

**Grassroots Palestinian  
Anti-Apartheid Wall Campaign**

**Towards a Global  
Movement:**

A framework for  
today's anti-apartheid  
activism

June 2007

## **Abstract**

Building and strengthening a global boycott, divestment and sanctions (BDS) movement has become a core aim for many involved in today's solidarity work for Palestine. This report assesses the current state of the BDS movements – within the general context of Palestine solidarity work – and makes recommendations for improvement.

Developing clarity, cohesion and coordination across the numerous local and national initiatives, campaigns and movements from around the world is crucial if solidarity is to be more effective. Our discussion and framework for action explores the central issues pertaining to any BDS strategy and sets out how global activism can have an important role to play in advancing the Palestinian cause and struggle.

Reflections upon previous BDS strategies used to isolate Israel, from within and outside the Middle East, are explored together with a comprehensive study of the campaigns pursued by the anti-apartheid movement against South Africa. An evaluation seeks to learn from past BDS experiences and the implications for Palestine campaign work today.

The findings are addressed to solidarity movements, trade unions and social justice organizations around the world, with the intention of creating stronger global networks and alliances with Palestine at a grassroots and civil society level. Moreover, they build upon the Palestinian Call (2005) for BDS as a means of support for their struggle to obtain freedom and justice.

## CONTENTS

ABBREVIATIONS	v.	
PREFACE	vii.	
1	Boycotts, Divestments and Sanctions (BDS):	
	Building Political and Social Influence	1
1.1	Introduction	1
1.2	Defining BDS	3
1.3	Building a Successful Campaign: The Methodology of Applying Solidarity Work	7
1.4	Strengths and Weaknesses of BDS in Support of the Palestinian Liberation Struggle	10
2	The Arab League Boycott	<b>15</b>
2.1	The Context	15
2.2	Beginning the Boycott: Opposition to Zionism and Israel	16
2.3	Objectives and Priorities	18
2.4	Oslo, Normalization and the Decline of the League Boycott	22
2.5	The Boycott is Grassroots	27
2.6	In Retrospect: Lessons for Today's Solidarity	29
3	The Call to Boycott and Resurgence of Palestinian Civil Society	<b>38</b>
3.1	Historical Overview	38
3.2	The Call	41
3.3	BDS Initiatives	43
4	Apartheid South Africa and Israel	<b>75</b>
4.1	Introduction: South African Liberation	75
4.2	Reflections on BDS Against South African Apartheid: Strategies and Tactics	85
4.3	Israel and Apartheid South Africa: Making Comparisons and Distinctions in Solidarity Work	107
4.4	Solidarity Work Today: Learning from the South African Struggle	126

5	Building the BDS Movement: Where Next for Global Solidarity?	<b>129</b>
5.1	The Internal Boycott	129
5.2	A Global Boycott: Can it Work?	137
5.3	Turning the Tide: Media and Popular Opinion	155
5.4	Concluding Remarks for a BDS movement	161
	<b>APPENDIX</b>	<b>163</b>

## ABBREVIATIONS

Anti-Apartheid Movement (AAM)  
 African National Congress (ANC)  
 All Africa Council of Churches (AACC)  
 American Committee on Africa (ACOA)  
 American Federation of Labour and Congress of Industrial Organizations (AFL-CIO)  
 Auto- ja Kujetyösalan Työntekijäliitto (AKT) – *Finnish Transport Union*  
 Arab Inter-Parliamentary Union (AIPU)  
 Architects and Planners for Justice in Palestine (APJP)  
 Association of University Teachers (AUT)  
 Azanian People's Organization (AZAPO)  
 Black Consciousness (BC)  
 Black Local Authorities (BLA)  
 Boycotts, Divestments and Sanctions (BDS)  
 Canadian Union of Public Employees (CUPE)  
 Central Boycott Office (CBO)  
 Central Única dos Trabalhadores (CUT) – *United Workers Centre*  
 Coalition on Southern Africa (COSA)  
 Committee to Oppose Bank Loans to South Africa (COBLSA)  
 Congress of South African Trade Unions (COSATU)  
 Convention for a Democratic South Africa (CODESA)  
 Cradock Residents Association (CRADORA)  
 European-American Banking Corporation (EABC)  
 European Coordinating Committee for Palestine (ECCP)  
 Equal Opportunity Fund (EOF)  
 European Social Forum (ESF)  
 European Union (EU)  
 Fédération Internationale de Football Association (FIFA) – *International Federation of Association Football*  
 Football Association of South Africa (FASA)  
 Foreign Direct Investment (FDI)  
 Free Trade Agreement (FTA)  
 Frente de Libertação de Moçambique (FRELIMO) – *Front for the Liberation of Mozambique*  
 Greek Cinematography Centre (GCC)  
 Gross Domestic Product (GDP)  
 Global Palestine Solidarity (GPS)  
 Irish Distributive and Administrative Trade Union (IDATU)  
 Industrial Development Corporation (IDC)  
 International Cricket Council (ICC)  
 International Monetary Fund (IMF)  
 International Olympic Committee (IOC)  
 Investor Responsibility Research Centre (IRRC)  
 Israel Defense Forces (IDF)  
 Israeli Lands Administration (ILA)  
 Israel Lands Council (ILC)  
 International Transport Workers' Federation (ITF)

Janes Defence Weekly (JDW)  
 Jewish National Fund (JNF)  
 Joint Business Ventures (JVs)  
 Mass Democratic Movement (MDM)  
 Mercosur – Mercado Común del Sur – *Southern Common Market*  
 Movimento dos Trabalhadores Rurais Sem Terra (MST) – *Landless Workers Movement*  
 Non-Aligned Movement (NAM)  
 National Association of Teachers in Further and Higher Education (NATFHE)  
 National Democratic Revolution (NDR)  
 National Forum (NF)  
 National Union of Metalworkers (NUMSA)  
 National Union of Students (NUS)  
 Organization of the Petroleum Exporting Countries (OPEC)  
 Palestinian Liberation Organization (PLO)  
 Palestinian National Authority (PNA)  
 Public Interest Lawyers (PIL)  
 Qualifying Industrial Zones (QIZ)  
 Research and Development (R&D)  
 Structural Adjustment Programmes (SAPs)  
 Securities and Exchange Commission (SEC)  
 South Africa Communist Party (SACP)  
 South African Congress of Sports (SACOS)  
 South African Indian Congress (SAIC)  
 Stop US tax-funded aid to Israel now! (SUSTAIN)  
 The Association of University of Wisconsin Professionals (TAUWP)  
 Umkhonto We Sizwe (MK) – *Spear of the Nation*  
 University and College Lecturers' Union (UCU).  
 Unilateral Declaration of Independence (UDI)  
 Union of European Football Associations (UEFA)  
 United Democratic Front (UDF)  
 United Nations (UN)  
 United Nations Educational, Scientific and Cultural Organization (UNESCO)  
 União Nacional para a Independência total de Angola (UNITA) – *National Union for the Total Independence of Angola*  
 United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)  
 United Nations Security Council (UNSC)  
 West Bank and Gaza Strip (WBGS)  
 World Council of Churches (WCC)  
 World Social Forum (WSF)  
 World Summit on the Information Society (WSIS)  
 World Trade Organization (WTO)  
 Zimbabwe African National Union (ZANU)  
 Zimbabwe African People's Union (ZAPU)

