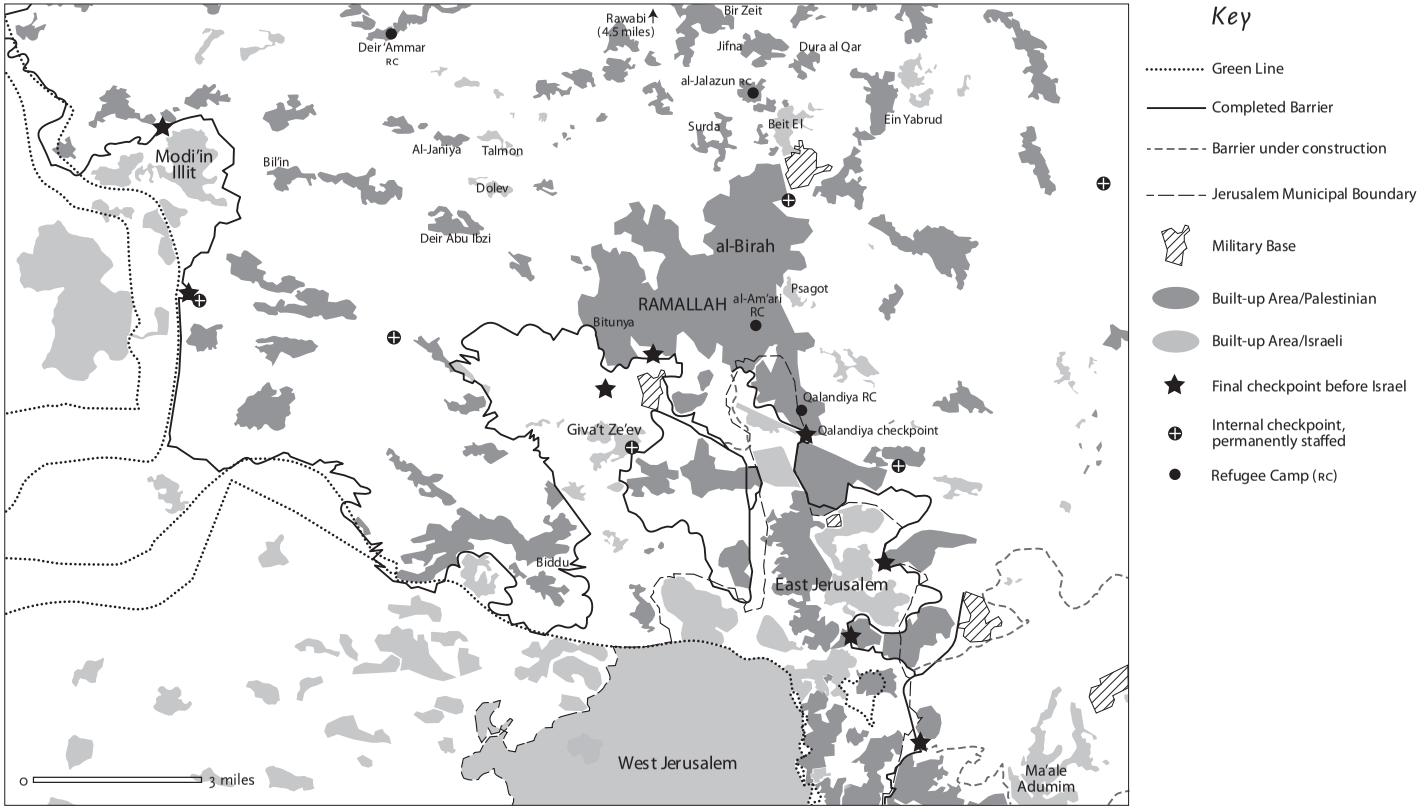
Ramallah and Environs



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REMAKING RAMALLAH

Visitors to Ramallah these days are often struck by its boom-town appearance. There are large-scale construction projects underway, a proliferation of hotels and nightclubs, Mexican restaurants, luxury cars, cappuccino prices on par with London or Brooklyn—jarringly at odds with prevailing notions of Palestinian life under the shadow of Israeli occupation. Arafat's hilltop compound, reduced to rubble by Israeli shelling and bulldozers in 2002, has been rebuilt at vast expense and now houses his pharaonic tomb. The city's 'diplomatic quarter' of al-Masyoun boasts quasi-embassies from the OECD countries, as if it were the capital of a real nation-state, while international dance and theatre companies regularly perform at its state-of-the-art Culture Palace. For some, Ramallah is Palestine's Green Zone, as isolated from the rest of the Occupied Territories as the notorious US headquarters in Baghdad. It represents an enclave cosmopolitanism, a 'Bantustan sublime'.[1] The latest metaphor is the 'bubble', which manages to combine a sense of cultural insulation from post-Oslo realities with intimations of an over-blown credit system, ready to pop.

There is some truth to these representations. But to the extent that they imply a structural separation between the city and its hinterland, they miss the point. The Ramallah that has emerged over the past twenty-five years or so is not an escape from the Occupation, but the outcome of its dynamic of uneven development and purposeful fragmentation. The changes that Ramallah has experienced since 1994—or 2000, or 2007—are representative of a wider set of phenomena in historic Palestine. As Ramallah grows, in specific directions, along narrowing

paths, Palestinian life and possibility are diminished elsewhere. At the same time, the consolidation of people and possibilities in Ramallah makes it a bellwether for the direction in which Palestine is moving as a whole. The city has become the site for huge quantities of foreign investment, fixed in durable structures, institutions and physical spaces that impose new forms of control even as they crystallize new economic-class identities, with their own political logic. Its development is best grasped in this wider context.

