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Colonial Paternalism under Israeli Military Rule (1967-1977): “Social Welfare” as a Tool of Control***

الأبوية الاستعمارية في ظل الحكم العسكري الإسرائيلي (1967-1977): “الرعاية الاجتماعية” أداةً للتحكم

Abstract: This study examines the system of colonial paternalism that Israel imposed during the first decade of its post-1967 military rule over the Occupied Palestinian Territories. It interrogates the system’s legal and financial frameworks and forms of Palestinian resistance to it. Drawing on newly released archival material from the minutes of Directors-General Committee of Israeli ministries, records of Israeli military orders, and interviews with Palestinians, the study illustrates how the Israeli “social welfare” system cemented policies of control, regulation, and exploitation of the Palestinian population. It forced Palestinians into accepting financial arrangements and purchasing “subsidized” goods from the Israeli market, while simultaneously framing Israel as a caring guardian of their interests. The study enriches the theoretical debate on settler colonialism and the logic of policies governing the Palestinian population.

Keywords: Colonial Paternalism; Military Rule; Occupied Palestinian Territories; Social Welfare; Settler Colonialism.

ملخص: تبحث الدراسة في منظومة الأبوية الاستعمارية التي فرضتها إسرائيل في العشرة الأولى من الحكم العسكري الإسرائيلي للأراضي الفلسطينية المحتلة بعد عام 1967. وهي تتناول المرجعية القانونية والمالية لهذه المنظومة، وأشكال المقاومة الفلسطينية لها. واستناداً إلى مادة أرشيفية جديدة لجلسات لجنة المديرين العاملين في الوزارات الإسرائيلية، وسجل الأوامر العسكرية الإسرائيلية، إضافة إلى مقابلات، تُبين الدراسة كيف كوّنت منظومة الرعاية الاجتماعية الإسرائيلية سياسات السيطرة وضبط السكان الفلسطينيين واستغلالهم؛ إذ أجبرت إسرائيل الفلسطينيين على قبول التدابير المالية وشراء المواد «المدعومة» من السوق الإسرائيلية، والظهور في الوقت نفسه بمظهر الراعي الحريص على مصالحهم. وتساهم الدراسة في إثراء السجال النظري بشأن مفهوم الاستعمار الاستيطاني، والمنطق الذي يحكم سياسات إدارة السكان الفلسطينيين.

كلمات مفتاحية: الأبوية الاستعمارية؛ الحكم العسكري؛ الأراضي الفلسطينية المحتلة؛ الرعاية الاجتماعية؛ الاستعمار الاستيطاني.

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Introduction

This study examines the system of "colonial paternalism" that Israel imposed in the first decade of its military rule over the West Bank and the Gaza Strip, seized in 1967 and referred to as the Occupied Palestinian Territories (OPT).¹ Colonial paternalism refers to how the occupation authorities provided welfare to certain residents in these areas, by subsidizing basic foodstuffs, compensating for some farmers' losses due to bad weather, providing loans, exempting the financially needy from fees for pesticide sprays and veterinary care, and absorbing agricultural surpluses by buying them, even at a loss.

It demonstrates that Israeli colonial paternalism's fundamental *raison d'être* was to advance the system of colonial exploitation by compensating the Indigenous population in exchange for a corresponding economic return.² Because most consumer goods originate in Israel, the economic prosperity that results from the "welfare" provided by the settler colonial structure puts the Palestinian living under it in a perpetual state of economic dependency. Meanwhile, the settler-colonial system benefits from the stability that a state of prosperity maintains, dissuading the colonized population from acts of resistance or revolt. It also serves to dress up the image of Israeli settler-colonialism on a political level, under the guise of "enlightened occupation". Israel has used social welfare as a tool of control by granting or denying it to those ends. Using social welfare in this way has not precluded the use of economic sanctions against the Palestinians either. Both policies together amount to a strategy of carrot and stick.

The study also argues that Israel's colonial paternalism requires an examination of the situation in the OPT through the theoretical and analytical lens of settler colonialism. While the Israeli military authorities appear to be safeguarding the well-being of the occupied population to achieve a form of economic "prosperity" that guarantees security, in reality, the resources expended on these measures come from the occupation's exploitation of local resources. Moreover, this system of exploitation is structured on discrimination, represented by disparities in welfare provision among various sectors of the local population, on the one hand, and between that population and the colonists on the other hand.

The study uses recently declassified Hebrew archival material, which includes the sessions of the Directors-General Committee that supervised the development of the military government's policies,³ and draws on a survey of military orders in the West Bank and Gaza Strip. It also draws from interviews conducted to examine the contours of Palestinian interaction with these policies.

Paternalism in the Literature on Colonialism

The use of the term "paternalism" in the colonial context differs from Max Weber's concept of patrimonialism, in which the patron or ruler within a particular political and social system grants resources to the ruled to win and strengthen their loyalty. In such a system, subjects receive material benefits and protection in exchange for their support for the ruler, who then exercises domination through the administrative apparatus (the bureaucracy). Thus, patrimonial logic (i.e. the patriarchy) appears throughout that apparatus on a broader scale than through kinship relationships.⁴ The difference between Weber's theory and the colonial situation

¹ This study focuses on the period between 1967 and 1977 as it coincides with a decade of mainly Labor Party rule, from the Six Day War until the Likud Party's landslide election victory in 1977. Moreover, this was the period in which the foundations were laid for Israel's dealings with the Palestinian population of the OPT. However, some policies put in place during this period saw no fundamental change under subsequent governments.

² Ashraf Othman Bader, "Munzūmat al-Taḥakkum wa-l-Saytara lil-Ḥukm al-'Askārī al-Isrā'īlī fī al-Manāṭiq al-Musta'mara 'Ām 1967 fī al-Fatra mā Bayn 1967-1981: al-Byū-Sulṭa al-Zirā'iyya ka-Madkhal," PhD Thesis, Birzeit University, Ramallah, 2022.

³ The Directors-General Committee on Civilian Matters in the Territories Administered by the Israel Defence Forces—or simply the "Directors-General Committee"—was formed shortly after the Six Day War by government decree. Made up of the heads of all Israel's government ministries, its task was to lay out the general policies for Israeli military rule in the territories Israel now occupied.

⁴ Christian von Soest, "What Neopatrimonialism Is - Six Questions to the Concept," Background Paper for GIGA German Institute of Global and Area Studies, Hamburg, 23/8/2010, p. 4.

in the OPT lies in the end goal of the patrimonial policy. In this case, the ruler's goal in distributing resources is not to obtain loyalty, which is difficult to achieve in the colonial context due to the local population's rejection of the foreign colonizer, but rather to acquire political, economic, and security benefits.

The most suitable theoretical lens through which to view the conditions in the West Bank and Gaza is settler colonialism, not the framework of "occupation" which assumes that the occupier's domination of certain areas is temporary and destined to end. This means that literature that assumes occupation as a framework ignores the concept of paternalism, in contrast to cases of permanent colonial systems. However, the Israeli military government's patronage of some parts of the Palestinian population and its policies of colonial paternalism are designed to establish a territorial foothold and to stay put, by gaining the consent of the population and creating a clientelist network.

The term "colonial paternalism" has been used in some literature on colonialism. One example is in a study on the British colonial system in Kenya, in which the military, administrative, and legislative authorities were integrated without the democratic participation of the Indigenous people. Thus, unlike the modern Western "mother" state of Britain, the colony of Kenya was far from enjoying the characteristics of a modernist state.⁵ The term "patrimonialism" has also been used to describe the Portuguese colonial regime in Guinea-Bissau, but "the lack of commitment to economic and social development was evident from its almost total neglect of infrastructure – poor road networks, inadequate transport system, no agricultural credit or extension service, negligible agrarian research and development".⁶ However, this description is inconsistent with the practices of Zionist colonialism, which has sometimes provided agricultural credit and extension services to farmers.

A study by a group of researchers looking at parts of Africa and Southeast Asia also intersects with our study, although the two are not entirely consistent. It argues that paternalism has, for most of the period since 1914, been the most enduring influence over labour management in large-scale agriculture in that region. The papers examined in the study agree that paternalism is used as a method of labour management. Historically, the dominant labour management systems in large-scale agriculture were paternalistic, as labour migration was organized in ways that reproduced these dynamics, and societies were classically organized to provide a patriarchal mix of violence, protection, and moral evangelism. The study also argues that paternalism was thus a means of ensuring a disciplined labour force through a mix of patronage and coercion. Some practices of patronage were put in place simply to ensure the physical reproduction of the labour force. It was common for white farmers to mix their livestock with those of black tenants, pay the latter's taxes, and sell their produce. Some settler farmers gave gifts to their tenants, particularly to mark births, weddings, and funerals.⁷ This is also a feature of the Palestinian case – for example, West Bank shoemaker Anwar Badr noted that in 1986, his Israeli employer and teacher gave him a wedding gift.⁸

Another study that analyses Indians' submission of petitions and requests to British colonial authorities considered these practices a form of paternalism.⁹ These echo the petitions Palestinians submit to the Israeli Supreme Court.