## Preface

“This is the major danger I see facing the black community at the present moment – to be so conditioned by the system as to make even our most well-considered resistance to fit within the system [of Bantustans] both in terms of the means and the goals.”

*Steve Biko, Fragmentation of the Black Resistance in: I Write What I Like, p.36, Bowerdean press 1978*

Sprawling to the north of Johannesburg, South Africa lies the township of Alexandria. Surrounding the dusty asphalt roads are thousands of shacks squeezed together, home to communities struggling to access basic services and resources.

During my visit to South Africa in 2002, as part of the Palestinian delegation to the World Summit on Sustainable Development, I walked the streets of Alexandria. Out of the stark poverty I felt the warmth and collective dignity of struggle of those communities, a feeling I retained as our delegation embarked on the road to Sandton, the neighbouring elite suburb. In the glinting glass facades of business centers and shopping malls, just a few miles from the township, was another world. The disparity heightened the sense of injustice and that the wealth and luxury enjoyed by the few had been stolen from the millions living in the disadvantaged communities of South Africa.

It is the legacy of South Africa’s supremacist regime that helps you in comprehending what oppression and racism means. It gave me a word to describe what’s going on in Palestine. Apartheid. Did you ever try to match the skyline of Tel Aviv with life in the refugee camps of Tulkarem, just some 15 km away?

The close solidarity between the Palestinian Liberation Organization and the South African liberation struggle, as well as on the other hand the continuous ties between Israel and the South African apartheid regime, underscore the links between experiences of oppression. All but 13% of the land of the indigenous peoples was taken over on the basis of God’s “promises” (ironically the same percentage of land the Israeli Occupation wants to reduce our people to). In South Africa apartheid was overcome by decades of internal struggle and sacrifice, supported by the isolation imposed on the apartheid regime from other parts of the world. Yet in Palestine, we still face some of the worst excesses of such racist logic while the international community maintains support for Israel: militarily, economically and politically.

Coming back from Johannesburg to Jerusalem, I faced the first stages in the building of the Wall, the 8-meter high cement construction designed to mark the outer limits of our Bantustans. Together with its gates and terminals – and interlinked with an apartheid road system – the Wall gave visible shape to the Israeli policy that has killed during this *intifada* alone almost 4000 Palestinians, injured tens of thousands and destroyed some 7000 homes. It has culminated in hundreds of thousands of trees being uprooted; large tracts of our agricultural fields devastated and further theft of our water resources.

When we formed the grassroots Campaign and called the Wall an *Apartheid* Wall, we knew what we were talking about and what we had to ask the world. However, this meant changing discourse and perception globally. It was almost 10 years after the signing of the Oslo agreements which had created a global illusion that the region was on the path to peace. Instead, it was in the glow and euphoria of Oslo that Israel continued to build settlements on our land while the small areas of self-rule negotiated for an initial step towards the Palestinian state turned into disparate ghettos. Palestinians have felt how this process worked to fragment our society, put pressures upon us to renounce the rights of the refugees and to set aside our principles of justice. A revolutionary struggle for liberation, self-determination and equality was to be turned into a meaningless border dispute while the cement walls lay down the de facto limits of our Bantustans, destroying even the possibility of a two state solution.

The outbreak of the second Intifada brought us back to the fact that our struggle remains a struggle against colonialism, racism and expulsion. It has never been easy to generate a shift in external understanding and discourse, to the roots and reality of our struggle. Even among the solidarity activists and groups, many weren't initially prepared to share our perceptions and hoped to convince us to make more "conventional claims". When we first launched the call for Boycott, Divestment and Sanctions (BDS) the day the International Court of Justice ruled the Wall to be torn down, it seemed impossible that such a call based on the apartheid analysis and experiences of previous global solidarity movements, would be taken up so quickly among such a large number of organizations all around the world.

However, when within a year Palestinian organizations rallied to join their forces to launch on July 9 2005 the unified Palestinian BDS call, the collective efforts spread it immediately all over the world, with anti-apartheid campaigners from the years of South Africa solidarity joining to contribute with their experiences. Global boycott activism has indicated to many Palestinians that the world's view on our struggle might finally have changed.

We have already reached a point where outstanding successes have been achieved and action has become so widespread that we all have to respond to the crucial question of coordination and synergy. We need to find ways to refine the tactics and strategies needed to ensure that the movement in all its diversity is rooted in the principles of justice.

This is why we initiated comprehensive efforts of research about the current BDS movement for Palestine as well as analyses of past BDS experiences. One outcome of that work is this report, which we hope supports and strengthens existing solidarity work, encourages those who feel disempowered and convinces hesitant individuals and groups of the need for BDS activities.

To ensure dissemination of information as widely as possible and to provide concrete tools of interaction among the different BDS activists, a new website is under creation as an open space for the BDS movements. Like the emerging BDS movement itself, the site is a work in progress to be animated by all individuals and groups. You can participate in this initiative at [www.bdsmovement.net](http://www.bdsmovement.net).

I want to thank all those that have contributed to the compilation of this report via our questionnaire or with research, information, comment and proof reading. Without you this report would have never been realized. Your contribution and criticism give our work the strength of a collective effort and hopefully make it a valuable tool for BDS movements across the world.

# **1: Boycotts, Divestments and Sanctions (BDS): Building Political & Social Influence**

## **1.1 Introduction**

## **1.2 Defining BDS**

## **1.3 Building a Successful Campaign: The Methodology of Applying Solidarity Work**

## **1.4 Strengths and Weaknesses of BDS in Support of the Palestinian Liberation Struggle**

## **1.1 Introduction**

Boycotts, Divestment and Sanctions (popularly known as BDS) have gained currency over the last few years as a series of strategies used against Israel in the pursuit of justice for Palestinians. Reminiscent of the global anti-apartheid movement against South Africa, various BDS initiatives have emerged within a loose coalition of social movements, trade unions, churches, civil society groups and activists. Even in the infancy of a BDS movement there have already been notable successes, an optimistic sign for the potential of such campaigns to achieve a stronger political and social impact in the future.