Modern-day Ramallah sprawls across a southwest-facing flank of the low-lying West Bank mountain range, over-looking the outer suburbs of Jerusalem to its south. Bordered by the breeze-block slums of three refugee camps, it is also pincered between two large Israeli military bases, blocked to the south-west by the Separation Wall and ringed by dismal Palestinian villages, dispossessed of their fields and orchards for the benefit of a dozen or more expansion-bent Israeli settlements. Ramallah's growth has swallowed up its neighbour, al-Bireh, though the two maintain separate municipal bodies. At 358,000, the Ramallah governorate's population is three times that of East Jerusalem, though exceeded by Nablus (390,000) and Hebron (at 730,000, easily the biggest population centre in the West Bank).[2] But Ramallah is the main administrative centre for the Palestinian Authority (PA) and the principal hub for the international aid industry whose cash flows sustain an economy stunted by occupation. The transformation of a small provincial town into a seat of power and model for re-engineered forms of land tenure and class stratification says much about the dynamics of Israel–Palestine relations today.

Origins and development

Though its name is partially Aramaic in derivation—*ram*: 'height' or 'elevation'—the site of present-day Ramallah was sparsely settled in ancient times; by contrast al-Bireh ('well' or 'cistern'), barely half a mile to the east, had been inhabited since the Bronze Age. Ironically enough, the village of Ramallah enters the historical record in 1186 as Crusader

[1] Joseph Massad, 'Pinochet in Palestine', *Al-Ahram Weekly Online*, 9–15 November 2006; Nasser Abourahme, 'The Bantustan Sublime: Reframing the Colonial in Ramallah', *City*, vol. 13, no. 4, 2009.

[2] Figures from the Palestinian Central Bureau of Statistics; all population estimates are for 2016, and refer to the governorate as a whole.

collateral, offered by the Norman King of Jerusalem, Guy de Lusignan, in exchange for a loan from the powerful Order of St John, just a year before Saladin's forces re-took the region. After dropping in and out of the land records during the Mamluk period, the village is recorded in the Ottoman census of 1554, having allegedly been settled by Yemenite Christians, the Haddadeen clan, fleeing a conflict with the local emir in al-Karak, east of the Jordan River.[3] Evidence from censuses and land registries suggests that Ramallah retained a clan character under the next three centuries of Ottoman rule, its economy organized around agriculture and small-scale production. This was boosted in the late 1850s and 60s by European missionaries, Quaker and Catholic, who opened rival schools there.

In December 1917, after Allenby's defeat of the German-officered Ottoman forces in Palestine, Ramallah was occupied by British troops and incorporated, with French agreement, under UK administration, soon blessed by League of Nations mandate. The town's new masters set about building up its hilltop compound, the Muqata, as a prison, court, torture centre and military headquarters. Ramallahites were employed by the British-run bureaucracy, which favoured Christian Palestinians over Muslims, helping to boost it over al-Bireh. Better-off families began emigrating to the United States, and remittances in the 1920s funded new building in the town, attracting workers and craftsmen.[4] By the mid-1940s it had attained a population of 6,000.[5] The inter-war period also saw Ramallah acquire its reputation as a tranquil and temperate spot to spend the summers, perhaps because 'vacation' was becoming a meaningful category for the new urban bourgeoisie. Yet economic tensions were growing. Late-Ottoman reforms had already introduced land-titling and marketization, allowing European Zionists access to the land market: land could be purchased, not just seized or settled. British economic policy during the Mandate favoured confessional development, encouraging a Zionist industrial sector that was allowed to discriminate in terms of hiring—excluding Arab labour and importing Jewish workers—and helping to create a Zionist 'state within a state'

[3] Sameeh Hammoudeh, 'New Light on Ramallah's Origins in the Ottoman Period', *Jerusalem Quarterly*, no. 59, 2014; Naseeb Shaheen, *A Pictorial History of Ramallah*, Beirut 1992.

[4] Lisa Taraki, 'Enclave Micropolis: The Paradoxical Case of Ramallah/al-Bireh', *Journal of Palestine Studies*, vol. 37, no. 4, summer 2008.

[5] Taraki, 'Enclave Metropolis'.

along the lines of the Balfour Declaration.[6] With rising costs of living, this put simultaneous downward pressure on Palestinian capital, landowners and proletarianized workers alike. When the Arab general strike of 1936 developed into a full-scale revolt, Ramallah joined the three-year uprising against British rule, put down by military force and false promises of Palestinian independence.[7]

In 1948 it was the Zionist forces that declared independence, seizing coastal Palestine. With the agreement of London and Washington, the West Bank was occupied by Jordan under the Hashemite ruler they themselves had installed. Some twenty-five miles inland from the coast, Ramallah did not have high levels of Zionist land ownership and was comparatively sheltered from the fighting, insulated too by the strength of clan organization. Yet the Nakba touched all Palestinians in complicated ways. The formation of an exclusionary new Jewish urban space on the coast and in the Galilee displaced industry, labour markets and Palestinians of all classes into the West Bank. Israel froze Palestinian bank accounts and seized assets, as well as land, on a vast scale.[8] Much of the Palestinian intelligentsia from the cosmopolitan cities of the coast fled into exile. Many from Ramallah's Christian families fled Palestine, and have played a central role in major diaspora organizations, especially in the US. Meanwhile thousands of refugees arrived in Ramallah from the coastal villages around Lydda, Ramla and Jaffa, fleeing the horrors of Ben Gurion's ethnic cleansing. They settled initially in UN-supplied tents to the south of the town (Qalandia), to the north (Jalazone) and on what was then still open land between Ramallah and al-Bireh (Amari). Later the UNRWA replaced the tents with breeze-block housing, ready-built slums tacitly underwriting Israel's policy of no return. In the early 1950s, refugees made up two-thirds of Ramallah's now largely de-Christianized population of 13,500.[9] A decade later, the camps became recruiting grounds for the Palestine Liberation Organization.

