

It is noteworthy that 61% of the surplus was accumulated in the period after the Camp David agreements (1979-85). The bulk of the occupied territories' export to 'Israel' consists of manufactured goods, in line with the Israeli policy of allowing limited industry to meet its own needs. In the years 1983-85, more than 85% of the territories' exports to 'Israel' were industrial products. This is both due to the relative industrial development in the territories and to the heavy restrictions on agricultural products.

OCCUPATION TAX

The Israeli expenditures in the occupied territories are allocated from the budget of the Military Administration. In the year 1983/84, these amounted to \$105 million; in 1984/85, they were \$70 million. Direct taxation from the West Bank covered 58% of the 1983/84 budget, and 67% of the 1984/85 budget. The deficit of the Military Administration thus appears to be \$44 million and \$23 million for these two years respectively. Looking at these figures alone, it would appear that the occupation is a fiscal burden on the Israeli budget. This is not, however, the case, since 'Israel' collects a number of taxes in the occupied territories which go directly to the Israeli treasury.

The Israeli income from the 15% value added tax, levied on the products which the West Bank and Gaza Strip import from 'Israel' currently amounts to \$100 million; in 1985, it was \$90 million. The income of the Israeli treasury from 112% tariffs on imports from abroad is \$85 million per year; average annual imports are valued at \$20-80 million. Assuming a 35% (Israeli state) subsidy on agricultural imports to the West Bank and Gaza Strip not exceeding \$100 million, and making a simple calculation, one sees that the Palestinian people have to pay an occupation tax of over \$100 million annually. (This is actually a conservative calculation because it does not include every single tax.)

Over the last 20 years, the Zionist state has not only deformed the natural development of the West Bank and Gaza Strip, but also integrated the economies of these territories into the Israeli economy on an unequal basis, creating a new form of dependency. 'Israel' has not only abused Palestine's natural resources, but also subjected the people to extreme economic exploitation, based on racist discrimination. As a result, the living standard of Palestinians under occupation is one-quarter that of Israelis.

IRON FIST

Parallel to economic exploitation, the Palestinians under occupation experience severe political repression. The Zionist authorities' iron fist policy aims not only to abort any resistance, but to stamp out all Palestinian nationalist expression and activities. Especially for Palestinians living in the refugee camps of the West Bank and Gaza Strip, daily existence is similar to that of a forced labor camp.

Zionist repression is both systematic and arbitrary, based on military decrees issued at will and on the Emergency Regulations of 1945 imposed by the British Mandate. Palestinians are stopped at random and subject to search; they may be detained for things like carrying a pocket knife or wearing clothes in the colors of the Palestinian flag. In addition to shooting at

demonstrators, Israeli soldiers and settlers harass the population at large, causing frequent death and injury.

Curfews and the closure of schools and universities are common forms of collective punishment. More brutal is the demolition of a whole family's home due to allegations against one family member. Palestinians are arrested arbitrarily, tortured to obtain false confessions and tried in military courts without due process of law. Others face administrative detention without being charged or tried, for up to six months renewable. Still others are confined to their homes or villages. Since 1967, thousands have been deported from their homeland.

Statistics from the first eight months of 1987, issued by the Palestine Human Rights Information Center in Jerusalem, give a concrete impression of the results of the Israeli iron fist: In this period, 17 political killings of Palestinians by the Israeli army or settlers were reported; 111 were seriously injured; 13,000 olive and fruit trees were uprooted by the occupation forces; universities, schools and unions were closed 48 times; six community leaders were expelled; 109 Palestinians were put under town arrest; 84 houses were demolished or sealed; approximately 4,500 Palestinians were in Israeli jails.

The facts described above should give ample explanation for why the people of the West Bank and Gaza Strip have risen up in revolt. Yet they also demonstrate the deep economic interest the Zionist state has in retaining these territories, even aside from historical Zionist expansionist dreams. The importance of the current uprising in this context is that it is an enormous step in the direction of making the occupation so costly that the Zionist state may be forced, eventually, to rethink its occupation policy.

Sources

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