Yet in the initial achievements of BDS work, many of which have taken on a high media profile, uncertainty and ambiguity have emerged. As campaigners and activists engaged in these initiatives, important questions and issues began to surface relating to the nature and purpose of today's Palestinian solidarity movements.

These centre on the exact goals, priorities and aims of BDS. Are the major objectives defined? Is the oft-cited model of the global anti-apartheid movement against South Africa really suitable as a basis for today's BDS activism? At what point should campaigners claim victory and conclude their Palestinian solidarity work? How is the Palestinian struggle woven into the fabric of wider social and political struggles, requiring a broad transformation?

Moreover, given the loose alliance and relations of global BDS initiatives, should greater coordination be developed? Or are movements most effective when left diffused to pursue a variety of efforts and aims? If there was to be a stronger coordination within BDS campaigns, what sort of structure should it take and how might activists converge

upon a concrete set of targets? And finally how can BDS initiatives have more impact and attain concrete results in support of the Palestinian struggle?

Such questions strike at the heart of a wider debate over social and political activism. In a climate where the traditional methods of political party structure are widely accepted as being in a state of crisis, the role of new collective organizing and grassroots movements has been significantly elevated. By and large, it is currently the solidarity and other social movements that are instigating BDS activity through a bottom-up process.\*

This report explores crucial issues pertaining to solidarity work in order to increase the efficacy of BDS movements in accordance with the goals set out by Palestinians in their calls. We describe the challenges for solidarity movements and suggest various measures by which activists can look to increase the impact of their efforts. This is built from a thorough exploration of present and past BDS strategies to isolate Israel, as well as an evaluation of South African experiences and how these can be useful in shaping today's work. An analysis of the Arab League boycott highlights the strengths and drawbacks of strategies pursued by League states and promoted by what became increasingly authoritarian governments. We compare this to the reinvigoration of the call to boycott Israel in the Middle East, driven from below in recent years, and coming at a time when the majority of states and leaders in the region pursue normalization with the occupation.

In assessing the tasks that lie ahead, this report is based upon the participation and feedback from various campaigns and individuals pursuing BDS research and activities. Our conclusions for building a BDS movement that can achieve global significance are hinged upon clarifying the aims and objectives of such work. We consider what kind of "peace" solidarity activism should struggle for, and the extent to which campaign efforts are based upon anti-apartheid and anti-racist struggles. This requires analyzing solidarity groups who view BDS as a mechanism in pressuring Israel to withdraw to 1967 borders, but not as a means to secure the rights of refugees or challenge the discrimination faced by Palestinians living with Israeli citizenship. Developing commonalities across global solidarity can ensure that initiatives, campaigns and actions do not form disparate events, but contribute to an ever-stronger discourse and movement. We suggest that only then can international support for Palestine begin to make a serious contribution to securing Palestinian rights.

We begin by defining boycott, divestment and sanctions, how they work, and what strengths and weaknesses they present to the outside world for effective solidarity work.

---

\* Norway's Socialist Party being the exception of a political party in government active in promoting a boycott along with a handful of trade unions most notably in Canada, the UK, Norway and South Africa.

## 1.2 Defining BDS

### *Boycott*

The term “boycott” originates from the story of Captain Charles Boycott, an Englishman who served as the agent for an absentee landlord in Ireland during the 19th century. Boycott’s tenants considered him to be a particularly cruel landlord. He refused to lower rents in difficult times and dispossessed tenant farmers who failed to pay. In 1880, the tenants, encouraged by the Irish Land League, organized a campaign to isolate him. The local community was mobilized into ending contacts with the Boycott household. As the actions garnered the support of the community, servants and farmhands deserted the Boycott family, deliveries of mail were halted, and Boycott was unable to carry out transactions in local stores. After his crops failed he fled back to England where his plight had already captured the attention of the media. Subsequently, his name became synonymous with ostracism and the story became immortalized in the English language with the verb “to boycott”.

A multitude of boycott initiatives have since emerged in grassroots, civil activism and in struggles for social and political objectives. Grape workers in California were able to unionize after the successful solidarity efforts of a broad consumer boycott pushed managers and owners into making concessions.<sup>1</sup> In December 1957, 50,000 African Americans walked off city buses in Montgomery in the US during their civil rights struggle, refusing to use local transport for over a year until their demands were met.<sup>2</sup> Boycotts of goods and taxes were successfully used in India during resistance to British colonialism. Another inspiring example of grassroots boycotts is the movement against Nestlé products, which drives the protest against their marketing of baby milk products in the developing world.

Other actors have also employed boycotts in pursuit of political ends, the American embargo of Cuba being one prominent example. However, the power to use the tool of boycott is, as demonstrated by Irish peasants, in the hands of everyone and can be implemented in daily life when based around specific aims. Increasingly, boycotts have combined with the political solidarity of the “anonymous” masses to ostracize the targets of their struggles.<sup>3</sup> In some scenarios, boycotts have been waged and interwoven within broader struggles or campaigns and deployed within different times and spaces. As we will see in South Africa’s case, a boycott forms one tactic, mechanism or even weapon in the hands of those striving for change.<sup>4</sup>

---

<sup>1</sup> C. N. Smith, *Consumer Boycotts and Consumer Sovereignty*, Working Paper SWP 44/87 (Bedford: Cranfield School of Management, 1987), p. 25.

<sup>2</sup> J. A. Gibson Robinson, ‘The Montgomery Bus Boycott and the Women Who Started It: The Memoir of Jo Ann Gibson Robinson’, in. D. J. Garrow (ed.), (Knoxville: University of Tennessee Press, 1987), p. 8.

<sup>3</sup> E. L. Turk, ‘The Great Berlin Beer Boycott of 1894’, *Central European History*, 15/4 (Dec. 1982), p. 378.

<sup>4</sup> J. C. Scott, *Weapons of the Weak: Everyday forms of Peasant Resistance* (New Haven: Yale University Press, 1985) p. 250-55. Also see the examples listed in chapter 4.