Rule from Amman between 1948 and 1967 was repressive but slapdash. Jordanian security forces now occupied the Muqata and Ramallah, on

[6] Barbara J. Smith, *The Roots of Separatism in Palestine: British Economic Policy, 1920–1929*, Syracuse, NY 1993.

[7] A memoir by a young American woman teaching at the Quaker School in Ramallah describes constant gun-battles against a large British military presence: Nancy Parker McDowell, *Notes from Ramallah, 1939*, Richmond, IN 2003.

[8] Mitter, *A History of Money in Palestine*.

[9] Taraki, 'Enclave Metropolis'.

the border between northern and southern administrative districts of the West Bank, was used as an administrative and training centre—the Jordanians, somewhat intimidated by their unasked-for acquisition of vast swathes of Palestine, perhaps saw the town as a less threatening alternative to Jerusalem. Political parties were banned—according to Jordanian police records, Ramallah was a focal point for the Palestinian Communist Party—and loyalists promoted as mayors or local dignitaries.[10] The city's most visible legacy of two decades of Jordanian rule was the famous circular statue of five lions, supposedly representing the five Haddadeen families from al-Karak, which still stands in the centre of Manara Square. Yet the region was not insulated from the Arab nationalist energies of the time. The 1960s also saw the development of a junior college in Birzeit, a village just a few miles north of Ramallah, which would eventually turn it into a university town. Prior to 1967, Birzeit attracted students from Jordan, Syria and Lebanon as well as Palestine. 'In those days Birzeit College was bursting with dynamic energy', recalled a student from Ramallah who attended in the early 60s:

> Inside and outside the classroom the campus was permeated with political activities—Nasserist (mostly), Hashimite, Communist, Nationalist (Movement of Arab Nationalists), Syrian Nationalist, and Ba'thist. The latter tendency was encouraged by the fact that Birzeit village, where the old campus was located, was a hothead of Ba'thist politics. Our readings then consisted of Marx, Lenin, Maxim Gorky, Sati al-Husary (*Yawm Maysalun*), Laila Ba'albaki, and Colin Wilson. Existentialism had newly arrived in the Arab world, thanks to the writings of Suhail Idris and *al-Adab* literary journal, and many students of the left either had Sartrean tendencies or were *aficionados* of Colin Wilson, whose *The Outsider* (*al-La Muntami*) became the Bible of a whole generation in the 1960s . . .[11]

In 1967, Ramallah came under direct Israeli military rule for the first time, as the IDF takeover extended across the West Bank. Ensconced

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[10] See Amnon Cohen, *Political Parties in the West Bank Under the Jordanian Regime, 1949–1967*, Ithaca, NY 1982, which draws heavily on Jordanian security sources. Joel Beinin described the book as one in which 'the boundary between scholarship and police work has been all but obliterated': Beinin, 'Cohen, Political Parties in the West Bank Under the Jordanian Regime, 1949–1967', *Middle East Report*, no. 115, 1983.

[11] Salim Tamari, 'Pilgrimage to Shaikh Qatrawani', in Ida Audeh, ed., *Birzeit University: The Story of a National Institution*, Birzeit 2010, pp. 20–1. Founded as a girls' school in 1924 in the summer residence of a Christian Palestinian clergyman, Rev. Hanna Nasir, Birzeit College was developed in the 1960s by the Nasir family and colleagues in conjunction with the American University of Beirut.

in the Muqata, with security reinforced by vast military bases on both sides of town, Israeli control was now felt and seen as never before. The Military Governor issued a string of arbitrary diktats justifying arrests, curfews, interrogation, land grabs, home demolitions, farming restrictions, the deportation of Palestinian professionals and scholars, censorship of the press. Israeli troops responded to protests against the Occupation with tear gas and live fire. With IDF backing, small groups of ultra-Zionist settlers established footholds in the region, often in proximity to the military zones: Dolev, Beit El, Ofra, Beit Horon and Giv'at Ze'ev, named after Jabotinsky.[12] Paradoxically, while Jordanian rule had framed Ramallah and its environs as a denationalized region of the greater Arab world, the effect of Israeli occupation was to intensify Palestinian national feeling. The PLO, exiled to Jordan, then Beirut and finally—after Ariel Sharon's invasion of Lebanon in 1982—to Tunis, organized ties within the Palestinian diaspora through networks of economic obligation, taxes, political activism and resistance. While actual Palestinian territory was shrinking, national consciousness grew. Material support from wealthy Palestinians in the US, Jordan and the Gulf helped the liberation movement to develop a kind of capitalist nationalism.[13] Through links with this expanding diaspora, places in Palestine became nodes in a larger geographic imaginary—sites to which the exiles usually could not return, but with which they identified all the more strongly.

