum for an average Jerusalem couple, it comes as no surprise when the agent says, "With that sort of budget, you need to get beyond the city."

I've already checked the housing market online and seen that the price for a home in West Jerusalem - four bedrooms across around 100 square metres - can start at around

£400,000. Jerusalem's housing problem is blamed variously on its lack of high-rise housing (in part because many observant Jews do not use lifts on Saturdays); on environmentalists, who have prevented the city's expansion to the west (the only direction within Israel's borders); and on the "ghost town" effect in well-heeled parts of the city, where foreign Jewish buyers have snapped up second homes, pushing up the prices. The housing market is under such stress that, last year, Jerusalem's mayor wrote to absentee home-owners, asking them to rent out or sell up.

The agent suggests Pisgat Ze'ev or Neve Yaakov, both in East Jerusalem. Though these areas are defined as settlements by the international community, Israel views them as neighbourhoods of Jerusalem and has prioritised rapid Jewish development here, at the expense of affordable housing in West Jerusalem. However, at £250,000 for around 120 square metres, these houses might still be too pricey.

I certainly can't afford a decent-sized property in the plusher Ramot or Gilo - also settlements, or "neighbourhoods", within Jerusalem's municipal boundaries. So the estate agent suggests Givat Ze'ev, a secular settlement a 10-minute drive north-east of Jerusalem. The agent doesn't currently have homes to view there, but properties in this settlement - and many others - are advertised online under the category "Jerusalem and surrounding area". A quick call to each settlement's secretariat would provide me with agents' phone numbers, and sometimes the numbers of private sellers, too.

Givat Ze'ev is a pretty settlement of 10,000 residents living in semi-detached homes on leafy, winding streets. It is spacious and organised, with shops, schools and health services. Everything about its planning is designed to make you feel as though you're in a satellite of Jerusalem - there are no demarcation lines, no checkpoints back into the city, and the Palestinian villages, if visible, are behind a wall. Like so many settlements that hug the Green Line, Givat Ze'ev is on the Israeli side of the separation barrier that cuts into the West Bank for around 80% of its path. The barrier route runs, in some places, up to 12 miles deep into the West Bank, but settlements on the Israeli side of it are, broadly speaking, "consensus settlements" - ones that Israelis assume will be conceded to the Jewish state in peace negotiations with the Palestinians.

At Givat Ze'ev there are plenty of large, affordable houses for sale, but the only new properties are on a recently-finished ultra-Orthodox project. I ask residents about new secular housing, but their response is, "Don't you read the news?" They're referring to the current 10-month freeze, but in August, Peace Now found that building on at least 600 settlement housing units had begun during that period, in more than 60 different settlements. Of those, it says, at least 492 were in direct violation of the freeze.

My search for affordable, secular housing leads me, eventually, to Almon. It's a short drive east of Jerusalem, and I've had to cross an Israeli checkpoint, but it's specifically for settler use - a nod, the "right" appearance and Israeli number plates get me waved through. Outside, a billboard advertises the number of the contractor, who confirms that 70 units are under construction at the site. The four-bedroom houses vary in size from 130 to 140 square metres, with gardens of up to 70 square metres, and they are shifting fast. The settlement is not officially exempt from the construction freeze, but Palestinian constructors are currently working on the site and homes could be ready within a year. The starting price is £175,150.

It is staggeringly cheaper than an equivalent property on the Israeli side of the Green Line, because it is on Palestinian land, confiscated by Israel. There are no market forces to dictate land value here, as there would be in Tel Aviv or West Jerusalem. Instead, the Israeli housing ministry regulates prices, keeping them low to attract settlement. Campaigners say the contractor will also have received considerable state subsidies for connecting new settlement buildings to water and electricity mains - another saving that's passed on to me, the buyer.

Calculating my hypothetical mortgage allowance gives me yet more incentive to live across the Green Line. All Israelis qualify for a state allowance, an add-on to the mortgage lent by the bank, but with more favourable repayment terms. Points are added to your basic state allowance if you have children, have served in the army, or if you are a new Jewish migrant. Then there is a top-up if you live in areas defined as "national priority zones", which include some under-populated parts of Israel and all settlements.