In the global north, and within consumer-based societies, boycott has come to be seen as an important tool of protest, to be exercised through not purchasing the products of an offending country, company or institution. This tends to have the dual effect of making the boycotter feel exonerated from any moral wrongdoing and also shaping some political or social change through the economic impact of the boycott. Holding “consumer sovereignty” refers to this collective power, the impact of which is determined by relations between consumers and producer.<sup>5</sup> Factors such as the availability of viable alternatives are crucial in facilitating consumer boycotts. Studies have suggested that business profitability is influenced by the foreign policy of nation states and how consumers view such policies.<sup>6</sup>

In other parts of the world, boycotts are frequently used as a direct mechanism to ensure the attainment of basic rights and services. For example, payment boycotts over services (such as rents, electricity, water) form part of actions taken by communities as a process of local empowerment or assertion of rights. This is particularly evident where basic services and land are privatized or commodified, with boycotts seen as a people-centred form of resistance.

Moreover, boycott calls are made to target specific companies, institutions or regimes where people require outside support in their struggle to bring about social or political change. This becomes even more pertinent when the offender depends upon external backing in order to carry out and perpetuate crimes. Thus, the Boycott Burma Campaign, or calls from Colombian trade unions to shun Coca-Cola, come about from an understanding that the activities of the offender would be unsustainable if the support they received in other parts of the world was cut off.

While such campaigns are often evaluated in terms of their economic impact (e.g. reduced Burmese GDP due to fewer exports and costlier imports), the success of boycott campaigns is also determined by social and political factors. In the main, these are:

- Greater exposure of the issue in the media
- Shifts generated in popular discourse over understandings and dynamics of the issue
- Psychological impact upon the offender that their behaviour is not acceptable

A multitude of factors interact with boycott activism in challenging social, political and economic injustices and seeking their transformation. It is important to consider all these factors when planning a boycott campaign.

---

<sup>5</sup> Smith, *Consumer*, p. 14.

<sup>6</sup> L. Chavis and P. Leslie, *Consumer Boycotts: The impact of the Iraq War on French wine sales in the US*, Working paper 11981 (Cambridge: National Bureau of Economic Research, 2006).

### *Types of Boycott*

From academia to sports, culture to consumerism, travel to tourism, a range of boycotts place emphasis on the mobilization of a community of people to effectively isolate a chosen target in order to achieve social, economic or political ends. Alongside these we can add an internal boycott – a form of resistance by an oppressed group where forms of boycott are used as a weapon – and one of numerous tactics determined by time, place and circumstances in challenging the oppressor.

### *Sanctions*

The first recorded use of “sanctions” came in 1919, referring to a penalty or fine that was incurred for the failure of one party to uphold laws or agreements.<sup>7</sup> Sanctions became the response to those who had broken what had been sanctioned. The act of punishment varies, but generally involves an attempt to rebuke or inhibit the activities of the offender in ways conducive to attaining change. Within the global community sanctions have been deployed at various times against countries, regimes and political movements seen to be in defiance of international law or accepted norms.

However, while there have been several sanctions campaigns with deserving recipients, such as the white regime in Rhodesia, apartheid South Africa and the military junta in Burma, sanctions are also wielded by the strong and powerful in ways which are not always synonymous with justice. Palestine itself provides an apt example of a situation where sanctions are applied by global powers in support of interests that go against the ideals of securing justice and human rights. Currently the Palestinian people find themselves sanctioned – probably more effectively than any other nation in recent history – for having carried out a democratic election in the West Bank and Gaza Strip (WBGS) that the international community had asked for.

At a grassroots level, sanctions are not implemented, but called for and monitored. Sanctions can only be carried out by government (local and national), associations (such as the EU or NAM), or global agencies such as the UN or WTO. In some respects, appealing for sanctions reinforces the strength and legitimacy of some of the most powerful actors on the globe, many of whom have questionable commitment to human rights and social justice. However, making demands on these bodies also ensures that powerful states and global institutions face up to their responsibilities regarding such rights and international law. Moreover, a strong movement advocating sanctions can stimulate consciousness-raising amongst the public and adds an important element of moral pressure to campaign work generally, even if the sanctions themselves are not attained.

With regard to Israel, the move for sanctions brings its occupation and apartheid policies into the spotlight of everyday discourse. Knowing that Israel’s actions against the

---

<sup>7</sup> Definitions available online at <[www.etymonline.com](http://www.etymonline.com)>.

Palestinians are considered unacceptable can encourage Israelis to become aware of these crimes and oppose them. A genuine understanding of colonial and racist crimes and, on the other hand, of reasons for supporting Palestinian rights could help to spur the development of a movement discussed in chapter 5, which can then align and identify itself with the attainment of Palestinian rights.

Finally, the political effects of sanctions can empower the groups and movements struggling for freedom. By giving the oppressed continuous global support, the international community boosts the morale of and affords some protection to political resistance to the oppressor.

There is considerable disillusionment as to whether any sanctions can be applied to Israel from the global community. Yet, there can be no doubt that such pessimism was also present with regard to apartheid South Africa. However, precluding a shift of seismic proportion within the UN Security Council, sanctions campaigns look to individual countries and blocs such as the NAM or the *Mercosur* to act against Israel.

Sanctions campaigns can look to annul Free Trade Agreements (FTAs) with Israel, sever diplomatic ties and maintain an arms embargo, until more comprehensive measures are put in place. As we see from the South African anti-apartheid movement, people's sanctions can also look to local councils and other community-based decision-making bodies to adopt progressive legislation and positions.

### ***Divestment***

Divestment, or "disinvestment" as it was known during the South African struggle, was first used in the 1950's as a way to describe the stripping away of economic investments as a mechanism of protest and pressure. Today divestment is a commonly used term to describe the process in which an individual, group or institution disposes of its stocks and shares within a business or holding leading to total withdrawal.

In solidarity work, divestment is similar to sanctions in that it largely relies upon securing certain actions by others (in this instance, share-holders or companies withdrawing their investments). Except for the occasional activist who engages in the stock market, or those who hold small investment funds, the majority of BDS campaigners are not in a position to divest capital. The crux of such work is to influence other individuals and institutions to divest from the campaign's targets. There are a variety of institutions in which individuals and constituents hold considerable stake and influence (churches, unions, universities, pension funds), and are the potential sites of strong BDS campaigns.

Activists who hold small investments can be the initial mechanism by which banks, institutions, companies and the local community become aware of the goals of a divestment movement. Moreover, campaigners can make coordinated strategic investments into businesses targeted for divestment, in order to gain representation within shareholder decision-making processes.

Divestment advocacy work is frequently justified using moral/ethical arguments. However, in the context of a highly publicized and effective BDS campaign, the company, institution or individual is more likely to divest for specific financial reasons and interests (see history in chapters 2 and 4). The actions of many shareholders and larger companies are thus not always a reflection of a sudden ethical awareness, but nevertheless lead to divestment and respond to the popular consensus.

