

# Why “Investing in Palestine” Cannot Work Without Ending the Occupation

**No economy can prosper without freedom of movement** for workers and goods, reliable and affordable water, or access to markets, land and raw materials. The occupation denies all these to Palestinians. As long as United Methodist investments are helping to sustain the occupation, and thereby strangle the Palestinian economy, putting more money into businesses there can do little to help. Investment in Palestine may sound “positive,” but it turns a blind eye to the reality of the occupation and the suffocating effect it has on Palestinians’ lives and economy. **Only if we combine investment in Palestine with divestment from companies that sustain the occupation** will we make a difference for peace.

## Reports from the World Bank on the Palestinian Economy

"As long as access and movement restrictions are in place, and the majority of the West Bank remains to a large degree inaccessible for Palestinian economic investments, the investment climate will remain unfavorable and business opportunities much below potential."<sup>ii</sup> (*Emphasis added*)

"Moreover, sustainable economic recovery will remain elusive if large areas of the West Bank remain inaccessible for economic purposes and restricted movement remains the norm for the vast majority of Palestinians and expatriate Palestinian investors."<sup>iii</sup>

**Map, right:** Israel’s Separation Wall penetrates deep into the West Bank, including in this map the huge settlement of Ma’ale Adumim. This massive settlement, illegal according to international law, stretches from the border of Israel on its left, to the Jordan Valley, the bright blue area on the right. Israel has declared its intention to permanently annex the Jordan Valley, which comprises one third of all the West Bank.

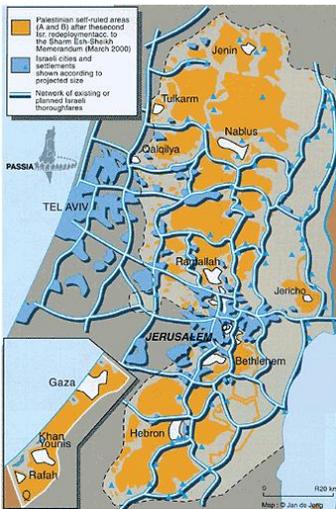


**United Methodists know a Christian farmer** near Bethlehem who **watched his entire crop of grapes rot in the sun at a checkpoint** between two Palestinian towns. Settlers burst his water tower and cut hundreds of his fruit and olive trees. The Christian owner of a bus company cannot get parts to repair his buses. His employees waste valuable time dismantling old engines and rebuilding them. *The Christian owner of a towel factory had to close his business, laying off 120 workers, due to the difficulty of getting his goods through the checkpoints to market.* Israeli bulldozers uprooted a Muslim farmer’s nursery, which employed 50 Palestinians and served Israelis as well as Palestinians. Israeli troops have destroyed roads, airports and power plants. (See Page 4.)

**Christians of the Holy Land have asked us** in the *Kairos Palestine Document* to help bring an end to the occupation. They have cited divestment as a courageous, moral, nonviolent action that can make a difference. Many in the Jewish community worldwide have joined this call, including rabbis, Holocaust survivors and Israelis. Rabbi Brant Rosen has asked, “When will we find the wherewithal to say out loud that this policy of home demolitions, checkpoints, evictions, increased Jewish settlements, and land expropriations is inhumane and indefensible? **At the very least, will we be willing to put our money where our moral conscience is?**”

**United Methodists must not continue to profit from the occupation** if we really want to make a difference for peace. *We urgently ask delegates to follow Christ’s example in choosing principle over the easy path.* Christians of the Holy Land have asked us to divest. **The eyes of the world are watching to see if we will put actions behind our words for a just and lasting peace.**

## Effect of Segregated Roadways and Checkpoints



**Map, left:** Israel has built more than 700 kilometers of segregated roads for the use of Israelis only that lie like a spider's web over the West Bank, dividing it into isolated areas.

**Photo, right:** Israeli roads are modern, well-lighted highways, while Palestinian roads are bumpy and in ill repair. Many Palestinian roads, including some built with US investor funds, have been destroyed by Israel.



**"Checkpoints** lead to increased transaction costs. Most directly, the resulting delays increase transport costs through higher costs of labor and other inputs such as fuel. The extra travel time also means that any given vehicle will on average be transporting lower trade volumes per time unit, which implies a higher fixed cost per transaction.