A study by Allen Isaacman examines the brutal cotton farming regime Portugal imposed on rural Mozambique during colonial rule between 1938 and 1961, using paternalism alongside a prevalent policy

⁵ John F. Murphy, "Legitimation and Paternalism: The Colonial State in Kenya," *African Studies Review*, vol. 29, no. 3 (September 1986) p. 55-66.

⁶ Peter Karibe Mendy, "Portugal's Civilizing Mission in Colonial Guinea-Bissau: Rhetoric and Reality," *The International Journal of African Historical Studies*, vol. 36, no. 1. Special Issue: Colonial Encounters between Africa and Portugal (2003), p. 49.

⁷ Peter Gibbon, Benoit Daviron & Stephanie Barral, "Lineages of Paternalism: An Introduction," *Journal of Agrarian Change*, vol. 14, no. 2 (April 2014), pp. 165-189.

⁸ Anwar Badr, personal interview, Hebron, 29/10/2022.

⁹ Julia Stephens, "A Bureaucracy of Rejection: Petitioning and the Impoverished Paternalism of the British-Indian Raj," *Modern Asian Studies*, vol. 53, no. 1 (January 2019), pp. 177-202.

of coercion. Some colonial officials favoured a policy of "guiding" peasants there, using a combination of material and moral incentives. These officials held public meetings in which they emphasized the benefits that cotton production brought for locals, ending their nudity and providing them income. In some cotton markets, they organized events to celebrate and highlight the cotton plant's benefits, by affording prizes to the most productive farmers. Furthermore, Christian missionaries sought to instil a work ethic among new converts, extolling the virtues of cotton farming from their pulpits and in their classrooms – even in church plays. A Welfare and Improvement Fund was established, whose resources were directed toward improving water supplies, building sanitary facilities, and enhancing the general moral and material well-being of cotton producers. Alongside this, tribal chiefs were given benefits and technical support such as high-quality seeds, hoes, shovels, and other basic tools, which they redistributed to their own followers as part of an informal system of patronage. Production bonuses went to chiefs, and wealthier farmers in southern Mozambique were given government loans to increase cotton production.¹⁰

Uma Narayan takes a theoretical and conceptual approach to analyse "colonial care discourse". While emphasizing the economic motives of colonialism, she argues that the central purpose of this discourse is to make domination morally palatable to those involved in imposing it. It justified the power dynamics between the colonizer and the colonized by promoting a patrimonial moral vision of colonialism, through the discourses of religion, philosophy, science, and cultural/artistic practices. All this worked together to also integrate the sense of Western superiority into the worldview of the colonized population. The term "paternalistic care" can also be used in colonial discourse to denote a form of control and hegemony designed to internalize the idea of "the white man's burden" – the European obligation to grant the colonized the "benefits" of Western civilization and to implement the historical mission of bringing the "light" of civilization and progress to others who inhabit the zones of "darkness".¹¹

In much the same vein, Michael Barbett deconstructs the relationship between liberalism and paternalism. He argues that while the liberalism advocated in the West itself called for non-interference in the lives of the individual, this contrasted with the paternalism imposed by Western powers on colonized peoples. According to Barbett, colonial liberalism's interventions in developing countries were built around an Orientalist and condescending worldview. As colonized peoples were seen as primitive, child-like, and unable to make rational decisions, it became the duty of the father figure – in this case the colonist – to guide these "children". Barbett also suggests other factors behind colonial patronage, including Christian proselytization and human feelings of compassion.¹²

Based on this body of literature, colonial paternalism manifests in several forms, the most prominent of which are: regulating labour migration to ensure a disciplined workforce; paying taxes on behalf of the colonized; marketing the produce of the colonized; offering gifts to colonial subjects at births, weddings, and funerals; allowing the submission of petitions and pleas to colonial courts; "guiding" peasants; holding public meetings with local people to promote colonial policies; awarding the most productive farmers with prizes; establishing welfare and improvement funds; granting prominent figures in the colonized society benefits and technical support; and providing the more wealthy among them with government loans.

Yehouda Shenhav and Yael Berda argue that Israel's system for managing the lives of the Palestinian population in the OPT resembles the model of colonial bureaucracy implemented in other countries, notably India and Algeria, starting from hospitals, schools, and municipalities through to agriculture, water, and

¹⁰ Allen Isaacman, "Coercion, Paternalism and the Labour Process: The Mozambican Cotton Regime 1938-1961," *Journal of Southern African Studies*, vol. 18, no. 3 (September 1992), pp. 487-526.

¹¹ Uma Narayan, "Colonialism and Its Others: Considerations on Rights and Care Discourses," *Hypatia*, vol. 10, no. 2 (Spring 1995), pp. 133-140.

¹² Michael Barbett, "International Paternalism and Humanitarian Governance," *Global Constitutionalism*, vol. 1, no. 3 (November 2012), pp. 485-521.

energy.¹³ Other researchers consider that the occupation authorities' economic policies amount to a strategy of carrot and stick,¹⁴ an analogy used by Shabtai Teveth¹⁵ and Israeli military commander Shlomo Gazit to describe the background that gave rise to the Israeli colonial bureaucracy in the West Bank to manage Palestinian protests. This was based on a policy developed by Minister of Defence Moshe Dayan to raise Palestinians' living standards so they would feel that they had something to lose if they revolted against the occupation.¹⁶

Despite these parallels, there is no comprehensive discussion of the phenomenon of colonial paternalism or patronage of the population in the literature on settler colonialism in Palestine. Neve Gordon's work lays out the military government's measures to improve the population's standard of living and individual prosperity, give Palestinian farmers access to free fertilizers and pesticides for their crops, and distribute vaccines against diseases that could harm their livestock. Gordon explains these actions through the occupation's desire to normalize its presence, in conjunction with other practices that primarily sought to undermine any Palestinian attempt to create a self-sufficient and independent economy and establish a national movement.¹⁷

This study seeks to address this gap by applying the paradigm of settler colonialism. Archival material demonstrates that Israel has long used a form of social patronage for Palestinians, something not addressed in the literature on settler colonialism in Palestine. Yet this gives rise to a pressing question: Why would a colonial system, which many researchers agree is a form of settler colonialism, provide social patronage to the Palestinians in a way that improves their standards of living and thus strengthens their steadfastness in their land? Does this not contradict the logic of settler colonialism, based on the erasure/removal of the local population through forced displacement (theorized by Patrick Wolfe as "the elimination of the native" and integrated by some researchers into the concept of settler colonialism), and the creation of repulsive living conditions to the population? Would it not be more logical, according to Wolfe's theory, to suppress the Palestinians to force them to migrate, and to facilitate the process of erasure and removal? While this study addresses these questions by focusing on patronage, it does not negate Israel's repressive policies of restriction through services, violence, discrimination, or deprivation of rights.

Colonial Aid under Military Rule

This section examines the kinds of aid and material support the Israeli occupation authorities provided to the Palestinian population over the period in question, before looking at how these authorities dealt with international institutions and foreign aid. Finally, it discusses the issues of salaries, retirement, and housing.

1. Aid and Material Support

The military authorities provided aid to some of the Palestinian population to defuse any uprising and achieve "stability". It relied on pre-existing systems, laws, and policies left behind by Jordanian rule in the West Bank and Egyptian rule in the Gaza Strip, providing subsistence to some residents as well as compensation to those who had suffered damages, and a tax exemption for the disabled. However, all of

¹³ Yehouda Shenav & Yael Berda, "The Colonial Foundations of the State of Exception: Juxtaposing the Israeli Occupation of the Palestinian Territories with Colonial Bureaucratic History," in: Adi Ophir, Michal Givoni & Sari Hanafi (eds.), *The Power of Inclusive Exclusion: Anatomy of Israeli Rule in the Occupied Palestinian Territories* (New York: Zone Books, 2009), pp. 337-376.

¹⁴ Geoffrey Aronson, "Israel's Policy of Military Occupation," *Journal of Palestine Studies*, vol. 28 (1978), pp. 79-98.

¹⁵ Shabtai Teveth, *The cursed blessing: the story of Israel's occupation of the West Bank* (Jerusalem/Tel Aviv: Weidenfeld & Nicolson, 1969).

