



**General Assembly**  
**Economic and Social Council**

Distr.  
GENERAL

A/39/295  
E/1984/124  
12 June 1984

ORIGINAL: ENGLISH

GENERAL ASSEMBLY

Thirty-ninth session

Items 12 and 80 (j) of the preliminary  
list\*

REPORT OF THE ECONOMIC AND SOCIAL COUNCIL  
DEVELOPMENT AND INTERNATIONAL ECONOMIC  
CO-OPERATION: HUMAN SETTLEMENTS

ECONOMIC AND SOCIAL COUNCIL  
Second regular session of 1984  
Item 8 of the provisional  
agenda\*\*  
PERMANENT SOVEREIGNTY OVER  
NATIONAL RESOURCES IN THE  
OCCUPIED PALESTINIAN AND  
OTHER ARAB TERRITORIES

Letter dated 8 June 1984 from the Permanent Representative of  
Israel to the United Nations addressed to the Secretary-General

I have the honour to attach herewith a report entitled "Judea-Samaria and the Gaza District - A sixteen-year survey", constituting a shortened version of the report prepared by the Government of Israel pertaining to the economic and social developments in those areas between the years 1967 and 1983.

I have the honour to request that this letter and the attached report be circulated as an official document of the General Assembly, under items 12 and 80 (j) of the preliminary list, and of the Economic and Social Council under item 8 of its draft provisional agenda.

(Signed) Yehuda Z. BLUM  
Ambassador  
Permanent Representative of  
Israel to the United Nations

\* A/39/50.

\*\* E/1984/100.

ANNEX  
JUDEA-SAMARIA AND THE GAZA DISTRICT  
A SIXTEEN-YEAR SURVEY  
(1967 - 1983)

FOREWORD

For the past sixteen years, day-to-day life for the more than one million residents of Judea-Samaria and the Gaza district has proceeded in an atmosphere of relative stability and security, accompanied by substantial economic and social progress. The continued absence of a negotiated agreement on the final disposition of these areas, administered by Israel since the Six-Day War of June 1967, has had little adverse effect on those factors that largely determine the quality of life for the ordinary citizen - from food supply to the quality of the educational system. Occasional disruptions, however sensational and widely-reported, cannot alter this overall assessment.

This climate of normalcy has been carefully nurtured by the Israel administration, which has aimed, as any responsible administration should, at encouraging solutions to practical problems and making further advances possible. The administration has stressed local participation and control at every level, often to a greater degree than the previous Jordanian and Egyptian rulers.

ECONOMIC DEVELOPMENT IN JUDEA-SAMARIA  
AND THE GAZA DISTRICT

Since 1967, economic life in Judea-Samaria and the Gaza district has been characterized by rapid growth and a very substantial increase in living standards, made possible by the interaction of the economies of the areas with that of Israel. Economic development has proceeded without the jolting dislocations that might have been expected from the drastic political change that occurred in 1967, largely because Israel has permitted, and even encouraged, continued trade with traditional markets in the neighbouring Arab countries and has maintained the Jordanian dinar as legal tender in Judea-Samaria.

Background

The pre-1967 economies of the areas were typical of most of the Arab world. Wealth was concentrated in the hands of a few influential families - who formed a political, social and economic elite. More than 80 percent of the inhabitants were at, or below, the subsistence level, working mainly as unskilled farmers or labourers. Unemployment and dependence on welfare were widespread, with virtually no demand for skilled labour. In Gaza, for example, unemployment stood at 43 percent, and the proportion of welfare recipients at 70 percent. Today unemployment is virtually non-existent, and welfare dependence has been greatly reduced.

The population of Judea-Samaria and Gaza has risen substantially - from 942,000 in 1968 to 1,186,000 by the end of 1980 - partly due to a decrease in infant mortality and an increase in life expectancy. Moreover, the persistent, sizable emigration that had been characteristic of the pre-1967 period (and of much of the long period of Turkish rule), especially of skilled workers - was reversed after 1967, though it resumed somewhat after 1975, following the increase of employment opportunities in the Persian Gulf region and the relative slowdown of economic growth in Israel.

In the relatively short span of less than a decade and a half between 1968 and 1983, the Israel administration has succeeded in bringing unprecedented prosperity to Judea-Samaria and the Gaza district, as suggested by the following indicators:

- \* The GNP increased 3-fold (Israel's GNP increased only 1.4-fold in the same period), with an average annual rate of 8-9 percent (in fixed prices), while the annual per capita increase was 7.5 percent.
- \* Private per capita income more than doubled during the same period, in real terms.

#### Rapid Growth Rate

The rapid rate of growth in Judea-Samaria and the Gaza district after 1968 has been due to:

- \* Full utilization of the advantages resulting from the interaction between the economies of the areas and the developed Israel economy, primarily in terms of manpower.
- \* The continuation, with permission of the Israel government, of commercial ties with the Arab states, thus avoiding the shocks which usually accompany a change in marketing targets.
- \* The retention of the Jordanian dinar, and to some extent the Egyptian pound, as legal tender in the areas, facilitating a relatively smooth transition to a new economic reality.
- \* The upgrading of the work force through provision by the Israel administration of vocational training and skill enhancement courses.
- \* Modernization and the introduction of advanced methods in industry resulting from the encounter with Israel's economy.
- \* Benefits in the agricultural sector derived from an Israel guidance system set up to help the areas' farmers incorporate modern technologies.

Along with the increased income earned in Israel by residents of Judea-Samaria and the Gaza district, the demand for goods has also increased and has been followed, in turn, by an increase in the local product. Local demand for employment, resulting from accelerated local economic activity, has been reflected in a rapid rise in wages earned locally, which has narrowed the gap between the wages paid in Israel to workers from Judea-Samaria and the Gaza district and the wages inside those areas.

#### Effects of Economic Growth

In Judea-Samaria and the Gaza district, development of the local product was dependent on the traditional economic branches, and was not capital-intensive. Growth has resulted mainly from the increase in productivity, reflecting the application of modern technologies in these areas, especially in agriculture and construction, with the encouragement of the Israeli administration or through local residents working in Israel.

A main characteristic of growth in foreign trade is an increase in the proportion of industrial exports at the expense of primary product exports. The proportion of industrial exports in the total exports of Judea-Samaria and Gaza rose somewhat until the mid 1970s, but no clear trend has been discernible.

The economic development of Judea-Samaria and Gaza has been characterized only in part by conventional growth patterns. This has been mainly because, even at the end of the survey period, the local product formed only about 75 percent of the GNP of these economies, 25 percent of the GNP being produced outside these areas. Therefore, on any level of per capita GNP, less capital has been required than in other economies. The decline in private consumption and the increase in local investments - a characteristic of a growth process - have been observed in the economies of Judea-Samaria and the Gaza district.

UTILIZATION OF RESOURCES AND STANDARD OF LIVING  
IN JUDEA-SAMARIA AND THE GAZA DISTRICT

Principal Lines of Development

The principal lines of development in Judea-Samaria and the Gaza district between 1968 and 1982 were:

- \* The weight of private consumption expenditure in the uses of resources decreased from 65 percent in 1968 to 54 percent at the end of 1982 (63.5 percent in Judea-Samaria and 75.6 percent in the Gaza district).
- \* The weight of public consumption expenditure decreased in the uses of resources from 9 percent to 4 percent. (This decrease was due, in part, to the relatively high expenses incurred by the Israel administration just after 1967, aimed at creating jobs for as many residents of the areas as possible to overcome the then prevailing unemployment.)
- \* Investments in real value increased, between 1968 and 1982, 11-fold in Judea-Samaria and 8.5 fold in the Gaza district.  
The decrease in private consumption and the increase in investment is characteristic of a growing economy.
- \* Exports from Judea-Samaria remained at 22 percent, while in the Gaza district they increased from 18 percent in 1968 to about 32 percent at the end of 1982.

Private Consumption

The increase in private consumption is an indicator of rising living standards, due to the rapid economic development of Judea-Samaria and the Gaza district since 1967.

Between 1968 and 1982, private consumption per capita grew 2.2-fold and the GNP per capita increased 2.9-fold, the proportion of food consumption in overall private consumption decreased and expenditures on durals goods increased - a phenomenon typical to societies in which incomes are growing.

HOUSING

Largely as a result of growing personal income, a tremendous housing boom has taken place in Judea-Samaria and the Gaza district in recent years.

Residential construction has been - and is - one of the main items of a household's private investment. New housing starts escalated from 130,000 square metres in 1969/70 to 795,000 square metres in 1981/82 in Judea-Samaria, and from 16,000 square metres to 258,000 square metres in the Gaza district.

The scope of investment in real estate reflects an atmosphere of permanence and security among the population of these areas, contrary to accusation that, because the residents are under the Israeli administration, they are apprehensive about their future in the areas.