Uncertainty is also introduced by the unpredictability of waiting times at the checkpoints... These unanticipated delays may result in penalties, or even a discontinuation of trade, if on-time delivery is demanded."<sup>iii</sup>

**Map, right: Hundreds of Israeli checkpoints and roadblocks** throughout the West Bank make freedom of movement impossible for the majority of Palestinians. Hewlett-Packard, one of the companies sustaining the occupation, provides the monitoring equipment Israel needs for this system of control, which is so damaging to the local economy.



**Although the number of fixed checkpoints in the West Bank has been reduced, the number of "mobile checkpoints" has grown, increasing unpredictability for Palestinians and thereby crippling their economy.**

A ten-minute trip can take hours. Produce often spoils at checkpoints. Business owners have to pay drivers to sit for hours to get goods to market. Employers don't know if their employees can get to work on time.

**Bashar Al-Masri (right) is building the planned Palestinian community of Rawabi** in the West Bank, which has been visited by many United Methodists. On February 26, 2012, he gave an interview to the French press (AFP), saying it has taken three long years for Israel to approve a roadway to the community. Approval was needed even though the road lies inside the West Bank. According to al-Masri, "The road is temporary, we have to apply for its renewal every year, they could stop it at any time." Al Masri described delays ranging from hours to days caused by one checkpoint on the road to Rawabi. He said, "We have daily problems with the Israelis, just like everyone else in the Palestinian private sector."



## Effect of Water Inequality

**In the occupied territories, even water is distributed by ethnic group!**

According to a 2010 World Bank Report, **Israelis have access to four times as much water as Palestinians**, even though the major aquifer for the entire region, the "Mountain Aquifer," lies primarily beneath the West Bank. An article in Ha'aretz, one of Israel's leading newspapers covered the report: "The report states that Palestinians have access to only one-fifth of the mountain aquifer supply, while Israel pumps out the rest, reaching its allocated quota without due authorization from the joint water committee set up in the Oslo accords."<sup>iv</sup>



**Above: Palestinians face desperate water shortages.**

The French parliament's Foreign Affairs Committee published an unprecedented report in January, accusing Israel of implementing "apartheid" policies in its allocation of water resources in the West Bank. The report said. "Some 450,000 Israeli settlers on the West Bank use more water than the 2.3 million Palestinians that live there," "In times of drought, in contravention of international law, the settlers get priority for water."<sup>v</sup>

The report also said "the separation wall being built by Israel allows it to control access to underground water sources" and to "direct the flow of water westward."<sup>vi</sup> This diverts Palestinian water to Israel.



**Left: Israeli settlements on Palestinian land often have swimming pools and green lawns.**

**On the following page are pictures of infrastructure projects that have been destroyed or threatened with destruction by the Israeli army. All were built with a combination of funds from private investors and donor governments. Putting church funds into similar projects *without ending the occupation* would not be a prudent step.**



**Israel destroyed the roadway at top left and is threatening to destroy the solar panels, top right.**



**Israel bombed Gaza's power plant, above, which was insured with American funds.**



**Israeli bulldozers destroyed this water cistern, the only water source for three villages.**

<sup>i</sup> <http://siteresources.worldbank.org/INTWESTBANKGAZA/>

[Resources/EconomicEffectsOfRestrictedAccessToLandintheWestBankOct.21.08.pdf](http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/EconomicEffectsOfRestrictedAccessToLandintheWestBankOct.21.08.pdf)

<sup>ii</sup> <http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/WestBankrestrictions9Mayfinal.pdf>

<sup>iii</sup> [http://siteresources.worldbank.org/INTMENA/Resources/Poverty\\_and\\_Inclusion\\_in\\_the\\_West\\_Bank\\_and\\_Gaza\\_Chapter4.pdf](http://siteresources.worldbank.org/INTMENA/Resources/Poverty_and_Inclusion_in_the_West_Bank_and_Gaza_Chapter4.pdf)

<sup>iv</sup> <http://www.haaretz.com/print-edition/news/world-bank-israelis-get-four-times-more-water-than-palestinians-1.274384>

<sup>v</sup> <http://www.haaretz.com/print-edition/news/french-parliament-report-accuses-israel-of-water-apartheid-in-west-bank-1.407685>

<sup>vi</sup> <http://www.haaretz.com/print-edition/news/french-parliament-report-accuses-israel-of-water-apartheid-in-west-bank-1.407685>