Divestment as a solidarity strategy can hurt a regime or company economically, but moreover, it may trigger reflections as to why it has been singled out. In this respect, divestment advocacy work, even if unsuccessful financially, can bring about changes to the overall climate in which the offender is viewed and raises the profile of the BDS campaign considerably. Prolonged action will thus have a greater likelihood of success and lead to concerns of profitability amongst businesses considering investments where divestment work is already active.

### ***1.3 Building a Successful Campaign: The Methodology of Applying Solidarity Work***

History has shown that various BDS initiatives have led to concrete successes in remedying social, economic and/or political injustices. South Africa is one well-known example where external solidarity movements exacted some influence in processes of social and political change, and which we will consider in length in chapter 4. Other notable examples include decolonization in India, the demise of the white regime in Rhodesia and the civil rights struggle in the United States. In short, we can discern 6 key components that define successful campaign work and advocacy:

- 1) The perception of moral legitimacy, principled stance and ethical position.
- 2) The ability to transmit information in ways accessible to the general public and potential supporters.
- 3) Clearly defined aims, objectives and goals.
- 4) A sound plan of action, activities and suggestions which can reverse the injustice.
- 5) Clear, rational and logical linking of the offender with its offences.
- 6) The presentation of links between external support for offender (indirect and direct) and its ability to perpetuate its crimes.

### **1) Moral legitimacy**

- Enhanced by the fact that the campaign attracts volunteers and activists who have no financial incentive regarding the issue. They are evidently motivated by attainment of rights and justice for others and not personal or hidden aims.
- Supported by the backing of respected personalities, organizations or public figures.

### **2) Transmitting information**

- Presenting the issues in language and terms productive to both challenging and attracting a wider audience.
- If the message of the BDS campaign becomes entwined with other forms of expression, from within the arts, music world and other forms of popular culture, it can serve to bring in and encompass a wider audience.

### **3) Clear Objectives**

- BDS actions are only successful when they engage people, catalyze mass mobilization on an issue and provide a point of inclusiveness in campaigning which is easily accessible and enables people to share common targets, aspirations and objectives. Vital for this is a specific set of aims and goals that are to be realized by the BDS work in both the long and short-term.
- A boycott can affect the boycotter as well as the boycotted and thus there is an ongoing necessity to reinforce the sense of grievance that initially spurred it.
- Equally important is the vision of an end point in which the attainment of goals can be reached. While boycotts are punitive in nature, the intention of boycott advocates is to resume or enact normal relations once the outcome is achieved.

### **4) Action plan**

- Facilitating access for people to see ways in which they can contribute and have an impact. Without compromising the aims of the BDS campaign, this should institutionalize a degree of inclusiveness and ownership so that individuals become legitimate parts and players within solidarity organizations.

### **5) Discourse**

- Emergence of a popular discourse which identifies the links between the boycott target and its offences, and gives them a pariah status.
- Challenging apologists of the offender in a “war of position” has to be ongoing and relies upon campaign groups to maintain efforts and organize effective mechanisms to target the media, community activities and so on. Promoting BDS goes hand in hand with the wider task of winning the acceptance of the rights and calls of the oppressed.

- Consistent exposure of a BDS platform in all types of media and outreach can work towards BDS becoming the most rational and logical course of action for those who wish to pursue the ideals of peace, justice and freedom.
- Marketing of BDS consistently and with clarity is vital to raise awareness in community groups, shops, trade unions, places of work and worship, schools and in the streets. This is tied into attaining a moral edge and educational component into the campaign.

## **6) Complicity strengthens the offender**

- A successful campaign in this context does not only demonstrate that the offender will pay a price for its crimes, but provides a clear framework as to how campaigners expect different representatives to act. The public must hold anyone accountable who is in a position where they can have an impact: from the shop managers who stock targeted produce, to the church holding certain shares, companies fuelling the oppression, and politicians who have the power to press for sanctions.
- It is important to note that doing nothing reinforces and strengthens the actions of the offender, particularly in Israel's case where it is afforded de-facto economic and diplomatic support. Since involvement is not compulsory, individuals, institutions and governing bodies need to be convinced to move beyond complacency and inaction and see that their silence or apathy brings complicity with the crimes of the offender.

While many activists engage in lobbying work, and in calls and appeals to various bodies and institutions to engage in a particular initiative, power also resides within the people to take action and implement the BDS strategy. Notable examples cited later in this report include:

- Dockworkers refusing to handle goods, a frequent occurrence during the South Africa anti-apartheid struggle
- Shop workers refusing to handle produce, such as the actions of check-out assistants in supermarkets in the campaign against apartheid South Africa
- Refusal to be involved in any project linked to the offender ensuring maximum publicity around each event (e.g. musicians invited to perform, sporting matches, academics invited to write in journals or participate in projects).

BDS is thus a two-way process between making appeals to authorities with the power to institutionalize a resolution or implement policies, and the people who can become empowered to take issues into their own hands in the pursuit of justice.

## **1.4 Strengths and Weaknesses of BDS in Support of the Palestinian Liberation Struggle**

A brief exploration of the benefits and limitations of BDS is necessary before we present a series of suggestions for taking such solidarity work forward in chapter 5. The essence of solidarity work is in responding to the calls and voices of the oppressed, acting in ways that support these appeals, and building relationships based upon a set of common understandings.

The dynamics between those appealing for solidarity and those providing it are in part characterized by imbalances in access to resources, power and influence. For example, the consumer has the power to buy from a range of products and has the choice whether to boycott a certain product; the politician can be lobbied by constituents to vote for sanctions against the oppressor; and the trade union can decide whether to pass motions such as refusing to handle products of the oppressor. The oppressed who made the boycott appeal may see the external support that the offender receives but are limited in the degree to which they can challenge that situation. Thus the Palestinians cannot prevent Israeli produce from being sold in supermarkets across the world but can lobby consumers for assistance. This requires coordination with, and the efforts of, BDS campaigns from outside. Moreover, the shape and direction of internal boycotts are determined in the case of Palestine with regard to what are considered effective and practical forms of resistance to the occupation. For example, a consumer boycott of Israeli goods – developed in the first *intifada* and on the rise again today – needs to go hand-in-hand with sufficient levels of internal production of basic necessities. Similarly, boycotts regarding water and electricity relate to the rejection of payment for such services (as opposed to the rejection of their provision), given the complete control the occupation wields over basic services.

