

New Israeli Attack on the Jerusalem Electric Company

As the largest remaining Palestinian economic institution in all occupied Palestine, the fate of the Jerusalem Electricity Company (JEC) has special significance. This article deals with the latest Israeli attack on the JEC, supplemented by background information taken from a study printed in the Lebanese daily *Al Safir* on August 19, 1987.

With the aim of eventually liquidating the JEC, the Zionist authorities took a decision on August 8th, to restrict the company's concession. The new concession bars the company from supplying electricity to settlements in the Jerusalem area, Jewish quarters in the city, and the Israeli military camps in the West Bank. The Israeli authorities also decided to fire 320 out of 460 employees. Moreover, the company's concession will be renewed for ten years instead of twenty as the company demanded.

A week before the decision was taken, the executive committee of the JEC workers' union sent a memorandum to the popular institutions and nationalist personalities in the West Bank and Gaza Strip, stating the dangers of the Israeli plan to liquidate the company. The memorandum explained that giving up some areas of the JEC's concession would eventually lead to eliminating the company as a whole, due to the accumulating debts owed to the Israeli Regional Electricity Company; many other issues remain unresolved, such as allowing the company to install new generators and transformers. The memorandum pointed out that limiting the company's concession would lead to doubling the Palestinian Arab residents' electricity bills. It will also mean giving up the land the electricity lines pass through.

In the process of Judaizing occupied Palestine, particularly the city of Jerusalem, and its Arab quarter and institutions, the Israeli government originally decided to confiscate the JEC early in 1980. Under the pressure exerted by angry Palestinian demonstrators, the Israeli Supreme Court at that time ruled against the government decision, on the grounds

that no concessions in the West Bank could be confiscated because it is occupied territory. East Jerusalem, however, was annexed, although it was occupied at the same time.

BACKGROUND

The Jerusalem Electricity Company is the main Palestinian company in the occupied West Bank and Gaza Strip. The Israeli authorities have always considered it a stronghold of the PLO. The company employs 460 people and distributes 400 million kilowatts to more than 100,000 customers, among whom are 50,000 Israelis. Prior to the latest decision, the company served East Jerusalem, the new Jewish quarters on the outskirts of the city, 130 Palestinian villages in the areas of Bethlehem, Jericho, and Ramallah, and a number of Israeli settlements and military camps in the West Bank.

The JEC was established during the time of the British Mandate. In 1948, with the Israeli occupation of the main part of Palestine, the company moved its headquarters to the Old City (East Jerusalem), while an Israeli company provided electricity to West Jerusalem. After 1948, the Jerusalem Electricity Company enlarged the area of its concession to include other cities in the West Bank, such as Hebron, Bethlehem and Ramallah, through buying out local companies. In 1962, the JEC signed an agreement with the Jordanian government, whereby the company would serve the whole Jerusalem district which was under Jordanian administration.

The 1967 war led to the destruction of the bigger part of the company's distribution network. After Jerusalem was officially annexed in 1968, the Israeli authorities forced the JEC to supply the new Jewish settlements. The

Israeli authorities used other methods to pressure the company and eventually withdraw its concession. Some of the methods used were:

1. appointing two Israelis to the company's administrative board.
2. direct intervention in technical matters on the pretext of a shortage of technicians in the company.
3. forcing the company to submit all its account books and records to the censor and imposing high fees on the fuel and spare parts needed.
4. forcing the company to buy electricity from the Israeli Regional Company in order to meet its obligations to the Israeli settlements and quarters.
5. forcing the Palestinian company to have the same electricity prices as the Israeli company.
6. imposing high income taxes on the Palestinian company, despite its rising budget deficit.

In addition to all of the above restrictions, the conditions of occupation have aggravated the JEC's crisis to the point of collapse. In the period after the 1948 war, the JEC was buying 58% of its electric energy from the Israeli company. This led to the accumulation of 38 million Israeli pounds in debts by 1979, in addition to another ten million Israeli pounds owed to the Israeli fuel company. Moreover, the Israeli settlers who were benefiting from the JEC's services refused to pay their electricity bills, and the Israeli authorities did not interfere to collect from them. The JEC also suffered from the spiral of inflation that hit all sectors of the Israeli economy. This meant rising prices for fuel, generators, equipment and maintenance.

The Israeli Regional Electricity Company and the Jerusalem municipality, headed by Teddy Kolleck, worked together to cancel the