¹⁶ Shlomo Gazit, *Trapped Fools: Thirty Years of Israeli Policy in the Territories* (London: Routledge, 2003).

¹⁷ Neve Gordon, *Israel's Occupation* (London: University of California Press, 2008), p. 19.

this took place under the umbrella of a discriminatory regime, and these measures were reduced with the impact of the October 1973 war.

From the early days of Israel's occupation of the territories in 1967, the military government was keen to provide an "appropriate" standard of living for the population, including the less fortunate. The budget set by the Jordanian government for the West Bank for social care and welfare was approved, applying the same standards, but Israel did not commit to giving any aid to new refugees (those displaced by the Six Day War). Instead, it delegated the task to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). It also considered how to cover the needs of Gaza residents who had received aid from the ministry of social welfare during Egyptian rule, whose number ranged between 40,000 and 60,000, according to Israeli estimates.¹⁸ The Israeli Ministry of Foreign Affairs also promoted this policy in the global media to play up Israel's image as a state that cares for the needy and is committed to international law.¹⁹

While the Israeli military government initially adopted the policies and budgets the Jordanian and Egyptian authorities had implemented in the West Bank and Gaza, amendments linked to average wages in the two territories were made in 1971 to keep up with inflation.²⁰ Notably, they cut aid as the number of family members increased, suggesting that the policy was linked to the "demographic conflict", deterring Palestinians from having large families.

The military authorities' aid system was built on racial discrimination. The Israeli Ministry of Welfare rejected a proposal to provide impoverished Palestinians in the territories with the same level of assistance it extends to needy Israelis.²¹ Indeed, some of the food aid provided was of poor quality. For example, a fifth of the rice it provided was broken, assuming that such poor-quality rice would not be smuggled back inside the Green Line, as Israelis do not like it.²²

The military authorities' aid was mainly composed of food supplies. The Directors-General Committee approved a disbursement of 80,000 Israeli pounds (the official currency of Israel from 1952-1980 (ILP)), a month for January and March 1968, to deliver wheat rations through CARE (later CARE International) to Gaza residents, at a rate of kilograms per capita.²³ A subsidy of five ILP per ton of milled wheat was set in 1967, with the aim of reducing the price of bread to the consumer.²⁴ In late 1967, a budget line of ILP 650,000 was approved for wheat subsidies, alongside an allocation of ILP 160,000 to CARE to distribute 10 kg rations of whole wheat to those in need in the Gaza Strip during the month of Ramadan. The US authorities asked CARE to ensure that future quantities were paid for without any contribution from the Israeli budget.²⁵ Gaza resident Ibrahim Shaheen confirmed that CARE was distributing food aid free of charge, while UNRWA distributed it to refugees. CARE had offices in Khan Yunis, and still has a headquarters in Rafah, in the vicinity of Al-Shaboura, a residential area also known as the "CARE area".²⁶

¹⁸ Directors-General Committee minutes, Session 5, Item 5, 25/6/1967, p. 29.

¹⁹ Directors-General Committee minutes, Session 10, Item 6, 6/7/1967, p. 56.

²⁰ This amounted to 40% of the wage for a family of five people. The method for calculating the level of assistance for each person in a family was as follows: If the mean average assistance per person in a family of five members was taken to be 100%, the first child would receive the equivalent of 178%, the second 97%, the child 85%, the fourth 72%, the fifth 66%, and each additional childbirth up to 10 children 66%: Directors-General Committee minutes, Session 159, Item 5, 14/10/1971, p. 727.

²¹ Directors-General Committee minutes, Session 176, Article 11, 1/2/1973, p. 887.

²² Annexure fore Directors-General Committee minutes, Session 81, Article 5.A., 2/9/1968, p. 410.

²³ Directors-General Committee minutes, Session 49, Article 4, 22/1/1968, p. 276.

²⁴ Directors-General Committee minutes, Session 35, Article 2, 13/11/1967, p. 219.

²⁵ Directors-General Committee minutes, Session 38, Article 3, 4/12/1967, p. 233.

²⁶ Ibrahim Shahin, a resident of Absan in the Gaza Strip, personal interview conducted by Ghassan Abu Hatab, 13/10/2022.

The committee also agreed to subsidize wheat to produce "European" bread at certain bakeries in the West Bank, at a rate of ILP 168 per ton, within a range of 50-70 tons per month.²⁷

The committee also approved the distribution of meals in the Gaza Strip and North Sinai. After assessing the population of the Gaza Strip and North Sinai, it concluded that 46,000 people there needed food aid, and on this basis, it would need a budget of ILP 63,000 a month to continue distributing food through CARE. Accordingly, the committee decided to allocate a budget for the months of September and October 1968, amounting to ILP 130,000, from the Gaza Strip budget reserve.²⁸

The committee also decided to supply the Jericho region with 20% broken rice and to reduce its price to 90 agorot (the agora was the smallest denomination of the Israeli pound, which was divided into 100 agorot) per kilogram, while continuing to allow the import of legumes without imposing customs duties, as well as supplying the occupied areas with boxes of meat at one ILP per box, instead of £1.30. It also provided poorer families with sugar.²⁹

In 1968, the committee recommended removing tax on rice of the lowest quality, which was supplied to the Gaza Strip,³⁰ due to the high cost of foodstuffs. Furthermore, it recommended continuing to provide 20% broken rice at a retail price of ILP 1/kg, compared to ILP 1.4 as well as scrapping the duties of ILP 0.115/kg, bringing the retail price of a kilogram of rice to ILP 0.896. The committee also recommended continuing to provide non-kosher³¹ meat from government stores at a price of 160 agorot per 400 g box until stocks ran out, while allowing the import of illegal frozen meat, when storage conditions allowed it, as well as the import of live meat from Jordan to the Gaza Strip. These recommendations were sufficient to reduce the prices of the average food basket by three ILP a month per person.³²

The military authorities also extended some assistance to people with disabilities. The committee decided to provide people on low incomes and the disabled with basic goods such as tea, sugar, and rice, at reduced prices.³³ It also gave West Bank and Gaza residents with leg injuries loans to buy cars, as well as exempt those purchases from taxes,³⁴ but this was conditional on the disability not resulting from acts of "sabotage" (i.e. resistance), and the amount of support was proportional to the degree of the recipient's disability.³⁵

This demonstrates that the exemption was used paternalistically, as a tool for control, as those who resisted Israeli military rule were denied access to it. It should also be noted that it is the occupying power's duty to provide services to the population and that withholding them should be the exception. Hence, restricting the necessities of life and welfare is a tool of control, as is welfare itself. This is the essence of paternalism: the granting and withholding of services based on the discipline of the governed.

The military government also tried to portray itself as a paternalistic state by compensating those who suffered losses. In 1968, when a drought struck the West Bank, especially the Hebron region, the committee

²⁷ Directors-General Committee minutes, Session 166, Article 3, 23/3/1972, p. 801. The number of subsidized bakeries in the West Bank gradually grew to 60, which received subsidies worth ILP 450 per ton of wheat, up to 1,100 tons. In 1975, the committee decided to increase the amount of subsidized wheat provided to bakeries by 200 tons, making a total of 1,300 tons. Directors-General Committee minutes, Session 198, Article 4, 6/11/1975, p. 1084.

²⁸ Directors-General Committee minutes, Session 83, Article 5, 16/9/1968, p. 417.

²⁹ Annexure for Directors-General Committee minutes, Session 91, Article 4, 18/11/1968, p. 458.

³⁰ Directors-General Committee minutes, Session 81, Item 5, 2/9/1968, p. 407.

³¹ Not slaughtered under supervision of a Rabbi.

³² Directors-General Committee minutes, Session 81, Item 5.A, 2/9/1968, p. 410.

³³ Directors-General Committee minutes, Session 60, Item 6, 8/4/1968, p. 322.

³⁴ Directors-General Committee minutes, Session 169, Item 5, 22/6/1972, p. 830.

³⁵ Directors-General Committee minutes, Session 169, Item 5.B., 22/6/1972, p. 833.

decided to compensate farmers (as had been the case under Jordanian rule), through assistance with seeds and other materials, allocating an ILP 700,000 budget for this purpose.³⁶

Furthermore, students at vocational training centres in the OPT received stipends, which varied depending on the profession in question and its importance in the labour market. The committee allocated 3.5 ILP per day for subsistence grants, and in 1975, increased this amount based on the high cost of living, average wages, and the importance of the courses the students were following.³⁷ It is important to note the authorities' interest in supporting specific types of education – vocational courses that would provide its own service sector with a workforce.