MOTOR VEHICLES AND DRIVERS

The following table shows that between 1970 and 1982 the number of motor vehicles and drivers in Judea-Samaria and the Gaza district rose substantially:

- \* Motor vehicles rose 6.5-fold in Judea-Samaria and 7.5-fold in the Gaza district.
- \* Private cars increased 11-fold in Judea-Samaria and 18-fold in the Gaza district.
- \* Drivers increased more than 5-fold in Judea-Samaria and 9-fold in the Gaza district.

#### PUBLIC INVESTMENTS

During 1981/82 investments of the public sector rose by 20 percent. Investment activity in infrastructure was concentrated on the following spheres: electricity, water, telecommunications and roads.

#### ELECTRICITY

Before 1967, the supply of electricity in Judea-Samaria and the Gaza district was limited and sporadic, based on small local generators, thus preventing industrial development of almost any kind and depriving most rural areas of even minimally adequate services. Since then, the Israel administration has made major efforts to connect the cities, towns and villages with a modern power network.

#### Judea-Samaria

To date, the Israel administration has provided the following improvements in the electrical power infrastructure in Judea-Samaria:

- \* Connection of major cities, as well as a number of villages, to the national power grid;
- \* Installation of high-voltage power lines in various places throughout the area;
- \* Ongoing programme of integrating rural areas to the power system and amplifying power supply to assure regular 24-hour service.

#### Gaza District

Before 1967, nine power stations operated in the Gaza district. The Israel administration has made substantial efforts to amplify the electrical power infrastructure throughout the region, as follows:

- \* Addition of transformers and the construction of internal lines and connectors in various parts of the area.
- \* Building a transformer station in the city of Gaza to facilitate power consumption.
- \* Constructing transformers and installing high-voltage lines in a number of refugee camps.
- \* Connection of the whole area to the power network.

#### TELECOMMUNICATIONS

The telecommunication infrastructure in Judea-Samaria and the Gaza district before 1967 was both limited in scope and primitive in nature, based exclusively on manual equipment.

Since then, automatic telephone exchanges have been built to replace manual ones, and tens of thousands of kilometres of lines have been installed.

As a result, the total capacity for telephone services in the area expanded, direct dialling was made possible and the number of subscribers connected to the system increased.

In 1982, a new modern telephone exchange that will serve 10,000 subscribers was inaugurated in Nablus by the Israel administration at an investment of \$11 million.

#### ROADS

Development of the road system in Judea-Samaria and the Gaza district has proceeded in three phases:

##### Phase I (1967-1970)

Phase I aimed at overcoming the prevailing unemployment existing in Judea-Samaria and the Gaza district before June 1967. Some 10,000 workers were hired daily for road construction, paving new roads and widening and maintaining existing ones.

##### Phase II (1970 - 1972)

Training programmes run by Israel's Public Works Department in the use of heavy machinery and advanced work methods according to specifications raised standards of operation and workmanship.

##### Phase III (1973 to the present)

Plans for this third phase call for completion of the reconstruction of the entire existing road system, including:

- \* The institution of another five-year plan (begun in 1976) for the maintenance and development of roads.
- \* The raising of requirements of workmanship standards, using laboratory tests and regular supervision.

In the past year, 100 km of roads have been laid and paved; road markings have been installed over 112 km; safety railings have been constructed along dangerous sections totalling 4.4 km. A bypass road to Rafah in the Gaza district was completed in 1983, in addition to regular maintenance and repairs to the roads in the area.

#### WATER

Situated on the edge of one of the earth's arid zones, Israel, Judea-Samaria and the Gaza district suffer from a chronic shortage of water. Since the water potential of the area between the Mediterranean Sea and the Jordan River has been almost fully utilized - and the need of water for domestic, agricultural and industrial uses is steadily growing - any substantial improvements in the situation lie in making new water sources available and in developing techniques for reclaiming otherwise unusable ones. The only way to deal with this problem systematically for maximum advantage for all the residents of the area is to centralize management of water usage and development of all available water resources.

Before 1967, the Jordanian government in Judea-Samaria and the Egyptian government in the Gaza district allowed the drilling of private wells without any restrictions, thus destroying water resources and damaging potential sources

for the future.

The long-range policy of the Israel administration has concentrated on conservation of existing sources, on locating new sources, on instituting measures to prevent the lowering of the water-table, and on avoiding penetration of saline water into these sources. Since saline water from the Mediterranean Sea lies close to the area's freshwater sources, salination would occur if there were prolonged overpumping due to unrestricted exploitation of these sources. Since 1967, the Israel administration has emphasized supervision and improvement of irrigation methods, for the most efficient and economical utilization of available resources. It has also provided consulting services in Judea-Samaria and the Gaza district, which deal with locating new water sources and maintaining and improving existing ones.

The Israel administration has encouraged and participated in the improving and repairing of water networks in urban and rural areas. Thus, development of water supply for domestic use has progressed dramatically in recent years. At present, in addition to connecting the major cities of the areas to water networks, over 200 villages have been supplied with indoor running water 24-hours-a-day, compared with the situation before 1967 in which villages were dependent on winter rain-water collected in cisterns or water transported from distant sources.

#### Judea-Samaria

As far as water resources are concerned, Judea-Samaria and the territory of Israel within its pre-1967 lines must be considered as one unit. The area between the Jordan River and the Mediterranean Sea shares several aquifers extending on either side of the central watershed.

#### Supervision of Water Resources

In order to prevent overpumping and depletion of public water resources, restrictions and regulations were imposed on the water from springs and wells for irrigation. Implementing existing Jordanian laws - (Law for Regulating Natural Resources, No. 88, 1966, and Regulations for Controlling Ground Water, No. 88, 1966) the Israel administration has been empowered to require the installation of metres on water sources, to limit output and to prevent overpumping - so as not to damage "the waters of the Kingdom." (The Jordanian authorities did not have enough time to implement these orders themselves.)

The rights of the resident population to the use of existing water sources have been strictly safeguarded since 1967. The Israel administration has taken the following steps towards ensuring the region's water supply for all its inhabitants and for future generations:

- \* Regulation of water quantities for irrigation was initiated in 1977. Meters, installed on wells in the region, indicated the amounts utilized without restriction by the local residents. Subsequently, water quotas were estimated on the basis of consumption plus 10 percent to offset errors.
- \* In areas where in the past overpumping caused salination of water, the drilling of new wells has been prohibited.
- \* In areas not utilized before because they require deep drilling, such as in the Ein Feshkha region, the Israeli water authority, Mekorot, has carried out research bores, and has been invested with the concession for future drilling. Mekorot sells the water produced from these new wells to Israel

villages founded in the Jordan Valley since 1967, which in no way affects the water supply to Arab localities. At the same time, drilling permits have been issued for the drilling of new wells in the Ramallah-El Bireh and Ein Samiya areas.

- \* In the western basin where water reaches a regional aquifer supplying both sides of the pre-1967 border, and which was fully utilized prior to 1967, the drilling of new wells has been prohibited. The only exception has been for the regulation of water usage, whereby Mekorot has been permitted to drill additional wells in return for planned replacement of water in winter in parallel amounts to offset the depletion.

At present, some 300 Arab wells and 17 Jewish-owned wells are operating in Judea-Samaria. The Jewish-owned wells (sunk since 1967) have only in one case caused a reduction of the water supply available to the Arab population, the majority of them having been sunk into deep water-bearing strata that had never before been tapped. In that exceptional case, the administration made good the deficiency from the new source at the same cost to the Arab users as they would have incurred in producing the quantity in question from their own source. In addition, the administration has sunk new wells for drinking water for the exclusive benefit of the Arab population of Judea-Samaria.

#### Water Sharing

Since 1967, when it took over the administration of Judea-Samaria, Israel has introduced a water-sharing scheme that makes this resource available wherever it is needed most, through reciprocal transfers of water between Judea-Samaria and Israel's territory within the "Green Line," according to geographic and economic considerations. In 1978/79, for example, water measured at 1,069,000 cubic metres was pumped from Judea-Samaria to "Green Line" Israel, while 2,098,000 cubic metres were pumped from Israel to Judea-Samaria. In 1979/80, a quantity of 2,734,000 cubic metres was pumped from Israel to Judea-Samaria, as against only 546,000 cubic metres pumped from Judea-Samaria to Israel, making an adverse balance, for Israel, of 2,188,000 cubic metres.

#### Waterworks

In 1967 there were only two public waterworks in all of Judea-Samaria. Under Israel administration these have been enlarged and several new regional systems added. Of the 3,200 cubic metres of water per hour available today in Judea-Samaria for domestic consumption, 1,750 are from works developed and maintained by the Israeli administration.

#### Water for Domestic Use

Throughout the period of Jordanian rule, little infrastructure development was undertaken to ensure a regular water supply for domestic use in Judea-Samaria. Most of the inhabitants drew water for their homes from nearby springs or from rainwater cisterns; piped water was available only in some of the larger towns, and its supply was intermittent or rationed. The quality of the water was low, and no chlorination was applied.