In the context of north-south flows of solidarity, differences can be exacerbated by inequalities in global relations. These dynamics have been captured as processes of neo-liberalism/colonialism, asymmetrical trade and markets, and/or globalization. Thus there is considerable scrutiny on the role of northern movements when they become involved in issues of oppression, occupation or poverty in the south. Considerations include ensuring that disparities between organizations do not result in most of the power, decision-making and strategizing becoming concentrated in the north. This makes certain that there is some challenge to the status quo. For example, an analysis written by activists or journalists in the north is far more likely to be published in mainstream media than the thoughts of a civil society group from the south or even from the oppressed people demanding support.

External organizations, which pursue agendas and visions anathema to the interests of the majority of people in the developing world, provide a microcosm of the wider disparities of global relations. With financial backing, external organizations have come to exert a

strong influence in the civil societies of the developing world, artificially inflating particular organizations over others, and creating specific civil society projects to fit certain interests. The World Bank, the most powerful International Finance Institution (IFI), provides an apt example of an organization with considerable influence in shaping civil societies to specific visions. Its support for a highly politicized form of neo-liberal development finds allies in civil society projects because of the Bank's financial muscle. In this scenario local movements face various challenges, notably the pressure of co-option, and becoming overshadowed by other groups or projects in terms of access to resources.

Those who seek to support civil society in Palestine and the developing world in general should remain acutely aware of the dynamics of relations and ensure that the balance of power does not become mirrored in solidarity work. This is even more pertinent in Palestine where colonial and post-colonial issues are still unraveling, and in which solidarity movements need to be careful not to impose themselves as the dominant partner. The involvement of outside groups and movements in any kind of solidarity work brings these important questions into play. Finding commonalities with civil society organizations that are accountable to the people, and using their popular appeals and calls as a basis from which to work, can produce a successful solidarity movement.

This links to another important issue in BDS work, namely the activities of grassroots popular movements and their resistance to oppression. Clearly a significant reason for the involvement of many people across the world in BDS initiatives is that they symbolize a non-violent response to Israeli aggression, thus forming a morally irreprehensible position. Many activists use this as a reference point when asserting the legitimacy of their campaign, drawing contrasts with the brutality and violence of the offender, together with parallels to the anti-apartheid South African movement.

However, characterizing the struggle as a whole as "non-violent" does not necessarily equate with the values of the oppressed for whom BDS forms one part or mechanism of support for their struggle. This raises important questions over the right to resist. In Rhodesia, the liberation movements Zimbabwe African National Union (ZANU) and Zimbabwe African People's Union (ZAPU) received considerable support, including from churches, despite their commitment to the armed struggle as one means of securing freedom. In South Africa the liberation struggle took on various roles from a protracted armed struggle, strikes, popular uprisings and sustained attacks on the apartheid system in order to make the country ungovernable and bring about the collapse of the state. Openly resisting symbols of the white regime such as the Black Local Authorities (BLA) was accepted for the most part by the global anti-apartheid movement. In a similar way, the Palestinian struggle has evolved over the decades as an expression of the Palestinians, who challenge the occupation and use the means available to a subjugated people to seek the attainment of their rights. The Palestinian struggle cannot be so simply defined as violent or non-violent; it brings together a variety of strategies in its path of resistance to advance national goals.

International convention can be cited in relation to resisting occupation. Therefore Palestinians retain the right to challenge the mechanisms that are prompting another *Nakba*.<sup>8</sup> While many from outside Palestine would like to dictate how this should work, it is up to Palestinians to determine the tactics and strategies most effective in progressing their struggle and bringing about a just peace. Such an understanding has been afforded to other liberation struggles and bears consideration as to why Palestine is treated differently.

One method seen as an effective tactic in advancing Palestinian rights is a global BDS movement. What BDS provides is a coherent platform (the mechanisms of which are built along non-violent principles) with the potential to form a wider meeting point for groups, movements and individuals on a global level in support of Palestine. The implications of this go beyond looking to create economic pressure to elevating public consciousness of Palestinian rights.

### ***Over-emphasizing BDS***

Given the tendency of some to over-emphasize the role BDS can play, it is important to note that it forms just one factor in inducing political and social change. As we will consider with the case of South Africa, BDS has an important role to play but should not diminish the contribution of internal struggle, or of global forces and events that also play a role in determining history.

The issue of unity in the objectives, motivation and co-ordination within solidarity groups highlights both the strengths and weaknesses in BDS as a strategy. The BDS movement for South Africa, and the movement which is growing for Palestine, brings together diverse forces, genuine cross-sections of society, all of which build a consensus that some kind of political and social change is imperative. Diversity is an enormous strength in that it demonstrates how BDS can relate to a variety of peoples, social groups and organizations, and become integrated into everyday discourse and the wider public eye.

Each organization has its own motivations, perceptions and visions. These tend to be formed around one or more of the below:

1. As an anti-apartheid or anti-racist struggle
2. As part of a broader movement which has at its heart a vision of global transformation
3. As a method to end Israeli colonization in the West Bank and Gaza
4. As a means to secure the right of return of Palestinian refugees
5. As a way of securing Israel's existence within the pre-1967 armistice line

All agree on the need for and appropriateness of some kind of collective action to put pressure on Israel, but there is not a consensus as to what point BDS should stop and

---

<sup>8</sup> The Fourth Geneva Convention can be found online at:  
<[http://en.wikisource.org/wiki/Fourth\\_Geneva\\_Convention](http://en.wikisource.org/wiki/Fourth_Geneva_Convention)>.

declare victory. For example, NGOs and faith-based organizations in Europe and North America have backed and/or begun various initiatives that tend to focus only on the urgent need to end Israel's occupation and colonization of the 1967 areas. These do not usually include ending discrimination against Palestinians with Israeli citizenship or residency, or the right of return of Palestinian refugees. Indeed, such positions have been influenced by a "peace" lobby which sees the '67 occupation as the issue to overcome, but does not consider the right of return as an acceptable platform for BDS work. This is clearly at odds with the Palestinian position in which the opposition to Zionism as an ideology forms the major impetus for the struggle.<sup>9</sup>

The role of Israelis, given their status as both occupiers and oppressors, cannot be vested with the same legitimacy in appeals for solidarity and support as the calls of the oppressed. With this in mind it is worth considering that the call for BDS also comes from Palestinians living with Israeli IDs, who are subjugated to systematic racism and discrimination, as well as from Palestinians in the diaspora who are denied the right to live in their country. Their support reinforces the focus onto the nature and actions of the Israeli state and not just its occupation of the 1967 territories.