2. International Institutions and Foreign Aid (Tax Exemptions)

The military authorities, represented by the Directors-General Committee, were keen to regulate the work of international institutions and to control and regulate their activities, through various administrative mechanisms and in keeping with international law, by exempting international institutions such as the International Committee of the Red Cross (ICRC) from taxes. They also made efforts to benefit economically from the activities of these institutions.

The committee's efforts to exercise control were reflected in its orders to military commanders to grant international institutions in the OPT, such as UNRWA and CARE, permits to move freely, as well as facilitating their work and guarding their warehouses, while emphasizing the necessity of monitoring the activity of ICRC employees and coordinating their activities through Israel's Magen David Adom national ambulance service.³⁸ The committee later issued instructions to the military government that any new institution must be licensed (as was the case with the Swedish association T.S.O.F.E.R., which provided education and youth camps).³⁹ In addition, it instructed the Israeli census authority to ask residents which organization was giving them assistance, under the pretext of not duplicating the distribution of food aid.⁴⁰

The committee adopted the principles the Israeli Ministry of Welfare and Social Security had applied to Palestinian refugees registered with UNRWA, whereby those who were refugees from the areas that had become Israeli territory in 1948 remained under the auspices of the UN agency. UN aid to impoverished Palestinians who were not registered as refugees was halted and their cases were handled by the Israeli ministry, according to correspondence between Israel and the UN. To determine the nature of the future relationship with the UN, the Directors-General Committee requested a report outlining its activities, expenses, and imports into Israel, as well as specifying the currency it used and the wages it paid its local staff.⁴¹

The Ministry of Welfare, in cooperation with the Ministry of Foreign Affairs, identified a list of international and non-Israeli organizations that would be authorized to work in the OPT. The Ministry of Welfare and Social Security coordinated their activities and emergency needs, to set in motion an annual plan for each organization, which would be directed to work with the military governor of each region (through a welfare and refugees officer). The Ministry of Welfare and Social Security advised the military government to take charge of distributing food aid brought in through international institutions.⁴²

³⁶ Directors-General Committee minutes, Session 76, Item 3, 1/8/1968, p. 382.

³⁷ Directors-General Committee minutes, Session 197, Item 11, 18/9/1975, p. 1057.

³⁸ Directors-General Committee minutes, Session 2, Item 8, 16/6/1967, p. 9.

³⁹ Directors-General Committee minutes, Session 170, Item 10, 27/7/1972, p. 841.

⁴⁰ Directors-General Committee minutes, Session 16, Item 5, 31/7/1967, p. 95.

⁴¹ Directors-General Committee minutes, Session 44, Item 1, 21/12/1967, p. 259.

⁴² Directors-General Committee minutes, Session 44, Item 2, 21/12/1967, p. 260.

As it sought to impose its control and extract economic benefits, the Directors-General Committee approved the establishment of an institution responsible for transferring financial support to the OPT.⁴³ Two institutions in the Gaza Strip were licensed to transfer “support” funds from Arab countries, on the condition that dinars or hard currency were exchanged for Israeli pounds at the official rate.⁴⁴ Later, the committee issued a set of administrative rules on receiving donations or financial aid from abroad, which included a requirement that the entity wishing to receive donations, whether it was a charitable organization, a *zakāt* (Islamic tax) committee, or a municipal council, submit a request to the relevant military officer, detailing the source and quantity of the funds and how they would be distributed. The officer could then either approve or block the transfer once an appropriate mechanism had been set up to monitor it.⁴⁵

The Ministry of Welfare advised the Directors-General Committee to exempt food aid from taxes, expanding the exemption to include all international organizations rather than a select few. It also recommended exempting other materials and equipment (tents, kitchen equipment, work tools, building materials, and other essentials for the social activities of these organizations and other institutions), provided the welfare officer approved each request and the tax administration pre-emptively approved each import.⁴⁶ In 1968, the committee’s decision to grant a tax exemption to international organizations importing materials into the West Bank was extended to include the Gaza Strip and Sinai.⁴⁷

Israel benefited economically in two main ways from the work of international institutions and charities. First, these associations reduced the burden of Israel providing such services itself. Second, materials and food were purchased from Israel in hard currency. The Directors-General Committee asked Ministry of Welfare officials to encourage associations providing OPT residents with food aid to buy it on the Israeli market or manufacture it in Israeli factories,⁴⁸ with the food being distributed through the Israeli Welfare Officer.⁴⁹ In this connection, the Ministry of Welfare, in cooperation with CARE, presented a plan to the military authorities to provide workers in the OPT with meals, in exchange for them paying a portion of the price.⁵⁰

Minutes from meetings of the Directors-General Committee make clear that the driving goal of Israel’s welfare policies, its efforts to provide jobs and eliminate unemployment, as well as “developing” the newly colonized areas, was to maintain stability. Thus, Zionist colonialism based its policies on the assumption that a state of “economic prosperity” would help to defuse any popular uprising.⁵¹

3. Salaries and Retirement

As part of the Israeli military government’s efforts to control the situation in the OPT and manage the daily lives of the population, it regularly paid the salaries of employees at the bureaucratic apparatus that had preceded the occupation regime – Jordanian in the West Bank and Egyptian in the Gaza Strip, who worked in various sectors, such as health, education, and agriculture. The military government was careful to consider the high cost of living, so it increased these salaries. But the fundamentally racist and

⁴³ Directors-General Committee minutes, Session 65, Item 3.B., 13/5/1968, p. 335.

⁴⁴ Directors-General Committee minutes, Session 67, Item 2.B., 27/5/1968, p. 344.

⁴⁵ Directors-General Committee minutes, Session 210, Item 2, 28/7/1977, p. 1255.

⁴⁶ Directors-General Committee minutes, Session 44, Item 2, 21/12/1967, p.260.

⁴⁷ Directors-General Committee minutes, Session 55, Item 3, 4/3/1968, p. 301.

⁴⁸ Directors-General Committee minutes, Session 25, Item 7, 18/9/1967, p. 173.

⁴⁹ Directors-General Committee minutes, Session 44, Item 2, 21/12/1967, p. 260.

⁵⁰ Directors-General Committee minutes, Session 66, Item 5, 23/5/1968, p. 242.

⁵¹ The Directors-General Committee repeatedly discussed the importance of using raising living standards as a means to maintain calm in the OPT. The solutions put forward included providing jobs guaranteeing an appropriate level of income for the population to prevent the outbreak of protests (Session 20), maintaining economic prosperity (Session 208), and addressing hikes in prices of basic materials in the Gaza Strip (Session 208), because inflation “destabilized the calm”. This suggests that inflation had indeed sparked demonstrations.

discriminatory nature of the Israeli regime was evident in its other actions, such as its institutionalization of a wage system based on discrimination. Palestinians reacted by demanding their right to equal wages. In addition to disbursing salaries and raising wages, the military authorities also regulated pensions under the umbrella of a legal system derived from Jordanian, Egyptian, and British mandate-era laws, seeking to use pensions, too, as a tool for control, suppression, and domination.

According to Khader Sinqrat,⁵² teachers' salaries were paid in full in July 1967, despite Israel having only just occupied the territories the previous month. The minutes from meetings of the Directors-General Committee, just a week after it had been created, reveal the committee's keenness to prioritize disbursing employees' salaries (in Jordanian dinars).⁵³ It also formed a subcommittee tasked with looking into the question of raising salaries.⁵⁴ It recommended raising them by 30% as a cost-of-living allowance, as the committee's own research showed that prices of foodstuffs had spiked following the occupation. This increase was duly disbursed in August 1967, about a month and a half after the beginning of the occupation.⁵⁵

The Directors-General Committee made several decisions to increase wages, on almost an annual basis, according to the reports of the subcommittee on salaries, which tied these increases to the rising cost of living. Between 1967 and 1977, the committee increased salaries for workers and employees in several sectors, including doctors, engineers, teachers, judges, local police, workers in local authorities, and the unemployed.