Under Israel administration the domestic water consumption of Judea-Samaria residents has risen dramatically - from 5.4 million cubic metres in 1967/8 to 14.6 million cubic metres in 1978/9, and, despite the virtually unchanged consumption totals for agriculture, the area under irrigation has expanded by 150 percent and yields have increased twelve-fold, due to the introduction of modern equipment and techniques. In 1966, domestic water consumption in Judea-Samaria was estimated at five cubic metres per person per year; by 1973, the figures had doubled, while in 1980 it stood at more than 20 cubic metres per person.



The Israel administration places no restrictions on the development of water resources for domestic consumption - even if this entails exploitation of an aquifer that is already being fully utilized. Thus, the authorities have not only encouraged municipalities in the area to drill wells near their towns and operate them but, beyond that, have played an active role in augmenting the supply.

#### Gaza District

The Gaza district is an arid area with an annual precipitation averaging only 150 mm in the south and 350 mm in the north. Agriculture is based mainly on irrigation. The only sources of water in the district today are 1,776 deep wells, 1,716 for agriculture and the rest for urban consumption.

Under Egyptian rule, agriculture had been allowed to develop virtually without any planning or supervision. Citrus groves were planted without consideration for the amount of water available; new wells were drilled in a totally uncoordinated fashion; the prevailing system of open trench or flood irrigation caused considerable wastage.

Hydrological surveys in recent years showed a definite and pronounced deterioration in the overall situation. Whereas some 120 million cubic metres of water was being drawn each year, the underground aquifers were being replenished with only 70-80 million cubic metres. This overpumping had been causing a drop of 15-20 cm a year in well water levels, an annual rise of 15-25 milligrams per litre of water in chlorine levels, and the penetration of sea water into wells in the inland area, in some cases as far as 1.5 kilometres from the coastline. Sixty percent of the water had more than 400 milligrams of chlorine per litre, endangering some of the crops and approaching levels unfit for human consumption.

To reverse this deterioration process, the Israel administration, in 1975, instituted the following measures; no new wells could be sunk without permits; the flow in all existing wells was to undergo measurement; no new citrus groves could be planted without permits; water was to be allocated in accordance with previous recorded usage; and disputes between water consumers and well-owners would be subject to arbitration.

To supplement this programme, extensive information and counselling campaigns were conducted; farmers were offered grants to instal sprinkler or drip irrigation systems; loans were made available to improve water pumping installations; and one-time grants were provided to those switching to crops requiring less water.

These steps had led to an annual saving of over 20 million cubic metres, despite a controlled increase in the area under cultivation and substantial improvements in the domestic water supply systems of the district.

At present, wide-ranging efforts are underway in the Gaza district for improving its water supply infrastructure. New waterworks at Khan Yunis and Deir al-Balah have recently been completed, servicing a number of localities. Two additional projects, aimed at increasing the water-supply potential of the area for agricultural use, are now under construction.

#### DEVELOPMENT OF SERVICES

During 1982/83 public services for the residents of Judea-Samaria continued to be improved and expanded in the fields of public transport, education, health and social welfare.

#### PUBLIC TRANSPORT

Organized public transport in Judea-Samaria continues to contend with three principal obstacles to its orderly development: the widespread practice of transporting paying passengers in private vehicles; the advanced age, and resulting safety deficiencies, of a significant portion of the bus fleet; and the multitude of small companies operating in the field (over 100 companies, owning fewer than 500 buses).

To advance modernization and remodelling of public transport system in Judea-Samaria, incentives are offered to encourage withdrawal of outdated equipment and replacement, especially of passenger buses. The taxi service in the area has improved with enlargement of its fleet.

#### EDUCATION

The entire education network in Judea-Samaria and the Gaza district, from kindergarten onwards, has continued to operate in line with pre-existing structures and standards, following Jordanian and Egyptian curricula.

The system includes:

- \* Government schools, operated by the Israeli administration.
- \* UNRWA schools, under UN authority.
- \* Private schools, independently owned and operated.

The education system provides twelve years of free schooling: six years of compulsory elementary education; three years of compulsory junior high school; and three years of high school, which is free but not compulsory (the same framework as that provided in Israel).

The government education system includes all levels and is the largest of the three networks operating in the areas. At present it has 274,278 students, a student body that has been steadily increasing due to:

- \* Natural population increase.
- \* Transfer of students from the UNRWA system, which does not include high schools.
- \* Transfer of students from private school for financial reasons.
- \* Constantly improving levels of education.

#### Judea-Samaria

##### a) Government Education System

Aiming towards improving the education system in Judea-Samaria, the Israel Administration has focused on two main areas in the past year:

- \* Administrative organization: Introduction of standardized education and administrative systems, and ongoing evaluations of procedures.
- \* Pedagogic reorganization: Introduction of extension courses for teachers, on the regional level and in the framework of Israel institutions of higher education, in order to improve teaching standards and to update curricula;

introduction, as in previous years, of new textbooks and teaching and visual aids.

In recent years, an ongoing information effort has been conducted to encourage higher schooling. One indicator of its success has been the increase of girls continuing their studies beyond the elementary level (in addition to the constant increase of the number of girls at the elementary level).

New classrooms are being built on an ongoing basis, particularly in the remote villages so that younger children need not travel far from their homes in order to attend school.

b) UNRWA Education Network

The UNRWA education network is autonomous, is maintained by the United Nations and operates mainly in the refugee camps. Its basic education system includes elementary and junior high school levels only, whose curricula parallel those of the government system. In addition, UNRWA maintains institutes for male and female teachers, as well as one vocational school.

The link between the UNRWA network and the government system is reflected in the monitoring of studies and through the purchase of textbooks published with the aid of the Israel administration.

c) Private Schools

The private schools function mainly within a community framework, and are concentrated in the Bethlehem and Ramallah districts. All levels, from nursery school to higher education, are provided within the private system. Although financial support for these schools comes from international Christian organizations, two-thirds of the students are Moslem.

d) Matriculation examinations

In order to successfully complete their high school education, students must pass matriculation examinations. These, as well as final college tests, are under the aegis of a local Higher Education Committee. The examinations are composed according to Jordanian criteria, and are constantly revised to conform to changes and regulations introduced into Jordanian law.

The examinations themselves are under the supervision of the examinations committee, in cooperation with the Jordanian Ministry of Education. This committee deals with compiling the examinations, all physical arrangements for administering the tests and coordination with all the educational institutions in the area with students eligible for examination.

Some 14,000 students take the matriculation examinations annually, 60 percent of them with success. Matriculation certificates from Judea-Samaria are recognized in the neighbouring countries as well as abroad.

e) Institutes of Higher Education

Before 1967, there were no universities in Judea-Samaria and only a few institutes of higher education. Today there are four university-level academic institutes:

- \* Bir Zeit University: Since receiving university status in 1973, this institution has operated two major faculties - humanities and natural sciences - and an engineering faculty is planned. Today, its enrolment stands at 1,675 students, while the teaching staff numbers 185.

- \* An Najah University (Nablus): Operated as a high school until 1977. The university now offers a four-year programme of studies. A teachers' college is affiliated with it as well. The institution has a student body of 2,801 and employs 147 instructors.
- \* Freres University (Bethlehem): Founded in 1973 by Catholic institutions abroad and supported by them. The university has two faculties - humanities and social sciences - as well as an institute of business administration. 70 percent of the student body of 1,176 are Moslem. 132 teachers are employed by the university.
- \* Al-Shariya Islamic College (Hebron): Founded in 1971 by the Israel administration on the initiative of the former mayor of Hebron, Ati al-Jaabari, to prepare teachers for the study of Arabic and Islam. The institution has a four-year study programme, 1,142 students and 31 lecturers.

The following academic institutions also provide programmes of higher education in Judea-Samaria:

- \* Abu Dis College of Sciences: Founded in 1981, it has some 180 students.
- \* Holy Book College (Bethlehem): Offers a two-year programme in Old and New Testament study.
- \* El Bireh Medical Aid College: Offers programmes in various medical auxiliary branches, laboratory techniques, etc. It has 152 students.
- \* Hebron Polytechnic Institute: Founded in 1978, it offers study programmes in various technical and engineering fields. It has 336 students and 24 instructors.
- \* Islamic Studies Institute (Kalkliya): Founded in 1978 to train students in Islamic studies. It has 60 students and 6 lecturers.

#### Vocational Training

Virtually no vocational training was available in Judea-Samaria before 1967. Since then, the Israel administration has been establishing a steadily increasing number of vocational schools and programmes, which have become an important factor in upgrading the work-force. By the end of March 1983, there were over 50,000 graduates of the vocational training system, comprising about one-fourth of the work-force.

Structurally, this system combines theoretical studies with on-the-job training, thus making the students economically independent. Courses are available in a wide variety of skills: construction; mechanics; soldering; plumbing; automobile mechanics, body work and electrical work; carpentry and olive-wood working; sewing, weaving and knitting; clerking; accounting; secretarial; drafting, etc.