Partly because of Birzeit, which now developed into a national co-ed university—drawing students from across the West Bank and Gaza, and from a relatively wide range of backgrounds: cities, rural areas, refugee camps—Ramallah came to occupy a special place in this imaginary, endowed with a particular aura of cultural resistance. It became a destination, in a way that other major West Bank cities, like Nablus and Hebron, were not. In contrast to earlier modes of scholarship, Birzeit geographers, anthropologists and archaeologists organized student field trips to explore the physical and cultural landscape of Palestine,

[12] As early as 1977, the detailed plan drawn up by Ariel Sharon and Avraham Wachman envisaged over a hundred points for settlements, large and small, straddling the mountain ridges of the West Bank and connected to each other, and to the main Israeli cities, by a network of new roads: Eyal Weizman, *Hollow Land: Israel's Architecture of Occupation*, London and New York [2007] 2017, pp. 80–1.

[13] Adam Hanieh, 'The Internationalization of Gulf Capital and Palestinian Class Formation', *Capital & Class*, vol. 35, no. 1, 2010; Yezid Sayigh, *Armed Struggle and the Search for State: The Palestinian National Movement, 1949–1993*, Oxford 1999; Pamela Ann Smith, *Palestine and the Palestinians 1876–1983*, New York 1984.

from the Syrian border to the Gulf of Aqaba, aiming at a comprehensive social geography. Music, song and theatre were all renewed.[14] Student politics paralleled national developments: leftists controlling the Student Council during the 1970s, Fatah in the 1980s, with increasing Islamist and Hamas presence in the 90s.[15]

Ramallah was an important site of resistance during the First Intifada, the late-80s uprising that began as a rebellion against Rabin's 'Iron Fist' policy of collective punishment. When the Amari refugee camp was locked down by the IDF, Ramallah shopkeepers helped smuggle provisions past the besieging forces. Villagers rallied in the same spirit to support the refugees in the Jalazone camp.[16] With the University closed down by Israeli forces for months, then years on end, faculty and students became adept at finding meeting places in the town for 'illegal education' classes. One student militant recalled the days spent waiting with the families of detainees outside the Israeli military headquarters, hoping for news, or to catch a glimpse of the young prisoners inside.[17] The Intifada—and nightly TV footage of Israeli tanks pitted against stone-throwing Palestinian teenagers, in parallel with the simultaneous crack down by South African security forces on anti-apartheid protesters in Soweto—put Israel under heavy international pressure to reach an accommodation with its Palestinian subjects. Rather than negotiate with the new leadership emerging from within the Occupied Territories, Israeli officials preferred to deal with Arafat, isolated in Tunis and anxious to retain his authority within the national movement. Secret talks resulted in the much-trumpeted Oslo Accords, announced from the White House lawn in 1993.

Ramallah after Oslo

A quarter of a century on, it's easy to see Oslo for what it was: a 'Palestinian Versailles', in Edward Said's famous phrase—unconditional surrender,

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[14] Kamal Abdulfattah, 'Exploring the Palestinian Landscape', in Audeh, ed., *Birzeit University*, p. 40; Yara El-Ghadban and Kiven Strom, 'The Ghosts of Resistance: Dispatches from Palestinian Art and Music', in Moslih Kanaaneh et al., eds. *Palestinian Music and Song Expression since 1900*, Bloomington, IN 2013.

[15] Ghassan Khatib, 'Snapshots of the Student Movement', Audeh, ed., *Birzeit University*, pp. 85–6.

[16] Taraki, 'Enclave Metropolis'.

[17] Penny Johnson, 'The Art of Waiting: Birzeit's Prisoners Committee in the 1980s', in Audeh, ed., *Birzeit University*, p. 60.

replete with the 'grotesque, degrading spectacle of Yasser Arafat thanking everyone for the suspension of most of his people's rights', and 'the fatuous solemnity of Bill Clinton's performance, like a 20th-century Roman emperor shepherding two vassal kings through rituals of reconciliation and obeisance', all of which could only temporarily obscure 'the truly astonishing proportions of the Palestinian capitulation.'[18] Though many diaspora Palestinians at the time were happy and hopeful that Oslo meant not only a 'solution', but an opportunity to return, Said was right to emphasize that it entailed the dissolution of ties between 'inside' and 'outside' Palestine, the geographical, cultural and class fragmentation of the national movement. Far from constituting a rupture or a moment of liberation, Oslo was the culmination of one phase of the Israeli occupation and the beginning of another.

Oslo shifted the official centre of gravity of the Palestinian struggle 'inside', with Ramallah as its administrative headquarters. Though a layer of Palestinian intelligence and security operatives, bureaucrats and businessmen, politicians and media hacks would do spectacularly well under its auspices, the majority of Palestinians would be permanently locked 'outside' by Oslo, with scant representation or right of return—over 6 million today, compared to 4.5 million 'inside', according to the Palestinian Central Bureau of Statistics.[19] The Oslo framework established a transitional Palestinian Authority, supposedly for five years—it is still with us—and opened the way for expanded forms of diasporic social and financial capital to circulate. In security terms, it allocated *de jure* control over urban areas ('Area A') to the PA, while the countryside, including village farmers' lands and the road system, remained under Israeli military command ('Area C', the vast majority of the West Bank), along with some village districts designated 'Area B'. These boundaries built upon earlier Israeli plans, such as the 'blue lines' pencilled round villages in the 1970s and 80s to restrict development. Arafat had, notoriously, arrived at the peace talks without any maps.

The PLO leadership initially returned in 1994 to Gaza, where Arafat began appointing his own people to leading positions in the administrative and security forces, installing himself as chairman of the financial

[18] And that's just in the first paragraph. Edward Said, 'The Morning After', LRB, 21 October 1993.