In September 1967, the wages sub-committee made a recommendation, which was accepted at the next meeting, that the committee raise the wages of doctors and engineers, as well as employees earning ILP 840 a month, as a cost of living allowance, equivalent to 20% of the basic salary of ILP 320 per month, meaning that those on salaries between ILP 320 and 840 would receive an additional ILP 64 per month.⁵⁶ The following year, a decision was taken to increase the salaries of judges,⁵⁷ doctors, and teachers in the Gaza Strip,⁵⁸ while a cost of living allowance of 8% on average was paid to employees under the military authorities.⁵⁹

As the cost of living remained persistently high, the committee decided in 1968 to help employees in the bureaucratic apparatus in the Gaza Strip by providing loans to those who had been working for a minimum of three months,⁶⁰ to be distributed via banks for one year, up to a ceiling of ILP 30,000.⁶¹

Wages continued to increase. In 1969, the committee decided to raise the salaries of Sharia court judges in the Gaza Strip⁶² (the Sharia courts in the West Bank continued to be under the Jordanian ministry of Islamic endowments – the *waqf* – which paid judges' salaries) and of local authority employees in the West Bank.⁶³ Later, the salaries of their counterparts in the Gaza Strip were raised,⁶⁴ as were those of doctors in

⁵² Khader Sinqrat, retired teacher at Al-Aroub Agricultural College, Hebron Governorate, personal interview, 30/4/2020.

⁵³ Directors-General Committee minutes, Session 3, Item 10, 19/6/1967, p. 14.

⁵⁴ Directors-General Committee minutes, Session 19, Item 6, 14/8/1967, p. 116.

⁵⁵ Directors-General Committee minutes, Session 21, Item 5, 28/8/1967, p. 133.

⁵⁶ Directors-General Committee minutes, Session 22, Item 9, 4/9/1967, p. 141.

⁵⁷ Directors-General Committee minutes, Session 73, Item 1.B., 8/7/1968, p. 382.

⁵⁸ Directors-General Committee minutes, Session 84, Item 2.B., 30/9/1968, p. 420.

⁵⁹ Directors-General Committee minutes, Session 85, Item 1, 3/10/1968, p. 425.

⁶⁰ Directors-General Committee minutes, Session 57, Item 2.B., 18/3/1968, p. 305.

⁶¹ Directors-General Committee minutes, Session 58, Item 2.C., 25/3/1968, p. 311.

⁶² Directors-General Committee minutes, Session 96, Item 1.B., 13/1/1969, p. 479.

⁶³ Directors-General Committee minutes, Session 99, Item 5, 10/2/1969, p. 492.

⁶⁴ Directors-General Committee minutes, Session 122, Item 5, 16/10/1969, p. 570.

the Strip, who were given an increase of ILP 12 a day.⁶⁵ Furthermore, workers in jobs created for the sake of cutting unemployment (Hebrew: *avodah yazomah*) were increased by 33%.⁶⁶

In late 1970, wage increases were tied to the cost of living and pay grades. A decision was taken to increase salaries by 10% for employees in grades 1-8 (out of 14),⁶⁷ who numbered up to 3,000.⁶⁸ In early 1971, despite the objections of military authorities in the West Bank and the Gaza Strip, the 10% increase was not implemented. Rather, a cost-of-living allowance of 7% was added to the basic salaries up to a ceiling of ILP 400 a month, above which a set amount of ILP 28 was added.⁶⁹ This was followed by an increase of ILP 20 a month for all grades of the local police in the Gaza Strip⁷⁰ and the West Bank. The committee noted that employees earning ILP 500 would be among those receiving a high cost of living grant equal to ILP 12.5.⁷¹

In 1971, the committee took two decisions related to wages: first, to unpeg them from the Jordanian dinar, and second, to adjust increases according to the number of dependents.⁷² As prices rose following a shift in the pound-dinar exchange rate, the dinar-dominated wage scale was changed to the Israeli pound, and the adjusted family assistance grants were set as: wife: ILP 25; first child: ILP 20; second child: ILP 20; third child: ILP 15; fourth child: ILP 15. Notably, the amount of support decreases with each birth, an indication that having children is discouraged. This policy reflects a broader demographic war waged by the occupier against the Indigenous population. Low-income employees and labourers whose salary was equivalent to ILP 300 per month received a 30-pound bonus.⁷³

As prices continued to rise throughout 1972, the committee again raised wages in the West Bank and Gaza Strip, with an 8% cost of living increase for all grades up to a basic wage of ILP 700, but cancelled the previous allowance, which had amounted to ILP 12.5 per month for those on basic wages up to ILP 500. This increase was applied to all employees, including local police and day labourers.⁷⁴ At the time, there were around 9,000 employees in the West Bank, categorized into 14 pay grades. Around 8,000 were in the lower and middle grades, from 7-14, and the average monthly wage up to grade 14, including an 8% increase from January 1972, was approximately ILP 200. Teachers, who constituted the bulk of public employees, ranged between grades eight and 10, which pushed military authorities in the West Bank to propose looking into raising wages by an average of 28%. To finance the expected increase in the annual budget, they imposed an income tax similar to that in operation in Israel, but the committee was cautious about raising income taxes for fear of stoking popular resentment.⁷⁵ In 1973, prices rose yet again, prompting the committee to increase the basic wage proportionally,⁷⁶ at 22.3% for a basic salary of ILP 700, and dependant on the employee's pay grade, starting from 1 January 1973.⁷⁷

⁶⁵ Directors-General Committee minutes, Session 103, Item 3.1., 10/3/1969, p. 505.

⁶⁶ Directors-General Committee minutes, Session 111, Item 5.A., 2/6/1969, p. 534.

⁶⁷ The salary scale for the West Bank was "legalized" by Military Order 477, Booklet 30, 16/8/1972, p. 1158.

⁶⁸ Directors-General Committee minutes, Session 143, Item 3, 10/12/1970, p. 663.

⁶⁹ Directors-General Committee minutes, Session 144, Item 6, 24/12/1970, p. 669.

⁷⁰ Directors-General Committee minutes, Session 153, Item 2, 24/6/1971, p. 702.

⁷¹ Directors-General Committee minutes, Session 160, Item 4, 11/11/1971, p. 740.

⁷² Directors-General Committee minutes, Session 156, Item 3, 2/9/1971, p. 712.

⁷³ Annexure for Directors-General Committee minutes, Session 156, Item 3.A., 2/9/1971, p. 714.

⁷⁴ Directors-General Committee minutes, Session 165, Item 6, 24/2/1972, p. 798.

⁷⁵ Directors-General Committee minutes, Session 170, Item 9, 27/7/1972, p. 840.

⁷⁶ Directors-General Committee minutes, Session 175, Item 2, 4/1/1973, p. 869.

⁷⁷ Directors-General Committee minutes, Session 178, Item 4.B, 22/3/1973, p. 900.

Salary increases were also extended to municipal employees in 1974, who were given 20% raises up to a ceiling of ILP 1,000 per month, starting from 1 July, along with another increase from 1 April 1975.⁷⁸ In 1976, the seniority allowance was increased by 1.5%, and doctors and judges were given raises,⁷⁹ and again in 1977.⁸⁰

The committee discussed paying a retirement allowance to those who had been employed during the British Mandate,⁸¹ and contact was made with the British embassy to coordinate this in the West Bank and Gaza Strip.⁸² Meanwhile, the military government continued to deduct wages for the benefit of the pension fund as usual,⁸³ and recognized the rights of retirees, as it had allowed at the beginning. The occupation postponed retirement for one year for those who wish.⁸⁴ The committee allowed for retirement starting 1 January 1968.⁸⁵

The committee decided to "continue managing the retirement fund as previously" (i.e. before the occupation), per Jordan's Civil Retirement Law No. 43 of 1959, which included a pension entitlement of 7% of the new basic salary for classified employees and holders of contracts that entitled them to receive pensions, as well unclassified employers hired before 1941.

In the Gaza Strip, the military authorities used the Retirement Insurance Law (the Administrative Governor's Law No. 169, dated 5 June 1961). This created a legal umbrella for establishing a retirement and insurance fund for staff in the civil administration, the police, and employees of municipalities, village councils, and the Islamic endowments department. According to Section 8 of the law, the fund was financed from employee contributions at 10% of wages along with a further 12.5% of wages from the employer, as well as income received from investment of the fund's money.⁸⁶

Representatives of police employees in the West Bank proposed adopting the retirement arrangements applied to Israeli civilian government employees, rather than those laid out under Jordan's Army Law, as had been the case previously. The authors of the proposal based this suggestion on the fact that the civilian police did not carry out security tasks but were instead part of the regular civil administration. Furthermore, adopting the civilian retirement law would carry the advantage of unifying the treatment of all employees of the military government and the police, while avoiding applying the retirement law that had been prepared primarily for the Jordanian army.⁸⁷

At the start of the occupation, the committee decided to deduct a portion of employees' salaries for the benefit of a special fund for work-related injuries.⁸⁸ As salaries grew, it decided to deduct a portion of the raises for deaths, at a rate of 5.25% annually. A fund was established and managed by another government committee to provide partial social security (extending grants to orphans and workers who had contracted chronic diseases), based on social security amendments for government employees and workers (No. 6 of 1966). However, the military government did not bring this proposal to fruition.⁸⁹

The committee's minutes reveal its use of the retirement fund as a tool for control, suppression, and domination. It decided to withdraw retirement benefits from any public employee convicted of acts of

⁷⁸ Directors-General Committee minutes, Session 190, Item 2, 10/10/1974, p. 961.