The Israel administration has been conducting an ongoing effort to encourage residents of Judea-Samaria to take advantage of the various vocational training programmes, pointing out the resulting opportunities to obtain better jobs at higher wages, to enhance job satisfaction and to improve their standard of living.

#### Gaza District

The education system in the Gaza District comprises Government schools, UNRWA schools and private institutions. The system in the Gaza District has almost doubled in scope since 1968, when there were 100,514 students as compared with 153,005 in 1981/82.

a) Government Education System

In the 1981/82 academic year, the government school system in the Gaza district had an enrolment of 65,066 students in 87 institutions, ranging from elementary schools to teachers' training colleges.

In 1981/82, the government education system employed 2,391 people: 74 principals, 2,025 teachers.

Recent efforts of the Israel administration have aimed at facilitating less crowded classrooms and better study conditions. To this end, three new schools are scheduled to be opened in the 1983/84 school year.

b) UNRWA Education Network

The number of pupils and classes in UNRWA elementary and junior high schools during the 1981/82 academic year totalled 77,356 pupils in 141 schools.

Graduates of junior high schools may continue their studies in the government education system. UNRWA also operates a vocational training centre, consisting of 13 departments which, in 1981/82, had 595 students and 40 classrooms.

c) Private and Public Education Systems

Private and public educational institutions provide schooling in the Gaza District, including 48 nursery schools, elementary and high schools and the higher education institution of Al Azhar. In addition, private vocational centers operate in Gaza, Deir al-Balah and Khan Yunis.

d) Matriculation Examinations

Matriculation examinations in the Gaza district are carried out under the supervision of the Egyptian Ministry of Education, who also grade the examinations. The tests are administered in regional education centres through the area.

HEALTH

In 1967 the level of public health in Judea-Samaria and the Gaza district was relatively low, due to the prevailing social and economic conditions. Epidemics and infant mortality were common, particularly in the Gaza district, because of poor sewage systems, overcrowding in refugee camps, lack of running water in homes, and a consequently low level of personal and family hygiene. Hospitals, particularly in Gaza, were poorly equipped and overcrowded. Doctors, as in most developing areas, were few in number.

In view of the severity of these health problems, resulting from generations of neglect, the administration undertook a wide-ranging programme of improvements that have already had a marked effect on the state of the area's medical facilities including: the introduction of advanced medical technology and expertise provided by Israeli medical teams; the expansion of existing training facilities for local Arab medical teams; the establishment of new hospitals, medical centres, nursing schools and para-medical schools; the training of local Arabs in Israel hospitals; the introduction of new equipment; the expansion of immunization programmes, the establishment of school health services; the collection of information on contagious diseases; the improvement of sanitation systems; the installation of running water; and the establishment of mother-and-child health care centres.

Higher nutritional levels resulting from greater prosperity and a greater awareness of the principles of basic hygiene have also contributed to improved health standards in the areas, which are now virtually free of the epidemics known previously. Infant

mortality - at 28.3 per 1,000 live births in Judea-Samaria and 43 per 1,000 in the Gaza district - is far lower than in the Arab countries (ranging from 59 per 1,000 in Lebanon to 152 per 1,000 in Saudi Arabia).

Partial health care insurance was introduced in Judea-Samaria in 1973 and in the Gaza district in 1976. In 1978 a new health insurance plan was introduced which provided the insured individual and his dependents with comprehensive, free health care in all health care agencies in the areas and rendered them eligible for hospitalization, when necessary, in Israel institutions. (Between 1967 and 1982, some 28,000 area residents received medical care at Israel hospitals. Until 1973, the cost of these hospital visits was borne by the government health services; since then, insured individuals have been required to bear a portion of the costs.) The plan was automatically applied to all administration workers and to area residents working in Israel, and was offered on a voluntary basis to all other area residents. Assistance is also made available for the purchase of eyeglasses, hearing-aids and prosthetic devices.

#### Hospital Services

Eight general hospitals in Judea-Samaria, with a total of 650 beds, are operated by a total staff of 745, and there is one hospital for mental patients with 320 beds and a staff of 117. In addition, a non-government system of eight hospitals provides another 375 beds.

During 1982, the following developments took place:

- \* Continued construction of new hospitals and renovation of existing ones.
- \* Initiation of specialized clinics and consulting services for ophthalmology, dermatology, pediatric surgery and oncology at various hospitals throughout the area.
- \* Installation of modern equipment including four artificial kidneys for dialysis, new X-ray machines, etc.

During 1982/83, 984 patients from Judea-Samaria were hospitalized in Israel hospitals and 3,660 were referred to them for treatment and tests.

#### Links with Israel Health Services

Health services in Judea-Samaria maintain constant ties with the health institutions in Israel, thus contributing to the advancement of medical standards in the area, as well as encouraging professional ties between medical personnel in the two areas.

Some spheres of cooperation are as follows:

- \* Cooperation is wide-ranging in the spheres of oncology, hematology and diagnostic radiology. Israel specialists in these and other fields, including the planning of new medical departments, serve as clinical consultants while local medical staff visit Israel's medical institutions, participating in professional symposia.

The rates for health insurance are low (\$10-12 a month per family) considering the real costs involved and compared with the rates for health insurance offered by the Histadrut Labour Federation in Israel or any similar scheme.

At present 80,000 heads of families, with 226,000 dependents, are insured in Judea-Samaria, and in the Gaza district, 44,000 heads of families, with 250,000 dependents.

Judea-Samaria

Health service administration in Judea-Samaria covers community and preventative medicine (public health), hospital services and personal training.

Major efforts to upgrade health care in the area have focused on the following spheres:

a) Public Health Services and Facilities

Public health services were provided through seven district public health bureaus, which operated 146 general clinics, 83 mother-and-child care clinics, two facilities for lung and TB patients, school health services, immunization programmes and sanitation supervision (sewage, garbage disposal, food handlers, etc.)

During 1982, these health services were augmented by the following:

- \* Four new general clinics and two mother-and-child care facilities in the Bethlehem and Tulkarem districts.
- \* Regular rounds by mobile medical units to treat village and Beduin populations of the area.
- \* New specialist clinics in pediatrics, EEG and psychiatry in the Tulkarem and Ramallah regions.
- \* Large-scale school health projects through which some 75 percent of pupils in the lower classes were examined and 50 percent of those in the upper grades.

b) Health Services Personnel

The health services in Judea-Samaria comprise 1,456 positions: 188 physicians, 6,605 nurses, 1,745 para-medical personnel and 433 administrators.

In addition, school principals and/or senior teachers have been trained as first-aid practitioners and sanitation aides.

c) International Inspections

Favourable impressions regarding the overall improvement and year-to-year progress of the health services in Judea-Samaria were recorded during the annual visits of the World Health Organization, the International Red Cross delegate and the United States Undersecretary of Health, Education and Welfare.

Gaza District

Medical services in the Gaza district are centrally managed by a joint administration which includes Israeli and local personnel, and is headed by an Israeli administration health officer, who is under the aegis of the Director-General of Israel's Ministry of Health.

The joint administration consists of four sections, each headed by a local administrator, in line with general moves towards transferring management and planning authority to local personnel.

The four sections are:

- \* Hospital services
- \* Community and preventive medicine (public health)

- \* Consulting services
- \* Administration (includes finances and health insurance)

A scientific council, working together with the section directors, deals with the planning of health services, the setting of medical standards and supervision of personnel. The council is headed by a local doctor and consists of representatives of all medical and para-medical professions in the area.

The overall thrust of the development of health services in the Gaza district is towards raising the standards of health care to levels considered acceptable in Israel and the West. To this end, the following activities have been initiated:

- \* Intensification of outpatient treatment throughout the region, as well as efforts towards combining primary treatment by specialists and preventive measures.
- \* Expansion of personal and environmental preventive health services.
- \* The training of personnel in all spheres - medical, nursing, para-medical and administrative - in modern methods and practices.
- \* Provision of health insurance to the whole population.
- \* Amplification and intensification of reporting data on an ongoing basis on the delivery of health care in the area, and utilization of the collected information for future planning.

The Israel administration's major activities in each sphere have been as follows:

a) Hospital Services

Four hospitals are in operation within the framework of government hospital services with a total of 800 beds. In addition, a 70-bed hospital is administered jointly with UNRWA, and another hospital with 46 beds is run by the Anglican Church.

During 1982, efforts were focused on improving services and raising medical and maintenance standards, including the reorganization of nursing services, on the basis of recommendations made in internal data reports. As a result, the public image of area hospitals has improved.

b) Community and Preventive Medical Care

Community health services in the Gaza district are provided through six health bureaus which operate 20 general clinics, in addition to 9 general clinics operated by UNRWA. 17 specialist clinics are located in the hospitals of the region.