[19] See the Palestinian Central Bureau of Statistics' estimates for Palestinians in the world by country of residence (2010).

vehicle created by the World Bank to funnel loans to the PA.[20] In late 1995 the IDF pulled back from West Bank towns, and Arafat set off on a victory lap of the region, hailing the liberation of one Palestinian city after another, before ensconcing himself with his security and intelligence forces in Ramallah's Muqata. Even before the victory tour was over, the IDF was deepening its control of the countryside, expropriating village fields and orchards for the use of Israeli settlements and roads. In the vicinity of Ramallah alone, Beitunia, a town of 20,000 two miles to its west, saw 80 per cent of its land classified as 'Area C' and confiscated by the Israeli military for the Beit Horon and Giv'at Ze'ev settlements after 1995. Dura al Qar, 4 miles north-east of Ramallah, had three-quarters of its land denoted 'Area C' and expropriated by the IDF for the Beit El settlement and by-pass road building. The same thing happened after 1995 to the villages of Deir Izti and al-Janiya, whose 'Area C' land was allocated by IDF command to the settlement at Dolev.[21]

Economically, the blow of losing ancestral farming lands fell all the harder because Oslo and the IDF-mandated road closures that followed put a stop to Palestinian wage labour in Israel, a major outcome of the 1967 Occupation.[22] Thus while Ramallah experienced a post-Oslo boom, as NGOs, bureaucrats, hangers-on, construction companies and credit poured into the town—the governorate's population rose to 213,000 by 1997—most of the West Bank was suffering from high unemployment and economic contraction.[23] Ramallah's construction boom was further fuelled by Arafat's reckless liberalization of property laws and zoning

[20] Between 1995 and 2000, Arafat's inner circle salted away nearly $1 billion: IMF, 'West Bank and Gaza: Economic Performance and Reform under Conflict Conditions', Washington, DC, 2003, p. 91.

[21] The number of settlers across the West Bank as a whole actually doubled in the decade that followed Israel's pledge at Oslo to halt the settlement process, rising from 100,000 in 1992 to 200,000 in 2002; it passed the quarter-million mark by 2006. See Weizman, *Hollow Land*, p. 125.

[22] Israel had used road closures—'denial of privileges'—and a strict travel-permit system as a means of exercising control over the West Bank since 1967. But in the post-Oslo years this developed into a new IDF security strategy concentrated on the road networks: choking off exits to villages and towns rather than penetrating inside them. Some 230 checkpoints were installed between 1994 and 1999: Weizman, *Hollow Land*, p. 143.

[23] Between 1969 and 1992, the average unemployment rate in the occupied territories was less than 3 per cent; from 1994 to 2016, it was almost 23 per cent. See UNCTAD, 'Developments in the Economy of the Occupied Palestinian Territory', September 2017, p. 15.

regulations. Speculative developers were allowed to throw up multi-storey buildings and sell off individual flats. The city skyline was transformed in a matter of years: from a patchwork of old stone houses, self-builds, minarets and flat-roofed apartments to rashes of identical white blocks.[24] The bitterness caused by this type of uneven development—and the contradiction between supposed 'liberation' and the deepening mechanisms of IDF occupation and constrictions on everyday life—contributed to rapid disillusionment with the Oslo process.

If the First Intifada was a Palestinian uprising against military occupation, the Second is better characterized as asymmetrical warfare, initiated by Israel—Ariel Sharon's performance at the Dome of the Rock in Jerusalem in September 2000, which the PA tried desperately to prevent—to advance its own interpretation of the Oslo Accords, under the capacious umbrella of the US 'war on terror'. The IDF now launched aerial and artillery attacks on the civilian population centres of 'Area A' with complete impunity. Much of Arafat's compound at the Muqata was reduced to rubble by Israeli shelling and bulldozers; international activists and TV crews visited him among the ruins. One observer described the scene of devastation in the vicinity of the Muqata after the onslaught: 'Tank shells have blown away stairwells and adjoining corridors. Black "presidential" limousines and jeeps are rusting hulks, crushed by bulldozers.'[25] For Ramallah, as for the rest of the West Bank and Gaza, the Second Intifada brought a near-total lock-down, with the arbitrary imposition of road blocks, curfews, travel restrictions, school closures, though it also produced extraordinary forms of social solidarity. Azmi Bishara has described the evolution of the IDF roadblocks and checkpoints: first, oil drums filled with stones, then with concrete; later, red-and-white plastic barriers reinforced by concrete cubes, then adorned with barbed-wire coils, steel watchtowers for the soldiers added.[26]

Israel announced its Separation Wall project in 2002, its construction—concrete slabs, electric fences, massed rolls of barbed wire, radar,

[24] Taraki, 'Enclave Metropolis'. Taraki points out that there is no real equivalent in Palestine to the Arab super-rich: the showiest new-built villas in Ramallah would count as lower-middle-class McMansions in the Gulf.

[25] Graham Usher, 'Facing Defeat: The Intifada Two Years On', *Journal of Palestine Studies*, vol. 33, no. 2, winter 2003.