This brings into consideration the BDS initiatives launched by Jewish Israeli civil society, calling for selective measures such as boycotts of the settlements. In a similar way, white liberals in South Africa tended to disapprove of apartheid, or aspects of it, but did not back the comprehensive BDS strategies pursued as a means to confront the system. The majority of black Africans did, and as the oppressed, it was their calls and appeals to which the world responded. In the Palestinian context, should the wider community of BDS solidarity groups welcome, incorporate and promote such work or should they maintain a distance from organizations which have aims other than the Palestinian call? Moreover, this links with the wider question of the participation of BDS groups commonly seen as having a "weaker" position vis-à-vis the goals of the Palestinian call. If such organizations take a leading role in BDS work, there is a serious danger of distorting the calls and aims of the oppressed. Thus activists committed to working for the rights of all Palestinians need to consider at what point they make alliances with such organizations which are unable to present a stronger platform at this time.

Important to today's solidarity work is the realization that boycott activities are not a new phenomenon, but operated in one form or another for many decades only to subside during the 1990s.\* It is crucial to consider the range of past boycott experiences and to consider the implications for contemporary solidarity work.

Solidarity campaigns can achieve certain tasks and aims but should be aware that external groups are not the ones to define the political and social objectives of the work. In maintaining an awareness of these dynamics, continual dialogue and communication is

---

<sup>9</sup> BADIL, 'BDS: Boycott, Divestment, Sanctions', *Al Majdal*, 26 (Summer 2005), p. 5.

\* It is noted that anti-normalization sentiment was present in committees and groups in the WBGs during this time, even if the discourse of "peace" and "joint" projects was dominant on a global level. NGO sponsored boycotts against settlements were active during the Oslo years.

necessary from civil society and movements in Palestine with the rest of the world. BDS movements, no matter how powerful, cannot and should not look to replace the resistance and struggle of those people they are trying to support. They can, under the right circumstances, make a positive and proactive contribution in supporting the attainment of human rights for others and for securing long-term justice.

## **2: The Arab League Boycott**

### **2.1 The Context**

### **2.2 Beginning the Boycott: Opposition to Zionism and Israel**

### **2.3 Objectives and Priorities**

### **2.4 Oslo, Normalization and the Decline of the League Boycott**

### **2.5 The Boycott is Grassroots**

### **2.6 In Retrospect: Lessons for Today's Solidarity**

## **2.1 The Context**

Today, boycotts, divestment and sanctions against Israel are most notable for the campaigns led by British academics, trade unionists from the Canadian Union of Public Employees (CUPE) in Ontario, and politicians and activists in the region of Sør-Trøndelag, Norway. It elicits the efforts of those working for divestment within churches such as the Pax-Christi, Presbyterian and Anglican denominations. It invokes the mobilization for local boycotts made by solidarity groups from Somerville in the US, to Limerick, Ireland and to the Basque Country. Moreover, it is seen in the parallels drawn by anti-apartheid activists in South Africa between their oppression and that of the Palestinians, echoed in their calls and actions to isolate Apartheid Israel.

After the failure of Oslo and the “peace process”, BDS initiatives are often presented as an innovative and effective means to pressure Israel. Yet, the isolation of Israel through a comprehensive boycott campaign is not a new concept. It dates back to Israel’s creation from the destruction of over 450 towns and villages together with the forced exodus of more than 750,000 Palestinians from their lands. Boycotts and sanctions characterized the relations of states across the Middle East with Israel from 1948 until the Oslo Process, continuing today, albeit as weakened and largely ineffective mechanisms. Strengthening today’s BDS efforts and advocating strategies to take solidarity action forward requires exploration and understanding of previous boycott work.

What lessons can be learnt from the Arab League’s boycott efforts? What were the aims and objectives of the League boycott and do they hold relevance today? What were the strengths and weaknesses of the strategies pursued in the boycott and what legacies do they leave? Such questions are largely ignored in appraisals of current BDS efforts.

Generally, the boycott is labeled as a failure, or relegated to a few paragraphs outlining its opposition to Zionism and the withering of its influence after Oslo. Sometimes it is presented as anti-Semitic or reactionary and anathema to today's BDS work. Moreover, discussion of the boycott is made more problematic by the fact that it was pursued by various states which took on increasingly authoritarian traits within domestic policies and issues, leaving them with little legitimacy and recourse to a moral dialogue.

Ironically, as global BDS movements begin to pick up pace, governments in the Middle East have become geared towards normalization with Israel. Yet, popular and grassroots campaigns outside the ruling structures across the Middle East continue the tradition of the boycott as a means to support the Palestinian struggle. Such opposition to the normalization pursued by many of the present rulers in the region also serves as an inspiration for wider democratisation as a whole.

## **2.2 Beginning the Boycott: Opposition to Zionism and Israel**

Anti-Zionist boycotts had already been initiated before the Israeli state had come into being. These were begun in protest at the presence of the Zionist movement in Palestine, which other states in the region perceived as an external and colonial threat.

From their inception, Zionist thinkers and ideologues propagated the need to cleanse the indigenous population of Palestine if their dream of a Jewish state was to become a reality.<sup>10</sup> President Chaim Weizman hailed the Palestinian exodus of 1948 as it brought about "the miraculous simplification of Israel's task."<sup>11</sup> With the presence of the first Zionist communities in Palestine the first boycotts were organized.

Following the establishment of Israel in 1948, the Arab League banned all commercial and financial transactions between Israel and the League states. In protest at Israel's creation, and driven by opposition to the cleansing of Palestinians from their lands, the boycott evolved into three core components. A primary boycott prohibited direct trade and relations between Israel and the League members. A secondary boycott was directed

---

<sup>10</sup> 'Survival of the Fittest? An Interview with Benny Morris', <<http://www.logosjournal.com/morris.htm>>. Note specifically his assertion that: 'From April 1948, Ben-Gurion is projecting a message of transfer. There is no explicit order of his in writing, there is no orderly comprehensive policy, but there is an atmosphere of [population] transfer. The transfer idea is in the air. The entire leadership understands that this is the idea. The officer corps understands what is required of them. Under Ben-Gurion, a consensus of transfer is created. [...] Ben-Gurion was right. If he had not done what he did, a state would not have come into being. That has to be clear. It is impossible to evade it. Without the uprooting of the Palestinians, a Jewish state would not have arisen here.'

<sup>11</sup> J. G. McDonald, *My Mission in Israel 1948-51* (London: Victor Gollanz, 1951), p. 161.

at companies from across the world that did business with Israel. A third tier of the boycott blacklisted firms that traded with other companies carrying out business with Israel, or which maintained Israeli capital.