During 1982, the following improvements were noted:

- \* Three new clinics were established, and several existing ones were enlarged, renovated and equipped with modern medical instruments.
- \* The percentage of mortalities from infectious and contagious diseases decreased from 27 percent to 22 percent, due to intensive efforts to provide immediate treatment for diseases such as cholera, measles, polio and infant dysentery. Standards are fast approaching the norms in developed countries.

c) Environmental Sanitation

The Israel administration is conducting ongoing efforts towards improving environmental sanitation in the Gaza district in a number of spheres:



**Sewage:** A regional sewage committee was appointed, headed by an Israeli administration health officer. Among the projects undertaken, plans to utilize processed fluid sewage for irrigation are being implemented and the installation of a municipal sewage system in Khan Yunis has been started.

**Water:** Due to increased brackishness of drinking water in several localities, the water sources in those places have been changed.

**Food:** Controls have been set up for local food manufacturers, who supply local demands, to ensure acceptable sanitation standards.

**Garbage disposal:** Garbage removal and disposal in the area has been improved. Plans call for the concentration of garbage disposal in two main sites, so that garbage will be transported over no more than 20 kilometres. It is thus hoped to prevent garbage disposal in the public domain.

d) Personnel Training

**Physicians:** The Israel administration is in the process of locating specialization placements for doctors. At present, several doctors are completing specialization programmes at hospitals in Israel and abroad.

**Nursing personnel:** New nursing personnel is being trained in professional and practical nurses' training schools. In 1982, in-service training was begun, including programmes in nursing administration, dialysis, care of cardiac patients, care of premature babies, and midwifery. These courses are being held in conjunction with Israel hospitals, to ensure uniform standards.

**Para-medical personnel:** Basic and advanced courses for X-ray technicians were given in conjunction with Israeli hospitals.

SOCIAL WELFARE

Before 1967, social welfare services in Judea-Samaria were limited to the distribution of food and money to "residents of border villages" and individual welfare cases. Egypt provided almost none in the Gaza district. A lack of local supervision, and the uncoordinated operation of various international organizations, led to duplication of efforts and an inequitable distribution of assistance.

After the 1967 Six-Day War, governmental and private welfare offices were reopened, social workers agreed to resume work and welfare payments were continued according to the old system. A transition period followed, in which new guidelines were drawn up for determining need and locating candidates for rehabilitation. After several months, the system of granting aid only according to need was put into effect.

Since that time, the emphasis of the Israel administration has been on the rehabilitation of welfare recipients by training Arab social welfare workers (whose numbers have doubled since 1967 to almost 300), with the ultimate aim of freeing them from dependence on relief and allowing them to achieve social and economic independence. As a result of this policy, and the increase in the number of gainfully employed persons, the total number of non-refugees receiving various forms of welfare assistance dropped from 312,000 in 1967 to 37,000 in 1982.

The professional skills of local welfare workers have been advanced through a variety of courses, including a one-year programme for social workers, as well as through meetings and conferences with Israel colleagues. Both the actual provision of services and decision-making authority have been greatly decentralized since 1967. Several types of programmes are now in operation:

Full assistance is provided to those without any income and who are unable to work. A family of four receives 40 percent of the average wage of the region (taking into account salaries of those working in Israel). Smaller allowances (in cash or food) are provided to those unable to work whose limited income is below subsistence levels. While close supervision, rehabilitation and economic growth have dramatically reduced the number of those receiving partial relief, cases of full assistance have multiplied, as a result of conscientious needs surveys.

- a) Rehabilitation: A fund financed jointly by the Israel Administration and international organizations provides assistance which has enabled over 1,000 families to become self-supporting. The fund provides for the purchase of equipment and of premises in for commercial enterprise.

Schools, sheltered workshops, training centres and residences have begun to be established for the blind and for other disabled people. Day-care centres for the retarded have been established and a residential facility is being built; surveys are being conducted to locate suitable candidates for these institutions.

- b) Youth Programmes: Juvenile delinquency is declining slowly but steadily through the efforts of various related agencies. In Gaza, Ramallah and El-Bireh, institutions have been established for young offenders, where stress is placed on vocational training and rehabilitation, as have vocational training programmes for teenagers expelled from regular schools. Most of the graduates of these programmes have subsequently been employed in the areas or in Israel.
- c) Community Development: The administration has stimulated and actively participated in village development programmes designed to inculcate an awareness of communal needs. As a result, the level of cooperation has greatly increased in projects related to water supply, sewage, schools, roads, etc., financed in part by international organizations. In urban areas, a number of community centres have been inaugurated, especially in the Gaza district.
- d) Summer Camps: Several thousand children from Judea-Samaria and the Gaza district have participated in eight-day residential summer camp programmes in Israel.
- e) Local Voluntary Activity

Some 150 local voluntary organizations (the Red Crescent, women's groups, village societies, etc.) engage in such activities as mother-and-child care centres, nutrition programmes, kindergartens and institutions for the disabled, in cooperation with the administration, which often serves as a liaison with international groups. Only about 100 local groups existed prior to 1967.

#### EMPLOYMENT IN JUDEA-SAMARIA AND THE GAZA DISTRICT

Before 1967, the population of Judea-Samaria and the Gaza district suffered from high rates of unemployment - reported to be 10 percent in Judea-Samaria and 47 percent in the Gaza district. Actually, these percentages were much higher, due to lack of employment opportunities. In Judea-Samaria, the high rate of unemployment was mainly the result of Jordan's economic policy which brought about:

- \* A low growth rate.
- \* An extremely low accumulation of capital and rate of investment. Jordan was clearly more interested in the economic development of the eastern side of the Jordan River, resulting in a restricted range of investments and thus limited employment possibilities in Judea-Samaria.

Since its inception in 1967, the main thrust of the Israel administration's economic policy in Judea-Samaria and the Gaza district has been that of guaranteeing full employment; accordingly, unemployment has been virtually eliminated. In 1967, some 127,000 persons were employed in Judea-Samaria and the Gaza district. In 1982, the number of employed had risen to 223,000, one-third of whom were working in Israel.

#### Employment Characteristics

Prior to 1967, the percentage of workers employed in various fields was typical of an undeveloped economy, including 37.1 percent in agriculture (compared to 12.6 percent in Israel during the same period) and only 11.6 percent in industry (compared with 24.6 percent in Israel). The new employment possibilities which became available after 1967 led to a decrease in hidden unemployment in agriculture, to greater incentives to join the work force due to the rise in real wages and to a rise in the rate of participation in the work force and in the number of employers.

Contrary to similar processes taking place in other developing countries following population migration from villages to towns in search of work, the employment sources in Israel that became available to residents of the areas were close to their homes. Thus, the villagers can be employed without having to move to another place. They are also able to work outside the villages and continue to work their farms at the same time.

New cultivation methods and increased capital investments in agriculture raised production per land unit while utilizing less production factors. The farmers were able to raise their standard of living. The argument that Israel made employment available inside its territory in order to drive the farmers away from their land does not reflect the realities of the region and is unfounded. (Ironically, this point of argument aptly describes the situation in other Arab countries where urbanization has led to abandonment of farms and the rapid growth of poverty-stricken neighbourhoods near the large cities.)

Despite the rapid rise in the number of workers, the proportion of those employed in industry within Judea-Samaria has increased. Thus, for example, whereas 14.6 percent of the total work force in Judea-Samaria were employed in industry, this figure had risen to 15.9 percent by 1982, refuting the allegation that Israel has not permitted the development of industry in Judea-Samaria.

#### EMPLOYMENT IN ISRAEL

Over the years, those working in Israel have gained advanced skills and seniority; they have thus far been unaffected by the appearance of some unemployment in the Israeli economy, as was confirmed by a delegation of the International Labour Organization (ILO) which came on an inspection tour in March 1981. The delegation reported that Arab leaders and workers had testified to the lack of discrimination. Area residents working in Israel are free to participate in organized labour activity, and increasing numbers of them are elected to plant-level works committees, the ILO reported. It also cited the major Arabic-language informational efforts of the Israeli Labour Ministry to reduce industrial accidents, including the appointment of a health and safety delegate from among the area workers in each enterprise.

With regard to the requirement that area workers return to their homes at night, this reflects the special security situation facing Israel, and is in no way intended as an act of discrimination. In the vast majority of cases, area workers are employed within an hour's travelling time from their homes, and thus no special hardship is imposed. Furthermore, thousands of permits have been issued in order to alleviate hardships in extenuating circumstances.

According to an Israel government decision, there is complete equality between the pay scale of workers in Israel who come from Judea-Samaria and the Gaza district and the pay scale of Israeli workers with equal personal and professional qualifications. Workers from the areas are provided with full social benefits, to which they are entitled according to the law, as well as the collective contracts in Israel.