[26] Azmi Bishara, *Checkpoints: Fragments of a Story*, Tel Aviv 2006, p. 17, cited in Weizman, *Hollow Land*, p. 148.

cameras, observation posts—grinding remorselessly forward over the next five years, despite legal challenges and popular protests.[27] The Wall butts up against the southern edge of Ramallah, a barrier between the town and the old Jerusalem Airport, slicing the peripheral district of Um al-Sharyet from the Jerusalem suburbs. Five miles southeast of Ramallah, Biddu and its neighbouring villages are surrounded on three sides by the barrier, behind which loom encroaching Israeli settlements. In 2004 the Baruch Spiegel plan, commissioned by Sharon, spelled out proposals for twelve 'closure checkpoints' in the Wall to control Palestinians' ability to exit. The notorious Qalandia checkpoint between Ramallah and Jerusalem opened in its present form in 2005. Long metal cages, funnel travellers through a complex series of automatic turnstiles, metal detectors, passport inspection booths, x-rays and luggage checks, operated by Israeli security personnel behind bullet-proof glass. Many of those who have to cross Qalandia everyday are East Jerusalemites, now 'behind the Wall', who need to go through the whole palaver of the checkpoint simply to get to other parts of their own city. With long queues, the process can take hours, or the checkpoint may simply be shut for some arbitrary reason—Jewish holidays, sporting events, security alerts.

From the rubble

The siege of Ramallah, and the appointment of new, pro-Western leaders to head the Palestinian Authority after Arafat's sudden death in 2004, opened the way for a new era of international aid for the city, with a clear socio-economic programme. As the artist and geographer Samir Harb pointed out, the municipality's first act was to sandblast political graffiti from Al-Manara Square, consigning the rebellion to the past. The commercial and urban character of the city underwent a change, with a significant turnover in storefronts. Businesses that catered to everyday subsistence increasingly left storefronts for street corners and markets. In 2007 a Paris conference pledged $7.7 billion in aid, nearly 80 per cent of it from the US and EU, the rest from Arab states, to be channeled through Ramallah, the PA's ersatz capital.[28] This was not about promoting democracy in the Arab world, but thwarting it. In the first Palestinian Legislative Council elections, held in 2006, Hamas had won 54 per cent of the seats, despite a massive campaign of bribes and threats from the

[27] Weizman, *Hollow Land*, pp. 161–3.

[28] Shir Hever, *The Economy of the Occupation: A Socioeconomic Bulletin*, Alternative Information Centre, November 2008, pp. 23, 43.

'international community' in favour of Fatah, now led by Mahmoud Abbas.[29] In Ramallah, four of the city's five seats went to Hamas. The vote was as much a popular revolt against the greed and corruption of the Palestinian Authority under Fatah control as it was a protest against the realities of the Oslo 'peace process', which Hamas had always opposed. The reaction of the US and EU was to boost the presidential office of Abbas—the Muqata in Ramallah was rebuilt from scratch, at vast expense—and withhold aid from the elected Legislative Council.

The name of Salam Fayyad—Prime Minister in Abbas's extra-constitutional 'emergency government', established by presidential decree in 2007 to sideline the Legislative Council—is closely associated with the new Ramallah. American educated, Fayyad had served as a World Bank and IMF official. His economic agenda emphasized 'market logic', though financed by international-aid agencies: privatizations, large-scale construction projects, an exponential increase in building permits and sub-prime mortgages administered by NGOs. The result was a simulacrum of an autonomous economy with a burgeoning financial sector, inside a self-governed administrative zone that was oddly reminiscent of the Mandate-era Zionist 'state within a state'. Articles in the Israeli and US press marvelled at the city's cosmopolitan ambience: the West Bank's Tel Aviv.[30] Fayyad's promoters in the West included, naturally, the *New York Times*' Thomas Friedman, who enthused about 'Fayyadism' and confided to his readers that the most senior Israeli military people considered Fayyad's new, donor-funded security force 'the real deal'.[31]

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[29] Abbas's chief rival, Marwan Barghouti, a student at Birzeit in the 1980s who played a leading role in the First Intifada, was kidnapped from Ramallah in 2002 by the IDF and has been locked up ever since in an Israeli prison. For the international context of the 2006 Palestinian elections, see Tariq Ali, 'Mid-Point in the Middle East?', NLR 38, March–April 2006.

[30] Avi Issacharaoff, 'Ramadan in Ramallah: Partying in the West Bank's Tel Aviv', *Haaretz*, 1 January 2009; Michael Luongo, 'Ramallah Attracts a Cosmopolitan Crowd', NYT, 3 June 2010.

[31] Thomas Friedman, 'The Real Palestinian Revolution', NYT, 29 June 2010. When the NYT opened its pages to a resident of Ramallah, the true import of such policies came sharply into focus: 'Within my circles, people say that if Israel doesn't arrest you, the PA will. "You think you're safe because you're in Ramallah?' they joke. "The PA is preparing a nice big file on you to turn over to the Israelis." Beneath the black humour is a loathing of the Palestinian Authority, for its complacency over the occupation and its disconnect from the people.' Mariam Barghouti, 'Ramallah's Mean Streets', NYT, 18 December 2014.