⁷⁹ Directors-General Committee minutes, Session 200, Item 2, 5/2/1976, p. 1099.

⁸⁰ Directors-General Committee minutes, Session 206, Item 7, 13/1/1977, p. 1196.

⁸¹ Directors-General Committee minutes, Session 21, Item 5, 28/8/1967, p. 133.

⁸² Directors-General Committee minutes, Session 30, Item 2, 12/10/1967, p. 200.

⁸³ Annexure for Directors-General Committee minutes, Session 22, Item 9, 4/9/1967, p. 141.

⁸⁴ Directors-General Committee minutes, Session 37, Item 1, 30/11/1967, p. 231.

⁸⁵ Directors-General Committee minutes, Session 76, Item 4, 1/8/1968, p. 383.

⁸⁶ Annexure for Directors-General Committee minutes, Session 65, Item 3.H., 13/5/1968, p. 338.

⁸⁷ Directors-General Committee minutes, Session 137, Item 2, 20/8/1970, p. 631.

⁸⁸ Directors-General Committee minutes, Session 18, Item 8, 7/8/1967, p. 104.

⁸⁹ Annexure for Directors-General Committee minutes, Session 65, Item 3.H., 13/5/1968, p. 338.

“subversion” (i.e. resistance).⁹⁰ Anyone who was convicted in a military court or dismissed by the military governor due to “subversive” acts was deprived, along with their family, of a public pension.⁹¹ These instructions were codified in the West Bank via Military Order No. 369 in the case of civilian employees⁹² and Order No. 420 in the case of local police personnel.⁹³ In the Gaza Strip, the Defence (Emergency) Regulations of 1945, issued by the British mandate,⁹⁴ provided a legal veneer to the theft of retirees’ rights.

The decision to deprive an employee of a pension did not require the employee to have been convicted of an offence. Simply being charged with resisting the occupation was sufficient. West Bank teacher Yahya Al-Adhami⁹⁵ reveals that he was arrested for 100 days in 1975, during military rule, and although he was not convicted on a single charge, he was dismissed from his job as a teacher and lost all his rights as a retiree. The policy of depriving civil servants of such rights due to their “rebellion” against military rule is an indication of the system’s patrimonial nature. The authorities used the power to grant or to deprive to perpetuate the system of control and suppression.

4. Housing

In the wake of Israel’s occupation of the West Bank and Gaza, the military authorities also set up a scheme to provide housing loans. This appeared to be a form of social welfare, but in reality it was a political act of social engineering aimed at emptying Jerusalem of Palestinians and resettling Palestinian refugees, as well as an effort to tighten Israel’s control and polish its international reputation.

The committee approved housing loans worth up to ILP 5,000 for Palestinians in East Jerusalem to live in the West Bank. The loans came from the budget allocated for the OPT and were administered via banks,⁹⁶ at an interest rate of 6%, repayable within eight years. Borrowers had to prove that they had changed residence. The committee agreed to provide the banks with a 100% commercial guarantee on the funds borrowed.⁹⁷

Regarding the Gaza Strip, the committee approved loans for repairs to refugees’ homes, covering 180 apartments in the Rafah camp and others in Sheikh Radwan and Khan Yunis, making up a total of 1,000 apartments.⁹⁸ Sheikh Radwan residents who were both refugees and public employees, were financed through the retirement fund, with up to 1,000 loans worth a maximum of ILP 5,000 each, with interest rates of 12%, of which 7.5% was supported by the military government’s budget.⁹⁹

In 1974, the committee increased loans to a maximum of ILP 10,000, with interest rates at 12%, with the housing applicant financing 9%, and the military government supporting the remaining 3% from the retirement fund for a period of five years, up to ILP 250 a month.¹⁰⁰ The following year, the committee amended its decision in line with the limited incomes of public employees, providing loans repayable over 10 years, in payments of ILP 150 a month.¹⁰¹

In the 1970s, Ariel Sharon took measures to empty the camps, as a form of social engineering to wipe out clusters of grassroots support for the guerrilla groups holed up within them. Palestinians interviewed in

⁹⁰ Directors-General Committee minutes, Session 91, Item 2.B., 18/11/1968, p. 454.

⁹¹ Annexure for Directors-General Committee minutes, Session 91, Item 2.B., 18/11/1968, p. 457.

⁹² Booklet 22, Military Order 31, 5/1/1970, p. 777.

⁹³ Booklet 27, Military Order 420, 23/3/1971, p. 1003.

⁹⁴ Booklet 18, Military Order 324, 8/12/1969, p. 1289.

⁹⁵ Yahya Al-Adhami, personal interview, Hebron, 27/10/2022.

⁹⁶ Directors-General Committee minutes, Session 71, Item 2.C., 24/6/1968, p. 359.

⁹⁷ Directors-General Committee minutes, Session 73 Item 3.A., 8/7/1968, p. 289.

⁹⁸ Directors-General Committee minutes, Session 193, Item 1.B., 27/2/1975, p. 988.

⁹⁹ Directors-General Committee minutes, Session 177, Item 3, 1/3/1973, p. 890.

¹⁰⁰ Directors-General Committee minutes, Session 189, Item 7, 5/9/1974, p. 957.

¹⁰¹ Directors-General Committee minutes, Session 196, Item 18, 24/7/1975, p. 1050.

the Gaza Strip¹⁰² reported that, to further this plan, Israel established residential projects such as the Brazil and Canada neighbourhoods in Rafah and the Al-Amal neighbourhood in Khan Yunis. Residents of the Beach camp in Gaza were transferred to the Sheikh Radwan neighbourhood.

None of the Palestinians interviewed for this study confirmed that any of the abovementioned loans ever existed. Rather, they reported that the owners of the destroyed houses were compensated with homes within these new housing projects. Muhammad Abu Hatab confirmed that residents paid approximately 6,500 Jordanian dinars for housing.

Ahmed Abu Shawish (a former Director General at the Ministry of Labour) reported that in 1969, a Palestinian commando operation in Al-Maghazi camp prompted the occupation to bulldoze and confiscate some of the houses there and to widen the camp's streets, purely for security reasons. Those whose homes were bulldozed were transferred to the eastern part of the Nuseirat camp. This model was then applied to Khan Yunis camp, where the Al-Amal Neighbourhood project was started around 1977, followed by the Sheikh Radwan neighbourhood in Gaza City and the Tal al-Sultan project in Rafah. Those whose houses were demolished were given replacement houses, while others paid for new housing in instalments, via three Israeli banks which began operating in Gaza in 1968: Bank Leumi, Bank Hapoalim, and the Israel Discount Bank.

According to writer Adly Sadiq, the occupation did not provide a single loan. Mohammed Al-Samhour, a former professor of economics at Al-Azhar University, said there was no conclusive evidence confirming their existence or otherwise, but added that the policy was part of an overall Israeli strategy toward the Gaza Strip and its residents during the early years of the occupation. Even if loans were issued, it is notable that immediately after the occupation, Israel closed the Palestinian banks that had been operating in the Gaza Strip and replaced them with Israeli banks that exist – as is the case with all banks – to make profits by lending out money gathered as deposits.

The military government used the alleged policy of providing housing loans to promote Israel's global image. The committee allocated a budget to promote Israel in the global media, specifically talking up the allocation of a loan fund for the development of the OPT.¹⁰³ The military government's "care" for the Palestinian population was based on a policy of "winning hearts and minds".¹⁰⁴

In order to win the support of the Samaritan minority in Nablus and to pose as their protector, the military governor decided to establish a specific housing loan fund for the community, allocating a total of ILP 50,000 to young Samaritan couples. Young men were allocated up to ILP 5,000 each, repayable over four to five years, with an interest rate of 6-7%. He also decided to buy land and build houses on Mount Gerizim, overlooking the West Bank city, through a fund with a budget of ILP 75,000, financed from the West Bank budget reserve and serving 50-60 families. Each person would receive up to ILP 4,000, repayable within eight years, at an interest rate of 6%,¹⁰⁵ administered via banks.¹⁰⁶

¹⁰² Ghazi Sourani, writer and researcher, personal interview conducted by Ghassan Abu Hatab, Gaza, 13/10/2022; Youssef Moussa, UNRWA Operations Manager in Rafah, personal interview conducted by Ghassan Abu Hatab, Gaza, 13/10/2022; Mohammed Abu Hatab, a prominent resident of Shaboura camp in Rafah, personal interview conducted by Ghassan Abu Hatab, Gaza, 13/10/2022.