For a new property in Almon, I'd get almost £11,600 as a special allowance. But the allowances rise sharply for Israeli couples who pick homes in the ultra-Orthodox settlement of Betar Illit, near Jerusalem, or in Ariel, around 25km east of the Green Line, or in Kiryat Arba, a hardline settlement near Hebron. For each of those, I'd get a total allowance of around £40,200. When I ask, the housing ministry says that state subsidies vary according to the "security threat assessments" pertinent to each area, adding that properties on the Israeli border with Lebanon qualify for similar amounts.

Israeli settlements expert Dror Etkes describes how, at times, mortgages given in the West Bank have "included loans which, after a period of time, turned into grants". The Israeli human rights group B'Tselem reports that, between 1997 and 2002, the state put 419m shekels (around £72m) into state-subsidised "association mortgages" for 1,800 apartments, most of them in the West Bank. The state comptroller, investigating these payments, found they were not included in the housing ministry's budget. Responding to queries over this funding, the ministry said it was not intended for "the entire public" and that announcing it would have caused "unnecessary confusion".

The veteran Israeli journalist and author Danny Rubinstein remembers a time in the late 80s when contractors offered free cars to those who bought settlement homes. Meir Margalit, a Jerusalem council member for the leftwing Meretz party, claims that at around the same time, Israelis invested in settlement property, left uninhabited, in the knowledge that at some point the state would offer compensation to evacuate it. He says the practice was "an open secret among settlers".

Today, on top of my mortgage incentive, I'd get free nursery care for my children from the age of three, instead of five, as I would in Israel. Settlement schools are better funded, health services are allocated more state funds. I'd no longer get a 7% discount on income tax - that incentive was scrapped in 2003; I'd pay lower local taxes, but my local council would be twice as flush as those inside Israel, because of a central government funding bias. In 2006, the Adva Centre, an Israeli policy analysis organisation, found settlers pay 60% of the national average in local tax.

There are currently more than 200 settlements, including West Bank outposts and neighbourhoods in annexed East Jerusalem, and half a million Israelis live on the

Palestinian side of the Green Line. B'Tselem says it is impossible to calculate the total state spend in settlement benefits, because "government ministries obscure documentation of the moneys in their budgets that are directed to the settlements". But Peace Now estimates that settlements cost Israel \$556m (around £355m) a year - and it is clear that this cost is keenly felt by those living within Israel, since the state seems to prioritise settlements at their expense.

Responding to international pressure, in 2008 the Israeli government debated a plan to offer settlers cash to leave the West Bank, a move designed to target economic settlers rather than ideological ones. The proposal - backed by then prime minister Ehud Olmert - couldn't get through government. Yet there are currently thought to be lists of settlers who have expressed interest in leaving the West Bank, if compensated.

For as long as Israel has occupied Palestinian lands, there has been a dominant force within government that has kept the settlements project going. Driven by a mix of national-religious conviction, expansionist politics and military tactics, the settlements project has wholly controlled state agenda. B'Tselem describes the project as one of Israel's main national enterprises. State efforts to pull Israelis over the Green Line have been so forceful that, as Rubinstein puts it, "You could say it was a bribe on a national scale."

Israel has always played up the pain of dismantling the settlements. Yet as Israeli journalist Akiva Eldar writes in *Lords Of The Land: The War For Israel's Settlements In The Occupied Territories*, the "elixir of life" for these settlements is their infrastructure: the electricity, water pipes and military forces that guard them. Remove these, "and this project collapses like a house of cards". Today, Eldar describes Israel's purported inability to do so as "a myth perpetrated by the government to make us believe that it is impossible".

How hard would it really be to divert funds from the occupied West Bank back into Israel, thus encouraging settlers to move back - especially from somewhere like Almon, where residents have already said they will relocate if political realities dictate that they should?

One man who has lived there for 20 years says of the settlement, "It is not fanatic in a religious sense and not fanatic politically, either." Other residents agree. "We came here because we were looking for a nice, peaceful place near Jerusalem," says one woman, who still votes for the Israeli Labour party. "We didn't want to annoy anyone, and we are not ideological... The settler movement does not represent us."