The stability of the regime was underwritten by its access to international aid; the same configurations of capital and power that served to increase its longevity also operating to decrease popular capacity for mobilization. The PA is by far the largest employer in Ramallah; altogether, it pays the salaries of around 200,000 Palestinians, of whom 160,000 are in the West Bank, and another 40,000 or so in Gaza. A place on its payroll still does not guarantee security: 'If employees express criticism of PA policies, they are likely to be forced into early retirement, denied salary payments or arbitrarily removed from their posts.'[32] In 2008, about $1.8 billion in foreign aid was channelled into the Occupied Territories, yet four-fifths of the population in Area C, subject to direct Israeli military control, were not receiving enough food. Five years later, just 1 per cent of the PA's budget was devoted to agriculture, compared with 28 per cent for 'security'.[33]

The class structure in Ramallah today crystallized during this period, an ecosystem with 'internationals' at the top, alongside the wealthiest members of the Palestinian diaspora, leading PA officials and their security and intelligence officers; NGO staff, middle-ranking PA employees; the casual labour force of the service and construction sectors; an 'underclass'; and the inhabitants of the neighbouring refugee camps, who—like the surrounding villagers, imprisoned by the blockades of their access roads—are literally excluded from Ramallah. More broadly, Ramallah itself represented the summit of a tripartite economy. The other West Bank cities—Nablus, Jenin, Hebron, Jericho—languish under conditions of chronically high unemployment, low wages and dearth of investment, largely due to crippling restrictions imposed by the occupation regime. Hebron's old city centre has been taken over by 800 hard-line Israeli settlers, protected by a large IDF garrison force. Thousands of Palestinian-owned small businesses have been forced out.[34] Meanwhile Gaza—starved of aid by the US and EU, besieged and

[32] Tariq Dana, 'Corruption in Palestine: A Self-Enforcing System', *Al Shabaka*, 18 August 2015. In addition, Israel regularly withholds Palestinian tax revenues, thereby disrupting salary payments—a simple way to exert an economic squeeze: Adnan Abu Amer, 'PA Trapped by Tax Revenue Freeze', *Al-Monitor*, 24 February 2015.
[33] Shazia Arshad, 'The Economic Mirage in the West Bank—Ramallah', *Middle East Monitor*, 4 May 2014; Ibrahim Shikaki, 'Building a Failed State: Palestine's Governance and Economy Delinked', *Al Shabaka*, 21 April 2015.
[34] Joshua Stacher, 'Hebron, the Occupation's Factory of Hate', *Middle East Report*, vol. 46, no. 2, Summer 2016.

bombarded by Israel—has suffered a disastrous slump. Israeli attacks in 2008–09 and 2014 resulted in thousands of civilian deaths and wholesale destruction of infrastructure.[35] In May–June 2018, over a hundred unarmed protesters in Gaza were killed by the IDF.

By contrast, the political economy of Ramallah has been shaped by forces that have not been possible in other parts of the Occupied Territories: a proliferation of second homes for diaspora Palestinians and of businesses catering to those with stable employment—construction, shopping, four-star hotels and high-end cafes. The jarring moral and aesthetic character of these buildings has received ample critique.[36] The city has also become a refuge for Palestinians forced out of Jaffa, Jerusalem and elsewhere, by means that are sometimes crudely violent and, at others, grindingly bureaucratic. For the diaspora, as Ghada Karmi has written, Ramallah may not be 'home', but it is still 'an Arab place'.[37] Its new bourgeoisie has helped to channel resources into the private sector, its for-profit enterprises supported by development aid. The ensuing prosperity is a bubble of sorts, but it answers to a political, not an economic logic. As long as the Ramallah economy is backed by infusions of international capital in the form of more-or-less direct investment, loan guarantees or wages, it can be sustained. It's rare these days to see Israeli military vehicles inside Ramallah, or Palestinian Preventative Security Forces massing at night in their balaclavas. These were regular occurrences not that long ago, and their absence implies increased hegemony. Today, intertwined cultural, political and geo-spatial changes are massive—physical space is rapidly being built up.

During the global financial crisis, while the US was struggling with foreclosures, home loans in Ramallah were proliferating. An emergent managerial class, increasingly using debt to maintain its quality of life, became the target market for new forms of credit, as NGOs and international-aid organizations created mortgage-loan facilities on behalf of overseas financial institutions. Until quite recently, long-term loans have been a rarity for Palestinians—with good reason, given the history

[35] The PA's security apparatus kept a tight leash on protests against 'Operation Cast Lead' in Ramallah: when a Fatah supporter raised a Hamas flag in a gesture of solidarity, he was immediately arrested: Robert Blecher, 'Operation Cast Lead in the West Bank', *Journal of Palestine Studies*, vol. 38, no. 3, spring 2009.

[36] Raja Shehadeh, *Occupation Diaries*, New York 2012.

[37] Ghada Karmi, *Return: A Palestinian Memoir*, London and New York 2015.

of asset-appropriations there—and banks are loath to lend mortgages, tying people either to family homes, rentals or personal obligations. In addition, land tenure in the region is complicated: plots of land may be held collectively and, without clear title, can't be used as collateral; different legislative regimes apply, from the Ottoman era and the period of Jordanian rule to the fragmented power structures of the modern West Bank. But now, thanks to international loan mechanisms and new laws on tenure and foreclosure, the Ramallah middle class is increasingly financing its purchases through debt. Available credit surged from about $300 million shortly after Oslo to $5 billion in 2015.[38] New apartment blocks sprouted across the city.

Land prices around Ramallah have been subject to insane levels of inflation: by 2012, a *dunum* (just over 1,000 square yards) within the city boundaries cost $1 million, and year-on-year increases averaged 10 per cent.[39] The scarcity of available land, due to Israeli restrictions and Oslo land categories, has contributed to a tight market and, conversely, clear opportunities for speculative gain. The PA, the international agencies and the private construction and real-estate sector are working hand-in-glove to push through large-scale new developments, which claim to meet housing needs. These projects physically anchor political-economic transformations in altered landscapes, offering ordinary Palestinians a vision for the future and setting precedents for investment yet to come.