Among the social benefits available to area residents who work in Israel in an organized fashion are: severance pay; work accident insurance; official action taken with regard to withholding of salary; annual vacation pay; sick pay; child allowance; clothing allowance; spouse allowance; seniority increment; annual holiday pay; religious holiday pay; and comprehensive health insurance.

#### Trade Unions

There are currently 28 trade unions operating in Judea-Samaria, of which 16 have been registered since June 1967, or are currently in the process of registration. In addition, 591 cooperative societies are active, 179 of them founded after 1967 (37 in 1981 alone). In the Gaza district, there is one registered trade union - the Federation of Workers of Gaza and 13 cooperative societies.

#### Wages and Mobility

The standard of living of the Arab residents of Judea-Samaria and the Gaza District has risen steadily. The U.S. State Department Country Reports on Human Rights for 1983 stated "Living standards in the occupied territories have risen substantially throughout the period of Israel control... Real per capita income has risen 11 - 12 percent annually since 1968. In the West Bank, per capita gross national product (GNP) in 1983 was over three the 1968 figure."

#### Child Labour

The Israeli administration has raised the minimum age for employment to 14, from the 13 previously permitted in Judea-Samaria and 12 in the Gaza district. This requirement has not always been easy to enforce, as the families themselves often send their children to work to supplement their incomes. Special programmes have recently been inaugurated to enable 14- and 15-year old workers to attend classes once a week.

DEVELOPMENT OF ECONOMIC PRODUCTION IN  
JUDEA-SAMARIA AND THE GAZA DISTRICT

AGRICULTURE

Until June 1967, the economies of Judea-Samaria and the Gaza district were based primarily on agriculture, which accounted for 24 percent of the GNP in Judea-Samaria and 30 percent in the Gaza district. About 45 percent of the work-force was engaged in agriculture, supporting more than half the population.

Cultivation methods were primitive, relying mostly on some 50,000 farm animals (the majority of them donkeys), with fruit-picking and crop harvesting done mainly by hand. Much of the water that flowed through open irrigation canals evaporated or seeped into the ground; little fertilization was applied; and the level of government guidance and supervision was low, as was per capita income.

Productivity and Income

Soon after the end of the 1967 Six-Day War, the Israel administration began an educational campaign throughout Judea-Samaria and the Gaza district designed to raise agricultural productivity and income. Within a short period of time, a team of several dozen instructors, in cooperation with local staff, succeeded in introducing the widespread use of modern irrigation, fertilization, spraying and pest control techniques, as well as upgraded seed varieties and the expansion of veterinary services.

As a result of all these activities, production per unit of land and water in field crops, orchard fruits and vegetables doubled between 1967 and 1980. These developments were achieved through rapid mechanization and modernization of agricultural methods, alongside greater efficiency in the utilization of agricultural manpower.

The close contact with the Israel economy that emerged after June 1967 proved beneficial to agriculture in Judea-Samaria and the Gaza district in the following ways:

- \* By providing alternative employment opportunities to the inflated agricultural work-force;
- \* By making available Israel expertise and production inputs;
- \* By greatly expanding marketing opportunities. (In 1980, about one half of fresh produce was exported and even a higher percentage of processed foods.)

Growth in agricultural production since 1967 has averaged about 10 percent a year (compared with 5 percent a year in Israel).

Judea-Samaria

Agriculture in Judea-Samaria had been traditionally based on non-irrigated crops, since only 5 percent of all cultivated lands were irrigated. Although the main production factors, land and water, are fixed, there has been in recent years an average annual increase of 10 percent in agricultural production, due in part to the introduction of efficient and economical methods of irrigation.

The general increase in agricultural production (1981/82) was not evenly reflected in the various branches. While vegetable crops increased about 16 percent livestock production decreased by 13 percent. Thus farm crops in that year constituted 68 percent of the agricultural production in the area,

compared with 60 percent in 1980/81. Similarly, livestock production accounted for 32 percent, compared with 40 percent in the same periods.

The years 1980/81 and 1981/82 show an 18.3 percent overall increase which equals a 4.8 percent growth rate in real terms, after deduction of the cost-of-living index.

#### Utilization of Production Factors

Land: Total cultivated area increased 20 percent between 1967/68 and 1981/82. Changes took place in the allocation of land usage, demonstrating a trend towards increased cultivation of various vegetable and fruit crops.

Water: The amount of water available for agriculture in Judea-Samaria is basically stable. Since 1967, the Israel administration, in cooperation with Israel's Ministry of Agriculture, have been working towards improving irrigation in the area by introducing modern methods such as the drip system and ensuring the water supply by installing pipes in heretofore open ditches.

Employment: Since 1967, the number of agricultural workers in Judea-Samaria has steadily declined, from 50 percent of the work-force in 1967/68 to 30 percent in recent years. Agricultural production, however, increased over this same period due to the introduction of modern technology and training programmes by the Israeli administration, together with Israel's Ministry of Agriculture.

Purchased inputs and income: Utilization of purchased inputs is steadily increasing, and the derived income is simultaneously decreasing slowly. In 1967/68, purchased inputs constituted 16 percent of the value of production; at present, they form 20.6 percent of the value. During 1980/81 and 1981/82 the rate increased by one percent.

#### The Gaza District

Agriculture in the Gaza district, as in Judea-Samaria, is a major economic branch and accounts for over one-third of the area's total production. However, unlike in Judea-Samaria, about half of the cultivated land in the Gaza district is irrigated.

Intensified development of agriculture in the Gaza district is one of the main factors contributing to the rapid increase in the GNP in this area since 1967.

Agricultural production has been increasing at an average annual rate of 11 percent, an achievement resulting from the combined efforts of local workers and Israeli agricultural experts, who facilitated the following:

- \* Introduction of new crops, modern cultivation methods, fertilization, pest and weed control, etc.
- \* Counselling and training programmes to increase skills.
- \* More efficient utilization of water in irrigation.
- \* Expanded veterinary services and implementation of advanced methods to prevent the spread of disease (foot-and-mouth, etc.)
- \* Assistance and counselling in citrus production, including pest control (Mediterranean fruit fly); the provision of financial incentives and loans under convenient terms, etc.

In the livestock sector, the value of meat and egg production in the Gaza district almost doubled, while the increase in milk production was more moderate. Fish production declined following Israel's withdrawal from Sinai, which reduced the area in which residents could fish.

Agricultural data, 1967/68 - 1981/82

Citrus: The backbone of agriculture in the area, citrus constituted about 40 percent of the value of agricultural production in the Gaza district in 1967/68. In 1981/82, it accounted for 45 percent of the value of agricultural exports from this area. Citrus orchards cover about three-fourths of the irrigated land in the Gaza district, and are the major water consumers in this water-poor area.

Promotion and Development

In order to guarantee the profitability of the citrus sector, a committee of citrus exporters, in cooperation with Israel's Ministry of Agriculture, is charged with regulating exports to the various markets, allocating trucks for transport and setting trucking fees, while an association of citrus growers, represents the interests of the production sector.

Counselling by Israel experts and the assistance of the Israeli administration and Israel's Ministry of Agriculture, have contributed significantly to the citrus sector. Currently, citrus growers possess the means needed to improve their orchards

and increase of effectiveness of input use through mechanization, use of fertilizers and pesticides, water-conserving irrigation equipment, picking and transporting machinery, loans on convenient terms and replanting.

Exports

Citrus exports rose from just under 98,000 tons in 1968/9 to just over 181,000 tons in 1981/2. The total increase in marketing abroad and to Israel in 1981/2 is 6 percent in comparison with the previous year. A 22 percent rise in citrus shipping to Eastern Europe, a decline of 3.8 percent to Jordan and a 72 percent rise for industry in Israel accounted for this increase.

INDUSTRY

Before 1967, very little industry existed in Judea-Samaria and the Gaza district because the governments of Jordan and Egypt were interested in concentrating on industrial development mainly in their own respective countries. In the absence of government direction and assistance, investments in industry in Judea-Samaria and the Gaza district were small and no industrial base or infrastructure were established. In Judea-Samaria, the few existing medium-sized plants manufactured traditional products - food, plastics and textiles; only small workshops and one soft-drink plant operated in the Gaza district.

Between 1967 and 1981, the real annual growth in the industrial sector was 6 percent in Judea-Samaria and 14.2 percent in the Gaza district.

The average annual real growth rate in both areas was 7.7 percent. In 1981/82, 16.4 percent of all workers employed in Judea-Samaria were engaged in industry, and 17.2 percent in the Gaza district.

Before 1967, there was virtually no physical infrastructure (roads, railways, high power electricity, telephone lines, water lines, etc.) or human infrastructure (vocational training, technological experience, institutes for technology and engineering, etc.) on which industry could have been based in Judea-Samaria and the Gaza district - areas which, in addition, lack raw materials and other industrial resources. Since 1967, improvements have been made in all these spheres.

