

The Israeli Settlement Product Boycott and Palestinian Workers

As the global movement to boycott Israeli settlement products snowballs, detractors argue the boycott will hurt Palestinian workers employed by settlements. The argument ignores the bigger picture of the damage settlements have inflicted on the Palestinian economy and how they continue to prevent a healthy economy from emerging that could create hundreds of thousands of new Palestinian jobs.

By [Dale Hildebrand](#)
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Palestinians workers at SodaStream: cooperation or occupation?

Now that the global movement to boycott Israeli settlement products is growing, critics are voicing the argument that boycotting settlement factories is counterproductive to the cause of both the Palestinians and peace. Opponents of boycotting say it will hurt Palestinian workers

who are employed in the settlements and undermine economic cooperation between Palestinians and Israelis.

The Centre for Israel and Jewish Affairs (CIJA) called the United Church of Canada (UCC) boycott “intellectually dishonest” on the grounds that it “claims to advance Palestinian aspirations by increasing the number of unemployed Palestinians.”ⁱ Spokespersons for the Simon Wiesenthal Center defended settlement industries, claiming that “boycotts aimed at such successful enterprises dim the only faint glimmer of hope for peace between Israel and the Palestinians: economic co-operation.”ⁱⁱ

The Israeli government’s Foreign Affairs Ministry opposes settlement product labelling, another measure being advocated by some governments and civil society groups, as further harming Palestinian workers. “It is clear that employment in Jewish settlements has a positive effect on the population in Palestinian Authority territory and on the PA economy. It strengthens the economy by providing significant income, a decrease in unemployment, a variety of places of employment, as well as contributing to Palestinian human capital and the development of the Palestinian economy in the West Bank.”ⁱⁱⁱ

Companies operating in the settlements have also resorted to trumpeting their employment of Palestinian workers. For example SodaStream, a maker of soda-maker devices that has been the focus of a global boycott, posted a video to You Tube in 2013 that purports to demonstrate how the company is “Building Bridges, Not Walls”, as the title of the clip claims.

Notwithstanding the fact that many of these same critics dismiss the boycott as being ineffectual and having no negative impact on sales of settlement products, how will a boycott impact on Palestinians, both in general, and specifically those working in settlements? How are we to assess the claims that a boycott will impact negatively on Palestinians?

The missing facts

Apologists for the settlements and the businesses that support them conveniently fail to acknowledge the larger picture of the settlements and their role in the occupation of the West Bank.

Fact 1: The settlements are illegal

Whether or not SodaStream is providing jobs to Palestinians, the settlement enterprise which they and other settlement-based companies comprise is illegal. There is simply no escaping the fact that international law has ruled definitively that the settlements are a violation of the Fourth Geneva Convention, one of four treaties that govern the behaviour of states during times of war and occupation. Israel is virtually alone among the world’s nations in claiming that the Fourth Geneva Convention does not apply to its settlements.^{iv} The UN General Assembly, the UN Security Council, the International Court of Justice, the International Committee of the Red

Cross, and the Contracting Parties to the Convention have all concurred that the settlements violate international law.

Accordingly, companies operating in settlements are not only profiting from an illegal situation, but are de facto participating in a violation of international law.

Fact 2: Palestinian settlement workers live under occupation

While the SodaStream video shows Palestinian workers being bussed smoothly from home to work, the fact is that once these workers return home, they are subject to the same restrictions as the other three million Palestinians in the West Bank. SodaStream company buses cruise along settlement highways reserved for Israelis but Palestinians suffocate under a system of checkpoints, road blocks, building demolitions, arbitrary arrests, limited access to water, and a host of other restrictions that not only make ordinary life impossible, but together constitute a denial of many of the basic human rights we take for granted in Canada.

As Rifat Kassis, a Palestinian human rights activist has said in response to SodaStream's claims, "what Palestinians need is freedom, not fancier oppression. It doesn't matter if our cage is made of iron or gold: it is a cage."^v

Fact 3: Palestinians themselves have called for a boycott

In 2005, Palestinian civil society issued a broad call for boycott, divestment and sanctions against Israel as a non-violent response to the occupation. The signatories to the boycott call include a wide array of trade unions and worker associations. In 2011, 27,000 Palestinians or 2.3% of the workforce were granted work permits that allowed them employment in the settlements. Given the dire economic situation in the West Bank where official unemployment runs at nearly 30%, it comes as no surprise that Palestinians would accept work in a settlement. But what kind of work might be available to these workers if the West Bank did not live under occupation? And what are some of the factors that have created difficult economic circumstances for the vast majority of Palestinians?

Fact 4: Settlement jobs are not cracked up to be what SodaStream claims them to be

The SodaStream public relations video portrays happy Palestinian workers who make "four or five times" what they could make in the West Bank. Perhaps, but such jobs are the exception rather than the rule in Israeli settlements. The Israeli group, Coalition of Women for Peace has done a study of Palestinian settlement workers which finds that the majority of them make less than the Israeli minimum wage, even though Israeli labour law is supposed to apply to settlements. Many are found to make less than half the minimum wage. Some 10,000 Palestinians work occasionally or seasonally in Israeli settlement enterprises without permits,

meaning they do not have even the veneer of protection that Israeli labour law might offer.^{vi} Many of the jobs are dangerous and employ Palestinian children as young as 12 years of age.