City on a hill

The largest and most spectacular of these new developments is Rawabi, an almost empty city of luxury flats situated on a rocky hill-top a few miles north of Birzeit, in 'Area A'. Built to house 40,000, it has a few dozen families at present. Here, the political-economic logic of the Ramallah regime has been engraved upon the landscape. Rawabi's chief promoter, Bashar al-Masri, likes to claim the project is a form of resistance to Israeli occupation. Certainly the resources, the land and the political capital marshalled there are unprecedented. The highest levels of the Palestinian Authority have been in continuous negotiation with the Israeli government over its specifics, its road, its water hook-up

[38] Figures from the Palestinian Monetary Authority, available online.
[39] Abu Kamish in Tawfiq Haddad, *Palestine Ltd*, London 2016.

and so on, since the project was launched in 2008. The developers had gone all over the world trying to find the land's legal owners among the Palestinian diaspora, travelling to Beirut, Amman, Dearborn, Santiago, and wherever else. Eventually the PA stepped in to overcome the problem of land titling with a generous grant of eminent domain that tied the site footprint together. Typically, eminent domain must meet 'the public good'. This was the first time the Palestinian government had done it for a private entity.

As a result, a large, consolidated area has clear title, the apartments can be used as collateral, and the mortgage market has a base. The Palestinian Land Authority set up a fund to make pay-outs to residents who had their land seized, basing the compensation awards on price valuations from the area before the project was inaugurated. Owners had two choices: they could take the money, or they could fight. Either way, their plot had already been bulldozed. The developers were also granted another 1,500 acres surrounding the site, where they will control planning approvals and provide services. Despite the architectural resemblance—Rawabi looms from the hilltop—it would be mistaken to regard it as a 'Palestinian settlement' or a break with Palestinian history. On the contrary, Rawabi is a natural extension of Ramallah's development: foreign investment first seeded the outskirts of the city with apartment blocks, growing new suburbs; now it is penetrating further into 'Area A', opening up new swathes of the areas under the PA's control in the West Bank. Developments like Rawabi reveal the extent to which 'Palestine' is being compressed, on the ground and in the imagination, into Ramallah and its satellites.

Rawabi's progress has been slow, its costs now double or triple original estimates, due not least to the Israelis' withholding water from it. But given the scale of international political backing, it may not matter if it succeeds or fails. Fixed capital here is a way to bring more capital into circulation through debt and investment, with state backing minimizing the risk for capitalist investors. The project serves to produce stability and certainty in terms of markets and political forms, wholly subsumed within Israel. Originally the developers tried to market the apartments to internal migrants, so that Rawabi wouldn't be a 'ghost town'. More recently, according to an Israeli news report, it has been targeting the diaspora. The report featured a Palestinian family who had banded together from across the world to invest in a Rawabi

apartment.[40] This new town, and not the old ones they can no longer access, has become their foothold in Palestine, a place they can resettle in the absence of a political right to return. Today, Ramallah is characterized by the expansion of capital and a reciprocal constriction of Palestinian possibilities in every other respect.

Far from being an escape from Israeli domination, modern-day Ramallah is in fact an unmistakable product of the occupation regime and its mutations since the Oslo agreement. The city's superficial prosperity is entirely dependent on the whims of Israel and its Western backers, who keep the Palestinian Authority afloat with a stream of donations as long as it clamps down ruthlessly on all forms of resistance. The PA has been allowed to set up an ersatz capital in Ramallah as the *quid pro quo* for its role as colonial gendarme, while East Jerusalem, just a few miles away, is cut off from the West Bank by Israel's annexation wall and subjected to ever tighter control. Palestinian collective life has been divided into five main fragments—Gaza, East Jerusalem, the West Bank, the Palestinian citizens of Israel and the diaspora—with the West Bank in turn sliced and diced by the varying modalities of Israeli control. The expensive buildings sprouting in Ramallah are one facet of this regime; the ghost town in the central district of Hebron is another, and should be seen as its necessary complement.

In 2006, Joseph Massad scathingly described the Palestinian 'Green Zone' of Ramallah as 'sheltering, in addition to the intelligence staff of Israel and Israel-friendly Arab countries, those Palestinians who are paid and protected by the Oslo process, whether the Oslo bureaucracy, its technicians, and hired intellectuals, or the business and middle classes recently habituated to the new name-brand consumerism that the Green Zone can offer'.[41] That verdict still holds true today. Palestinian elites work with the Israeli authorities and their Western sponsors to build up a parallel economy and administration centred in Ramallah, which enjoys strictly delimited autonomy but always relies upon the blessing of the dominant regime. It is a zone that Israel controls, but does not have

[40] Rawabi's municipal structure has made it visible in ways developers may not have anticipated: preliminary results of the 2017 Palestinian census show a population of just 710, many of whom I believe to be employees renting directly from the firm. See 'Initial Results of the General Population Census: Housing and Facilities 2017', available (in Arabic) on the website of the Palestinian Central Bureau of Statistics.
[41] Massad, 'Pinochet in Palestine'.

to monitor constantly. As with the stock-market, the debates about the Ramallah 'bubble' are based on future expectations. For authors writing about occupied Palestine, hearing about daily Israeli incursions, it is difficult to see the situation as anything but unstable. But the promiscuity of bubble-talk does little to illuminate the forms of stability—economic, political and social—that exist in the West Bank today. Israel, the PA and its Western donors work to guarantee Israeli security, in part through stabilizing the Palestinian polity in terms of wealth, wages and debt. Ramallah represents one possible Palestinian future that is both foretold and foreclosed.