The industrial sector in both areas is characterized by hundreds of small plants - family owned or partnerships - 94 percent of which employ less than ten workers. Goods are made by simple technological means, with limited use of capital. Products are mainly for the local market - food, soft drinks, cigarettes, clothing, construction materials, wood, metal and locksmithing. During the period 1968/82, additional factories were opened, and productivity and production in existing plants rose, due mainly to increased investments.

In order to stimulate industrial development in these areas, substantial capital investments were essential. Although Israel banks, which opened branches in Judea-Samaria and the Gaza district, offered credit and loans on preferred terms, this financing was not widely used by the industrial sector for reasons unrelated to the Israel administration, although the use of short-term credit gradually increased. Thus, there was no surge of industrial development after 1967.

The Jordanian government limited exports from Judea-Samaria and made them conditional on various factors, such as the requirement that the product's raw material must be of Jordanian origin or at least pass through Jordan before reaching Judea-Samaria. Israel, on the other hand, stimulated and encouraged industrial development by opening its markets to trade and industrial exports of products manufactured in Judea-Samaria and the Gaza district.

Although no highly developed forms of organization exist in the areas to facilitate more advanced management methods and the raising of capital, the factors described above have served to double the number of plants in Judea-Samaria and to more than double those in the Gaza district - and this trend is continuing.

Along with the development and expansion of local industry, 2,000 residents of Judea-Samaria and the Gaza district are employed in Israel industries, where they earn wages higher than in local industry, are receiving industrial training and gaining technological experience.

#### IMPORTS AND EXPORTS IN JUDEA-SAMARIA AND THE GAZA DISTRICT

Before 1967, the economy of Judea-Samaria and the Gaza district was agricultural, with a low per capita income and an extremely limited local market. These conditions also characterized by inflexibility of supply and very limited range of production, prevented growth of the economic structure.

##### External Trade: 1967-1982

Since 1967, the trade data for these areas clearly indicate the rise in imports and exports which has led to a rise in the standard of living of the residents, on the one hand, and facilitated a rapid economic growth, on the other.

The patterns set for the external trade of Judea-Samaria and the Gaza district in the years soon after the 1967 Six-Day War still exist. There have been no essential changes in the trade structure regarding resources and targets, as well as in the range of products.

An analysis of import and export data (exports include income minus expenditures for production elements imported from abroad) shows that over the period 1968-82 imports to Judea-Samaria increased 3.2-fold, while exports increased 4.68-fold. While imports outweigh exports, an actual 16 percent reduction of the gap was achieved.



In the Gaza district a 6-fold rise in imports and a 10.5-fold rise in exports was noted for the same period; imports exceeded exports by only 1.95.

#### Imports

Approximately 90 percent of the goods imported to both areas come from Israel. A small proportion (about 2 percent) is imported to Judea-Samaria from Jordan; the remaining 9 percent comes from other countries. Since 1968, imports from Israel have increased at the expense of imports from Jordan (mainly in Judea-Samaria) and other countries.

#### Exports

Exports to Israel have increased paralleling the rise in imports from the same source. 57 percent of exports from Judea-Samaria are to Israel, 42 percent to Jordan and 1 percent to other countries.

The situation in the Gaza district is similar, with exports divided between Israel (81 percent), Jordan (16 percent) and other countries (3 percent). In 1968, exports from the Gaza district to Israel constituted only 28.5 percent of its total exports, as compared with 81 percent today.

The proportion of Judea-Samaritan exports to Israel compared with imports from Israel rose in 1980/81, and declined in 1982 to about 27.7 percent of imports.

A similar situation was noted in the Gaza district, with a rise in the percentage of exports compared with imports during 1980/81 and a decline in 1982, although it remains greater than in 1979.

The high proportion of trade with Israel has resulted from restrictions imposed on the residents of Judea-Samaria and the Gaza district by the neighbouring Arab states. An example is those imposed by Jordan on industrial exports from Judea-Samaria, since it requires these industrial exports to be derived from raw material imported from Jordan and produced in factories established prior to the 1967 Six-Day War. In spite of these restrictions, which impose a hardship on exporters in Judea-Samaria, exports from these areas have continued in the same proportions and have declined only by about 8 percent between 1968 and 1983.

A more sympathetic attitude on the part of the neighbouring Arab states would certainly improve the export situation of Judea-Samaria and the Gaza district.

#### PALESTINIAN ARAB REFUGEES

The overall solution of the Palestinian Arab refugee problem, a by-product of the war launched by the Arab states against the newly-born State of Israel in 1948, depends on a peaceful resolution of the Arab-Israeli conflict.

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In the interim, however, Israel has long played a major role in international relief efforts for the refugees. Since 1967, when large numbers of these refugees came under its administration, it has greatly expanded its financial efforts in this direction, and has initiated a number of rehabilitation programmes. Furthermore, between 1948 and 1967, thousands of families were helped to reunite within Israel's borders as a humanitarian gesture. Following the 1967 Six-Day War, another 46,000 refugees were permitted to join their families in Judea-Samaria and the Gaza district.

Israel has contributed to the regular UNRWA (UN Relief and Works Agency) budget from its inception. Between 1 May 1950 and 31 December 1967, Israel's contribution amounted to \$940,458. By comparison, in that same period, Iraq contributed a mere \$202,000 and Libya \$264,000.<sup>1</sup>

The 1967 Six-Day War was a turning point for Israel and for the Palestinian Arab refugees living in the areas which came under its control: For the first time, every refugee who wished to work was given the opportunity to do so. Throughout the period of Israeli administration there has been virtually no unemployment in the territories, as acknowledged by UNRWA:

*"... if it were possible for the Agency to investigate need properly, it seems reasonable to suppose that many refugee families in East Jordan, the West Bank and the Gaza Strip, where full or virtually full employment prevails... would be transferred from R category (eligible for all services) to H category (not eligible)."*

Free movement is permitted to all, whether refugees or local residents, within the areas, across the pre-1967 armistice lines previously separating the areas and Israel, and to and from foreign destinations.

#### Refugee Population

Relief efforts for the refugee population are complicated by conflicting estimates of the number of people involved. According to UNRWA records, on 30 June 1981 there were 334,410 refugees in Judea-Samaria (84,838 living in camps) and 370,269 in the Gaza district (of whom 205,445 lived in camps.)<sup>3</sup> However, according to official Israeli census figures, there are no more than 105,000 refugees living in Judea-Samaria (65,000 in camps), and 205,000 in the Gaza district (175,000 of them in camps).

- (1) Report of the Commissioner-General of the UNRWA for Palestine Refugees in the Near East (hereafter, Report of the C-G) 1 July 1967 - 30 June 1968.
- (2) Report of the C-G, 1 July 1978 - 30 June 1979, paragraph 6, p.2.
- (3) Report of the C-G, 1 July 1980 - 30 June 1981.

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### Israel's Rehabilitation Efforts

Following the 1967 Six-Day War, the Comay-Michelmore agreement was signed by the Government of Israel and UNRWA (exchange of letters dated 14 June 1967). Since then, Israel has been doing its utmost to rehabilitate the refugees.

Since 1 January 1968, Israel's direct contribution to the regular UNRWA budget has soared totalling \$10,114,132 by 1981, as compared with only \$9,755,229 from Iraq and \$15,052,100 from Libya.<sup>4</sup> Between 1967 and 1981, such direct contributions by Israel amounted to over \$149 million.<sup>5</sup>

In addition, Israel is conducting a programme to rehabilitate Palestinian Arab refugees by facilitating their departure from Gaza district refugee camps. By the end of 1980, some 5,050 families had taken advantage of this offer of assistance to build or to purchase their homes in nearby areas.

### The Gaza District

A basic difference between the situation of the refugees in Judea-Samaria and those in the Gaza district is that those in Judea-Samaria constitute a smaller part of the local population than in the Gaza district, and their economic situation is considerably better.

Until 1970, the inhabitants of the Gaza refugee camps suffered from hostile terrorist activity intended to incite hatred of Israel and to prevent even the slightest improvement in the standard of living, for fear of undesired political effects that might reduce the dimensions of the problem.

The slackening of terrorist activities in 1971 made possible the implementation of Israel's refugee rehabilitation programmes.

Initial steps consisted of relocating the refugees in new neighbourhoods with infrastructures conforming to Israeli standards: central sewage systems, water, electricity, roads, educational, health and cultural institutions, etc. The housing unit prepared for each family was 3-4 times the size of the unit the family had in the refugee camp. Rehabilitation is organized around minimal involvement of the administration in the planning stage, so as to leave maximum scope for personal initiative. The housing units are legally handed over in full ownership.

The changes carried out by the residents became more significant as the economic standard of the refugee population rose (in the wake of their employment in Israel). In the wake of the experience accumulated, it was decided, in 1976, to carry out a primary experiment enabling the residents to build their own houses. In view of the success of that experiment, this method has become the accepted system of rehabilitation.

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(4) Report of the C-G, 1 July 1980 - 30 June 1981, Table 11, pp. 79-83.