SodaStream CEO Daniel Birnbaum describes his factory as “a fantastic sanctuary of co-existence.” Indeed, the sanctuary may be very small given the larger picture of settlement employment. The “sanctuary” was also built on land originally owned by Palestinians. The Coalition of Women for Peace study notes that over 10% of Palestinian settlement workers work on land that was once owned by their own families or that of a relative.

Fact 5: The largest impediment to the development of a healthy economy in the West Bank is the Israeli occupation



Source: B'Tselem

Those who tout the employment of Palestinians in settlements as an example of “economic cooperation” between Palestinians and Israelis ignore the reality of the occupation. To begin with, there is no semblance of equity and power balance that “cooperation” might suggest. The ability to obtain or renew work permits is at the discretion of the Israeli Civil Administration which is actually under the authority of the Israeli Ministry of Defence. The permits can be revoked without any explanation—which provides a meaningful deterrent for permit holders to refrain from activities such as speaking out against the settlements or advocating for rights defined under international labour standards such as collective bargaining.

More critically, the occupation itself has been identified as the largest obstacle to the growth and development of the Palestinian economy. The World Bank, not exactly a bastion of radical left wing thinking, has written several reports which detail how the occupation has torpedoed the building blocks of a Palestinian economy. Consider some of the statements from a September 2012 report:

“...real prospects for progressing on a path towards sustainable Palestinian economic growth will be challenging absent fundamental and significant changes that remove the impediments caused by the dissection of the Palestinian territories...”

“...restrictions put in place by the Government of Israel continue to stand in the way of potential private investment and remain the major impediment to sustainable economic growth.”

“...stronger action by the Government of Israel to significantly ease remaining obstacles that currently prevent the Palestinian private sector from becoming the real engine of sustainable growth—[is] the only medium term solution to exit from protracted fiscal crisis.”^{vii}

The report goes on to present an astonishing fact: If Palestinians were allowed to cultivate only 3% of Area C, the nearly two-thirds area of the West Bank that is under exclusive Israeli military and civilian control, an estimated 150,000 – 200,000 new jobs would be created.^{viii} Even using the lower figure, it represents more than five times the number of Palestinians given permits to work in settlements.

A detailed World Bank 2013 report on Area C’s potential for the Palestinian economy estimates that the worth of only several economic sectors (primarily agriculture and Dead Sea minerals) would be worth USD 2.2 billion per year, a sum equal to 23% of the 2011 Palestinian GDP.^{ix}

Conclusion

The argument that settlements provide good Palestinian jobs, and that boycotting settlement products will hurt Palestinian workers is spurious, simplistic and self-serving in defending the Israeli settlement land grab. Those who make the argument choose to view the settlement jobs through a narrow lens, much like the SodaStream camera that follows Palestinian worker Rafa Zaglul from its factory to his home. Turn the camera a few degrees left or right, and you see the bigger picture: a whole people subjected to the stifling oppression of occupation, hammered and boxed in by the matrix of settlements.

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ⁱ “Canadian church boycotts three Israeli companies”, Jerusalem Post, May 30, 2013.

ⁱⁱ “Cooper and Adlerstein: How boycotts hurt the cause of Middle East peace”, National Post, June 10, 2013.

ⁱⁱⁱ “The Effects of Labelling Settlement Products on the Palestinian Economy”, Israeli Foreign Affairs Ministry document, undated.

^{iv} Israel’s argument that the Fourth Geneva Convention does not apply to its settlements was rejected by the International Court of Justice’s 2004 Advisory Ruling on the legality of Israel’s construction of the Wall in Palestinian Territory, and was subsequently formally adopted by the UN General Assembly as well. UN Security Council resolution 446 is just one of many UN resolutions that confirm the illegality of the settlements.

^vRifat Odeh Kassis, “Nothing Less Than Freedom: A Response to the Destructive Myths of Rev. Andrew Love”, Kairos Palestine, March 2013.
(<http://www.kairopalestine.ps/sites/default/Documents/Nothing%20Less%20Than%20Freedom.pdf>)

^{vi} “Palestinian Workers in Settlements” (January 2013 Position Paper), Coalition for Peace.
<http://whoprofits.org/content/palestinian-workers-settlements>

^{vii} “Fiscal Crisis, Economic Prospects: The Imperative for Economic Cohesion in the Palestinian Territories”, Economic Monitoring Report to the Ad Hoc Liaison Committee, World Bank, September 23, 2012, p. 4.

^{viii} Ibid, p. 18.

^{ix} “Area C and the Future of the Palestinian Economy”, Poverty Reduction and Economic Management Department, World Bank, October 2, 2013, p. viii.