¹⁰³ Directors-General Committee minutes, Session 190, Item 3, 10/10/1974, p. 961.

¹⁰⁴ The use of this concept can be attributed to French Army general and colonial administrator Hubert Lyautey, who used it to fight an uprising in Vietnam in 1895. He also applied it in Morocco, although he drew it from British colonial policy in India. The doctrine assumes that colonized populations will work for their own interests—which may in turn be defined by the colonial authorities. See: Douglas Porch, "Bugeaud, Gallieni, Lyautey: The Development of French Colonial Warfare," in: Peter Paret (ed.), *Makers of Modern Strategy: From Machiavelli to the Nuclear Age* (Princeton: Princeton University Press, 1986), p. 393.

¹⁰⁵ Directors-General Committee minutes, Session 75, Item 2, 22/7/1968, p. 376.

¹⁰⁶ Directors-General Committee minutes, Session 79, Item 3, 19/8/1968, p. 394.

As further preferential treatment for the Samaritan community, the committee offered housing to those who wished to move to Holon (inside Israel), although it preferred to encourage younger Samaritans to remain in Nablus. In this context, the committee advised the banks to grant loans not exceeding ILP 5,000 each to 15 young Samaritans, for a period of two years, which could be returned within four years.¹⁰⁷ A year after the establishment of the Samaritan Loan Fund (in 1969), the committee decided to increase the total fund size by ILP 110,000 for residents of Nablus, and ILP 39,000 for residents of Holon.¹⁰⁸

Hosni al-Samari, a Samaritan priest,¹⁰⁹ explained the circumstances of the housing loan, saying he was the first member of the Samaritan community to apply to Israeli military authorities for a housing loan, as he was considered responsible for the affairs of his community. This was despite sharp ideological differences between the Samaritans and Israeli Jews.¹¹⁰ He was also an employee of the military government. He applied based on his experience under Jordanian rule of the West Bank in the early 1960s, when his family's home was destroyed by flooding. His father had had no choice but to appeal to Jordan's King Hussein bin Talal for a grant to rebuild the house. The king had responded with a grant of 1,000 Jordanian dinars, a major sum by the standards of the time.

Therefore, the Israeli military authorities, under the guise of providing social care, granted housing loans to some while withholding them from others. The policy was also a means of social engineering of the Palestinian people by mainly lending to residents of Jerusalem and the refugee camps, thereby Israel was able – albeit indirectly – to disrupt demands for the right of return, by settling refugees in camps. Finally, the policy was a tool to encourage Palestinians to move from Jerusalem to other parts of the OPT, to empty Jerusalem of its Palestinian residents and tackle the demographic problem there, strengthening the Jewish majority in the city at the expense of its Palestinian population.

The Legal and Financial Basis of Colonial Paternalism

The issue of social care raises the question: do the occupation authorities provide such assistance simply to “win hearts and minds” and maintain stability, or is it also to feign commitment to international law? According to Mutaz Qafisheh:

In International Humanitarian Law (IHL), specifically the Hague Conventions of 1899 and 1907, the occupying state is obliged to continue to apply the laws in force in the occupied territory. Israel recognises the Hague Conventions (also called the Hague Regulations) and applies them as part of customary international law. Article 43 of the Hague Convention prevents an occupying power from amending domestic legislation except for two reasons: military necessity and the interest of the local population.¹¹¹

This, then, partially explains Israel's provision of certain “facilities” and services, such as tax exemptions for charities or compliance with pre-existing pension laws.

Jordanian legislation includes a package of laws related to taxes and retirement, which the Israeli military government utilized to enforce its paternalistic policies. According to Article 83 of Jordan's Customs and Excise Law No. 1 of 1962, scientific, artistic, religious and charitable bodies and institutions

¹⁰⁷ Annexure for Directors-General Committee minutes, Session 79, Item 3.B., 19/8/1968, p. 400.

¹⁰⁸ Directors-General Committee minutes, Session 113, Item 3, 30/6/1969, p. 541.

¹⁰⁹ Hosni al-Samari, priest of the Samaritan community, personal interview, Mount Jerazim, Nablus, 26/10/2022.

¹¹⁰ According to Al-Samari, the Samaritan community has the oldest version of the Torah, speaks the original Hebrew language, and is made up of the direct descendants of the tribes of Israel, in contrast to Zionist Jews.

¹¹¹ Mutaz Qafisheh, Associate Professor of International Law and former dean, Hebron University, Email correspondence, 4/10/2022.

are exempt from customs and excise duties.¹¹² The Israeli military applied this law in the West Bank under military order 31.¹¹³ As we have seen for retirement, the Directors-General Committee took the decision to "continue managing the retirement fund as it had been previously", in accordance with (Jordanian) Civil Retirement Law of 1959 as concerned Gaza, while in the Gaza Strip, it was based on the Retirement Insurance Law (Administrative Governor Law No. 169, 6 May 1961).¹¹⁴

With regard to local police personnel in the West Bank, the Israeli authorities issued Military Order No. 420, based on Jordan's Military Retirement Law No. 33 of 1959.¹¹⁵ The system of cost-of-living allowances for employees in the West Bank was based on an amendment to Jordanian Law No. 445 of 1959.¹¹⁶ The decision to deduct a portion of employees' salaries for the benefit of the Work Injuries Fund was based on the Jordanian Labour Law of 1965.¹¹⁷

Notably, the occupation authorities avoided disclosing the source of funds for social "welfare" budgets. After examining the military government's records, we found that what was spent on care came in part from the financial deductions imposed on the Palestinian population. Under Israeli law, deductions were made from the salaries of Palestinians working within the Green Line, and this money was placed in a fund for social welfare. We have further established that money spent on social care is fully covered by this fund and that the fund even withholds unused sums of money. In 1970-1971, ILP 10 million were deducted, of which only 6.2 million were allocated to social activities in the West Bank¹¹⁸ (and only 0.4 million were allocated to social affairs, that is providing necessary goods and reimbursements to farmers who had suffered losses due to drought).¹¹⁹ In the Gaza Strip and North Sinai, the annual income of the Fund in the years 1970-1971 was approximately ILP 10 million, but only 3.8 million were allocated¹²⁰ to social activities.¹²¹

In addition to these policies, the support the Palestinians received was both dependent on the political and security situation, and funded by Israel's theft of natural resources from the OPT. The committee decided to reduce social support after 1973 as a result of the October war.¹²² According to Mordechai Nisan, the military government's budget was built on Israel's exploitation of oil found in the Sinai. Although it did not officially announce the numbers, before 1967 Israel produced about 6% of the oil it consumed, amounting to some three million tons annually. In 1970, however, it extracted 4.5 million tons from the Sinai. In 1971-1972, it extracted between five and six million tons, Israel was then extracting at least 50% of its total oil from the Sinai. Nisan concludes that the annual budget of the OPT, estimated at \$30 million, was entirely covered by oil extracted from the Sinai.¹²³ This explains why social support was reduced after the 1973 war, as negotiations with Egypt resulted in Israel's withdrawal from the peninsula.

¹¹² "Law No. 1 of 1962: Customs and Excise Law," *Al-Muqtafi*, accessed on 7/3/2024, at: <https://bit.ly/3fb3Ffc>

¹¹³ Booklet 2, Military Order 31, 27/6/1968, p. 66.

¹¹⁴ Annexure for Directors-General Committee minutes, Session 65, Item 3.H., 13/5/1968, p. 338.

¹¹⁵ Booklet 27, Military Order 420, 23/3/1971, p. 1003.

¹¹⁶ Booklet 29, Military Order 445, 3/9/1971, p. 1085.

¹¹⁷ Booklet 38, Military Order 662, 22/6/1976, p. 196.

¹¹⁸ This was allocated as follows: Vocational training: ILP 1.7 million; building schools: ILP 1.5 million, health: ILP 500,000; social affairs, ILP 400,000; electricity network development: ILP 2 million.

¹¹⁹ Liaison Unit for Activities in the Territories, *Three years of military rule: Data on civilian activities in Judea, Samaria, the Gaza Strip, and North Sinai 1967-1970* [Hebrew] (Tel Aviv: Israeli Ministry of Defence, June 1970), p. 78.

¹²⁰ This was allocated as follows: vocational training: 1 million; health: 600,000; schools: 400,000; electricity network development: 1.8 million.