(5) Annual Reports of the C-G, 1967-68 - 1980-81.

The weakest feature of the method is the shortage of suitable available land in the Gaza district. Two-storey buildings will be used as a solution in the future.

Since the rehabilitation project is based on the goodwill of those residents interested in being rehabilitated, areas are being vacated in the refugee camps haphazardly and do not necessarily adjoin each other. Thus, there is no continuous stretch of land available for construction of another housing project. The areas in the camps should, however, be taken into account when planning to relieve the distress concerning available land in the region.

The following data illustrates efforts to date regarding the rehabilitation of refugees. These activities include financial investment. So far, 6,450 families have been provided for, as detailed below.

- 800 families have been provided with alternative housing, with the cooperation of UNRWA.
- 3,050 families have been housed in buildings constructed by the Israeli administration. To date, over 3,000 small units which can be enlarged have been built by Israeli government companies.
- 3,400 families have been rehabilitated by their own construction efforts, with aid from the administration.

#### THE RURAL SECTOR IN JUDEA-SAMARIA

During the early period of the Israel administration in Judea-Samaria, the development of urban services received budgetary priority. In recent years, substantial resources have also been allocated to the development of services in the rural sector. In 1979/80 alone, 37 projects were carried out in the villages of the area.

There are 424 villages in Judea-Samaria, some managed by village councils and others by local leaders (*mukhtars*). Under Jordanian law, these villages had no budgetary framework and were thus unable to organize their community development or to raise the financing required to carry out vital community projects. In order to give these localities the opportunity to pursue their community activities, Israel, in 1978, amended the existing Jordanian law, making it possible for the villages to gain the necessary status.

In order to facilitate village development, the Israel administration has encouraged the initiative of local village leaders to organize village associations, governed by internal regulations in accordance with the village management laws and within a budgetary framework. Seven such associations are actively functioning at the present time in the Hebron, Bethlehem, Ramallah, Tulkarem and Nablus districts, and in the Qabatiyah and Silat a-Dahar subdistricts.

In the current year (1983/84), considerable funds have been allocated to facilitate the connection of villages to the water system, and to improve local and access roads, schoolrooms, water and electricity networks, public buildings and various services for the residents, such as garbage removal, etc.

## HUMAN RIGHTS

The military authorities have, throughout the last sixteen years made every effort to ensure public order and safety and normal day-to-day life for the residents of the areas, who have enjoyed a degree of freedom hitherto unknown under any military administration.

Newspapers openly critical and hostile to the military government are permitted, as are political assemblies protesting against its actions; freedom of movement between Israel and the areas is virtually unlimited; free municipal elections are encouraged, labour activity including strikes are tolerated.

The rights that are protected by the military government, include among others:

### Freedom of Assembly

Assemblies and demonstrations have not been prohibited, and take place by permit of the administrative authorities as, in fact, is the accepted practice in many states which fully respect civil and political rights. Naturally, if it is clear from the application that the assembly or demonstration will cause incitement or violence, the permit is withheld.

### Freedom of Speech and Expression

Similarly there is no prohibition of marches or meetings. However, for the maintenance of public order and safety, a permit is required for such activities as well as for displaying flags or emblems, and printing and publishing political matter. The only absolute prohibition is of hostile incitement and propaganda which may endanger public order.

### Freedom of the Press

While the nature of military administration involves a limited form of censorship with respect to newspapers and books, in order to prevent incitement, disorder and hostile activity, in practice, censorship is applied only with regard to passages which clearly incite to hatred and disorder, thereby constituting a threat to security and day-to-day life. Some newspapers, such as *Al Faqr* and *Al Sha'ab* have on numerous occasions refrained from submitting articles to censorship prior to publication, as required by the local Jordanian law. In May 1980 the publication of these two newspapers was suspended for two weeks, after they had published headlines extolling and encouraging terrorism and strikes and calling for "armed struggle" and continued acts of murder.

The sole restraint on the import of material published abroad is designed to control the introduction of tendentious material liable to cause incitement and to endanger public order.

### The Right to Strike

While labour disputes leading to strikes are unrestricted, such activity may be limited where a particular strike takes on a political character. In such a case, the strike cannot be regarded as an "industrial" or "economic" stoppage by means of which employees are genuinely endeavouring to obtain higher wages or better working conditions, and becomes an interference in public order and safety, requiring intervention by the administrative authorities to restore order.

Furthermore, according to the Jordanian law which is applied in the area, government employees are not allowed to declare a strike without the prior consent of the government.

#### INTERNATIONAL ORGANIZATIONS

In addition to the social welfare activities of the administration and of local voluntary organizations, various international organizations operate in Judea-Samaria and the Gaza district. The Israel administration has consistently worked in cooperation with a large number of such organizations, some of which began their activities in the areas after 1967.

In fact, immediately after the cessation of hostilities in that year, Israel asked all the groups active in the field to continue their programmes, and ratified the existing agreements with the Jordanian and Egyptian governments. An agreement was signed with UNRWA (the United Nations Relief and Works Agency), for example, allowing continued work with Palestine refugees, with the full cooperation of the Israel administration and its substantial financial support (over \$150 million in direct and indirect aid provided by Israel to UNRWA between 1967 and 1982).

Three types of international organizations operate in Judea-Samaria and the Gaza district, in support of a wide variety of health, education and welfare activities:

(1) US-based voluntary organizations: CARE, Lutheran World Federation, Catholic Relief Services, Mennonite Central Committee, Near East Council of Churches, Save the Children Federation, American Friends Service Committee, American Near East Refugee Association, American-Mideast Educational and Training Services.

(2) European-based voluntary organizations: Swedish Organization for Individual Relief; Swedish International Relief Association; Swedish Free Church Aid; Swedish Save the Child Federation; Svenska Journalen; Norwegian Refugee Council; Terre des Hommes; International Red Cross.

(3) UNDP, one of the UN's most effective and efficient agencies, included the following points in its Administrator's Report, No. DP/1983/14 of 8/4/83:

1. Since the twenty-ninth session of the Governing Council, the Administration has continued to give special attention to the implementation of Council decisions 79/18, 81/13 and 82/13 concerning the provision of assistance to the Palestinian people.

2. During 1982, the initial \$3.5 million allocated by the UNDP Governing Council in June 1979, by its decision 79/18, had been fully committed for projects designed to assist the Palestinian people in a variety of sectors, including pre-primary education, technical and vocational training, health manpower development, housing, industrial development, and children's and youth institutions. By March 1983, an amount of \$2.1 million had been expended. In addition, the parties directly concerned had indicated their strong desire to continue to enlarge the programme, both in terms of expanding activities in sectors where projects are already underway, as well as in new fields of activity. The provision by the Council at its last session of \$4 million from the Special Programme Resources for further activities up to 1986 will allow a substantial start on expansion. Additional voluntary contributions are being sought, as well.

3. On the basis of the regular consultations which have taken place during 1982 between the Administrator, represented by a Senior Advisor specifically responsible for UNDP's work in this field, and the parties directly concerned, it was possible to develop by the end of 1982 a "pipeline" of new project proposals for the West Bank and Gaza. The project proposals are described in the annex to this report and were selected on the basis of the following criteria:

(a) Activities reflective of the true needs of the Palestinian people and capable of implementation in a manner which will ensure continuation of the activities after the termination of UNDP participation;

(b) Activities which would receive the support of all parties concerned and attract the support of potential contributors; and

(c) Activities which have a relationship to those initially endorsed by the UNDP Governing Council in 1979.

4. The proposals involve institutions and organizations in the private sector to a greater degree than projects heretofore implemented; they include assistance to

community centres, specialized training for the glass and ceramics industry, and assistance to private medical institutions. Consultants retained by the Administrator have been conducting project formulation missions in connection with the new proposals, and it is anticipated that implementation to the availability of resources. In addition, extensions and new phases of ongoing projects in the fields of health manpower and development, the development and strengthening of health institutions, specialized training in agricultural development, and children's institutions will commence during 1983.

- (4) Other UN agencies such as ILO, WHO, UNESCO, UNICEF, FAO, etc. are operating in cooperation with the Israeli administration.

#### CONCLUSION

Israel's goal since 1967 has been to restore normal life to the areas. An initial military administration was superseded by an Israeli civilian administration. Wherever possible, this administration has been guided by pre-1967 laws and practices.

The complete opening of the borders between the areas and Israel removed an artificial barrier that had needlessly stymied economic growth and social advancement for 19 years. Since that time, Israeli policies - including the "open bridges" with Jordan, financial aid, and expertise - have helped stimulate unprecedented economic and social progress in the areas as has been detailed in the various sections of this survey.

The residents of the areas have enjoyed an unprecedented degree of personal and political freedom. Due to the security situation and the open espousal of terrorism by elements in the Arab world, however, this freedom is not as complete as it would be, if a commitment to peace by all the Arab states would allow for a peaceful, permanent settlement of the areas' political status.

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