The problem, as Rubinstein points out, is that what starts off as economics can eventually become ideological. "When you move [to the settlements]," he says, "you can't say, 'Well, I went there because I'm greedy.' You change your political opinion."

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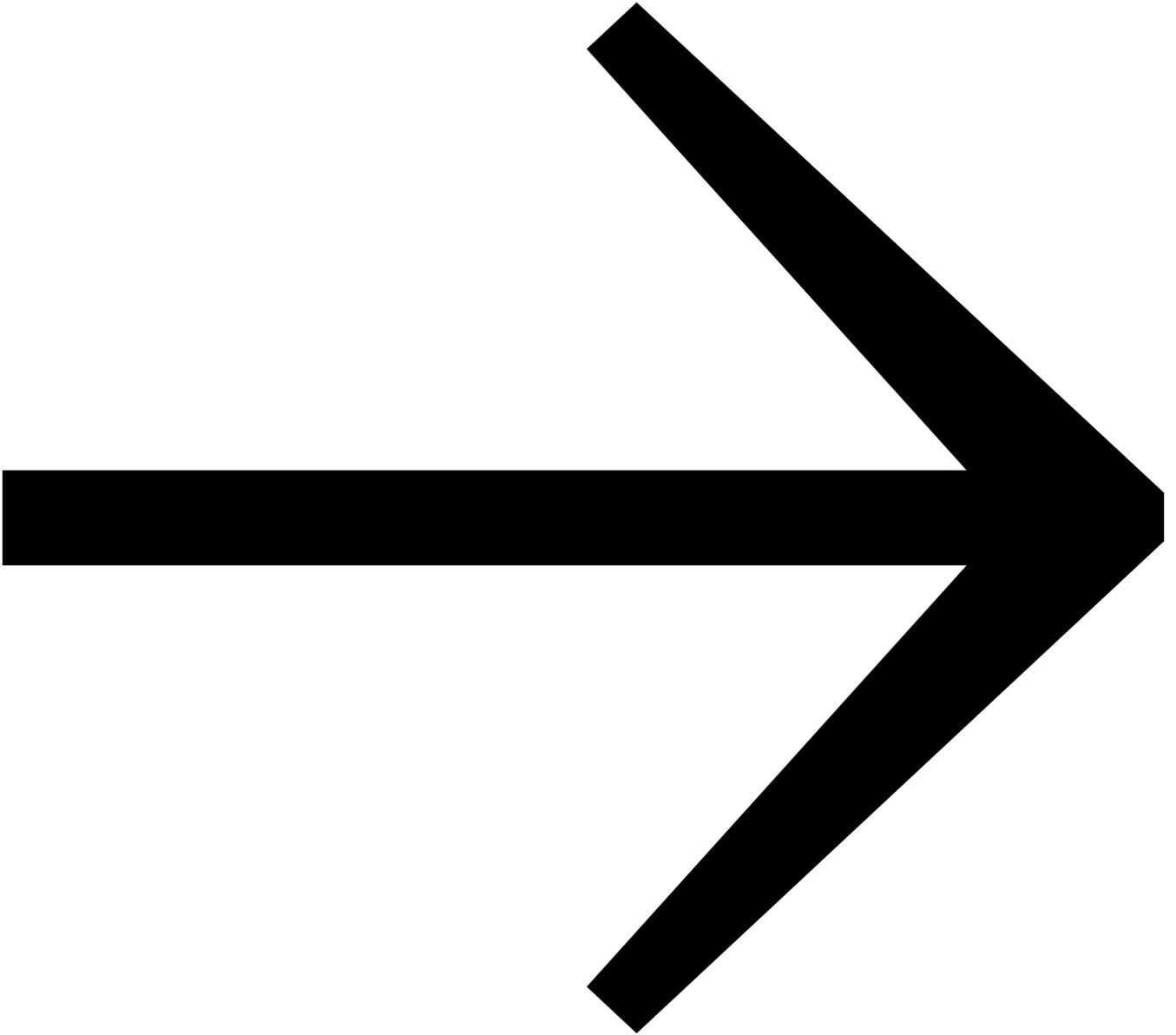
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