¹²¹ Liaison Unit for Activities in the Territories, p. 130.

¹²² Directors-General Committee minutes, Session 186, Item 6, 27/3/1974, p. 941.

¹²³ Mordechai Nisan, *Israel and the Territories: A Study in Control 1967-1977* (Ramat Gan: Turtledove Publishing, 1978), p. 41.

Resisting Settler Colonial Paternalism

Did Israel's settler-colonial patriarchal system face resistance from the Palestinian population? We have documented systematic discrimination in terms of wages under Israeli military rule, which took many forms, including discrimination between employees in the bureaucratic system and day labourers, between employees in the West Bank and Gaza Strip, and racial discrimination between Jewish and Arab labourers. The decision to raise the cost of living by 8% in 1968 excluded day labourers, being limited to permanent employees.¹²⁴ Moreover, the decision taken in 1971 to increase wages by 7% (instead of the 10% recommended by military commanders), gave employees in the Gaza Strip only a 5% raise, prompting the military commander in the territory to lodge an appeal against the decision, fearing the outbreak of labour strikes in the territory.¹²⁵ The wages of employees in the Gaza Strip and the Sinai were already lower than those in the West Bank, even though they lived under the same authority and faced the same prices for goods.¹²⁶

The military regime's racial discrimination was also clear in its insistence on maintaining wage differences between Jewish and Arab labourers. Shlomo Gazit, who was the military governor of the West Bank between 1967 and 1973, asked the Directors-General Committee to issue a military order obliging employers in the Israeli private sector to pay wages similar to those paid in Israel, as well as giving social rights, but the majority of the committee members rejected this proposal. This prompted Gazit to submit it directly to the Israeli government.¹²⁷

Following Gazit's protest, the office of then-Prime Minister Golda Meir (1969-1974) discussed the issue and decided it had no choice but to "legalize" this discrimination, by refraining from issuing a decision on equal wages and siding with Israeli capitalists at the expense of Arab workers. This came in the form of a decision from the Directors-General Committee, stipulating that "economic forces will be given room to work without restrictions from those who say 'no' to everything, and attempts to obstruct the process".¹²⁸ This wage discrimination was not limited to private sector workers and employees, but also extended to the public sector. The Directors-General Committee itself noted that there was a wage disparity of some 80-85% between employees of the military government and those working in the same jobs inside Israel.¹²⁹

This wage discrimination soon led to protests by Palestinians. Public sector employees in the lowest-paid areas (the Gaza Strip and Sinai) demanded that military authorities give them equal wages with the West Bank, based on the fact that they were under the same de facto authorities and faced the same economic conditions.¹³⁰ Employees in the Gaza Strip also filed a complaint demanding a raise to match their salaries with those of workers inside Israel. In the same context, doctors filed a petition of protest and threatened to strike, while teachers in the West Bank also submitted a similar petition.¹³¹

Teachers also tried to establish a union to defend their rights. In 1972, a committee of teachers submitted a request to this effect to the military governor, who rejected it. All the teachers could do was form committees to demand improvements in their wages, which had been eroded by the high cost of living and was 64% less than what teachers were receiving on the other side of the Green Line. Therefore, the

¹²⁴ Directors-General Committee minutes, Session 85, Item 1, 3/10/1968, p. 425.

¹²⁵ Directors-General Committee minutes, Session 147, Item 5, 18/2/1971, p. 680.

¹²⁶ Directors-General Committee minutes, Session 177 Item 11, 1/3/1973, p. 892.

¹²⁷ Directors-General Committee minutes, Session 168, Item 4, 25/5/1972, p. 825.

¹²⁸ Directors-General Committee minutes, Session 170, Item 1, 27/7/1972, p. 839.

¹²⁹ Directors-General Committee minutes, Session 207, Item 3, 24/3/1977, p. 1212.

¹³⁰ Directors-General Committee minutes, Session 177, Item 11, 1/3/1973, p. 892.

¹³¹ Directors-General Committee minutes, Session 185, Item 1.D., 28/2/1974, p. 934.

teachers carried out a strike in 1980 to demand a 100% increase in their wages, at the end of which they received a mere 20% increase.¹³²

The Palestinians' protests did not limit their protests to demanding higher wages. Employees also filed a lawsuit against the military authorities requesting a raise in pensions, based on a decision taken by the Jordanian authorities before the 1967 war. The Israeli occupation authorities' decision to prevent its implementation left the employees with no choice but to file a lawsuit with the Israeli courts to obtain their right to an increase in their retirement payouts. In response, the committee discussed the issue, and, in order to avoid provoking the retirees, approved their request.¹³³

While the submission of petitions and lawsuits came within a context of colonial paternalism, it is also an indicator of responsiveness and pushback by Palestinians, who rejected these *faits accomplis* and sought, by all the available means (petitions, lawsuits, and threats of strikes), to obtain their rights. Resorting to the Israeli courts in order to secure their dues did not necessarily imply a willingness to integrate and submit, nor was it a recognition of the legitimacy of the colonial system. Rather, it was a form of protest by Palestinians who were doing what they could to defend their rights, as part of a broader vision that fulfilling demands for a decent living would help strengthen their steadfastness and their ability to remain in the Palestinian territories.

Conclusion

Colonial paternalist policies applied to Palestinian residents in the OPT indicate a shift from the logic of removal and erasure to a logic of population management. Why else would a system of government governed by the logic of erasure work to provide welfare to the population, rather than suppressing it in order to displace it?¹³⁴ While this has been a subject of theoretical debate, this shift was seen as a result of Palestinian agency and reaction, international and regional circumstances, and facts on the ground.

This study has presented how this transformation manifested through the provision of aid and support to parts of the Palestinian population, tax exemptions to international institutions and foreign aid, the provision of salaries and retirement benefits, linking wages to the cost of living, and as well as extending housing loans to specific groups of Palestinians.

The Israeli settler colonial system's endeavour to provide "welfare" for the population and build a patronage network in the areas it occupied in 1967 contrasts with the definition of occupation as a temporary measure. The goal of such measures was rather to pacify the population and build a clientelist network to calm the security situation and establish a permanent Israeli presence in the OPT. The military authorities used this welfare as a tool for control, as its policies of granting or withholding benefits were eventually tuned to subdue the Palestinians under the ruling colonial system. The study has demonstrated this through examples of dismissals of those accused of resisting the occupation, deprivation from retirement rights, and the withdrawal of other privileges or facilities, such as tax exemptions to people with disabilities on the condition that their disabilities do not result from resistance to the occupation. Unfortunately, it was not possible to find documented statistics on the number of people deprived of benefits largely due to the lack of effective Palestinian institutions monitoring and documenting such cases in the OPT during the period covered by this research.

¹³² Salah Al-Zaroo, *al-Ta'lim Taht al-Ihtilāl 1967-1987* (Hebron: University Graduates Union, Research Centre, 1988), pp. 265-275.

¹³³ Directors-General Committee minutes, Session 147, Item 6, 18/2/1971, p. 680.

¹³⁴ On the shift from the logic of elimination to that of control and domination, see: Ashraf Othman Bader, "al-Isti'mār al-Istiyānī fī Filasṭīn Bayn al-Bunyā wa-l-Ṣayrūra: Maḥū wa-Izāla Am Taḥakkum wa-Sayṭara," *Omrān*, vol. 10, no. 39 (Winter 2022), pp. 11-38; Ashraf Othman Bader & Asem Khalil, "al-Isti'mār al-Istiyānī fī al-Siyāq al-Filasṭīnī: Baradāym am Maḥūm?," *Omrān*, vol. 9, no. 35 (Winter 2021), pp. 7-30.

Through the practice of paternalism, the colonial authorities attempted to appear as a patron, but exploitation was their modus operandi. On top of financial "recycling" and the purchase of "subsidized" materials from the Israeli market, this patronage was funded by fees collected from the local population and revenues from resources stolen from the OPT. The Israeli colonial system thus combines colonial exploitation with population management based on racial discrimination. We see this in the "legalization" of wage differences between the Indigenous population and the colonists, as well as in the scarcity and low quality of subsidized food supplies available to the Palestinian population, compared to what the colonists receive, as the example of rice reveals.

Israel's military regime may thus have succeeded in employing the granting or withholding of "welfare" as a tool to control, suppress, and dominate sectors of the Palestinian people. Yet we can also argue, based on extensive evidence including the intifada that broke out in 1987 and in which most segments of the Palestinian population took part, that it failed to achieve its goal. This uprising was damning evidence of the failure of the colonial policies of control, suppression, and domination adopted by the Israeli military government.

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