These layers of the boycott became institutionalized when the League established the Central Boycott Office (CBO) in 1951. Each country maintained a national boycott office, which linked up with the central regional structure. This organ met on average twice a year, with the headquarters located in Damascus. Over the next two decades, the CBO in conjunction with the national offices accumulated detailed information on Israel's economic activities as part of their efforts to ensure targeted firms and countries acceded to the boycott. A central blacklist of companies was developed and maintained, working alongside lists composed in national offices. The central blacklist worked as a guide for countries which maintained their own boycott lists that took into account pragmatic, as well as national and political interests.

Typically, companies would receive a request to end business relations and ties with Israel, threatening their addition to the central blacklist if they did not take steps to rectify their activities. This met with mixed success, with some companies acquiescent to the boycott, and others openly challenging and defying the boycott, contributing to a weakening of its influence. The boycott quickly stimulated the phenomenon of indirect trade with Israel (with a third party such as Cyprus), secretive trade, and also the use of false documentation or deliberate mislabelling of produce.

In order to enforce the boycott, financial incentives such as a percentage cut of any confiscated goods, encouraged customs officials to report the presence of Israeli trade and to notify the authorities when dealings with Israel were suspected. At the 36<sup>th</sup> Arab Boycott Conference in 1974 in Lebanon, a decision was made to set up "civilian patrols" to prevent Arab nationals in Britain from purchasing at Marks and Spencer and Selfridges.<sup>12</sup>

On the whole, government officials, related institutions and businesses went through the motions of implementing the boycott. It became standardized practice in business dealings between League countries and a third party for assurances that no part of the transaction included merchandise, technology or input from Israel. In many cases this took on an automatic function, with external companies ensuring they had no official ties and links with Israel to avoid the possibility of being targeted.

---

<sup>12</sup> A. J. Sarna, *Boycott and Blacklist: a history of Arab economic warfare against Israel* (New Jersey: Rowman and Littlefield, 1986), p. 146.

## 2.3 Objectives and Priorities

It is clear that in its initial decades, the boycott was deployed as a means to cripple the Zionist movement within Palestine and, immediately after 1948, to bring about Israel's demise. Many states considered themselves at war with Israel, a war that – after the signing of the armistice lines – was now being fought on an economic, political and diplomatic field. Moreover, the United Nation's partition plan was viewed as having little support outside of Western Europe and America. Apart from the racist regime of South Africa, only one African and one Asian country voted for the plan in the General Assembly. It was not until the wave of decolonization in the 1960s and the accession of many newly independent states to the UN that the body began to hold legitimacy of an institution reflective of international opinion.

Hostility to Zionism was driven further by Israel's unilateral creation of its de facto statehood taking 78% of mandate Palestine, which represented almost 50% more than the land the UN partition plan had allotted for a Jewish state.<sup>13</sup> Moreover, the boycott was pursued to secure the rights of the 750,000 Palestinians who were expelled from their lands and to this day are denied the right to return to their communities contrary to the stipulations of UN Resolution 194.<sup>14</sup>

As the nature of the occupation changed after 1967, and again in 1973, so did the dynamics and workings of the boycott. Resurgence of the boycott in the 1970s was countered by Egypt's "peace" treaty with Israel in 1978, and tempered by anti-boycott activity and legislation in the US. The boycott ebbed in the 1980s with little of the urgency or energy that had characterized the first three decades.

Oslo and normalization seemed to play an irrevocable blow to the boycott. From the mid-1990s it waned further, taking on an increasingly rhetorical form rather than any effective form of economic isolation. Moreover, the boycott came to be articulated as a means by which to secure an independent Palestinian state along the 1967 borders with East Jerusalem as its capital.<sup>15</sup> Most recently, it has been characterized within the CBO as a "peaceful" means to bring about social and political change. This suggests some influence from the emergence of other BDS solidarity initiatives and a degree of re-branding of the League boycott to match solidarity discourse in other parts of the world.

General Commissioner for the Regional Offices of Liaison Officers, Ahmad Khazaa, noted in July 2004 that: "The boycott concept represents a moral and struggle value and forms a kind of peaceful resistance to spread the boycott culture by all available

---

<sup>13</sup> UN General Assembly Resolution 181 (II) of 29 November 1947.

<sup>14</sup> As well as the displacement of over 750,000 Palestinians, approximately 13,000 Palestinians died in the *Nakba* of 1948.

<sup>15</sup> G. Feiler, *From boycott to economic cooperation: The Political Economy of the Arab Boycott of Israel* (London: Frank Cass, London), p. 265.

means.”<sup>16</sup> Other speakers at the same conference noted the role of the boycott as an “active means to force Israel to commit itself to the international resolutions.”<sup>17</sup> Today a sharp dichotomy exists between the boycott rhetoric, which still pushes for the rights of refugees and the end of the 1967 occupation, and the machinations of most governments in the region in which normalization and trade is continuously built with Israel.

The lack of clearly articulated aims from the CBO characterizes its activities historically. We will suggest that deploying a series of identifiable goals can attract greater external support for the Palestine cause, as well as clarifying the visions and objectives of the solidarity work. The CBO boycott had and still has a fundamental ambiguity as to what goals it pursues and how they integrate into regional Palestinian solidarity work as a whole. Moreover, the centralised functioning of the boycott, the secretive nature of the blacklist's compilation, and lack of any serious public relations and outreach campaign did not assist in the creation of any appreciation in the rest of the world as to why the objectives and why the boycott and isolation of Israel could be valid.

### ***Fighting the boycott: anti-boycott laws and campaigns***

In the first decades of the boycott, attempts to suppress its impact relied upon the efforts of Israel's external supporters, as well as an anti-boycott office in Tel Aviv. They organized their own mechanisms of putting pressure on companies to maintain or create trade with Israel, and largely relied upon the exposure of the boycott as a means by which to garner public support. In a climate where there was little understanding or sympathy for the Arab League boycott in the West, where Israel carried out the majority of its trade, exposure of the issue formed the major weapon of anti-boycott activists. These efforts were boosted by activities and calls of some trade unions, notably in the US and across Scandinavia in which actions were taken to challenge the boycott.<sup>18</sup> Attempts to publicly shame companies known or thought to be acceding to the boycott were made alongside accusations of anti-Semitism and of cynicism for engaging in the boycott under the motivation of profits and markets in the Middle East.

Some of these efforts met with success, as shown in the Chase Manhattan case study in the appendix. Later, governments themselves became actively involved in weakening and neutralizing the boycott in order to aid national business interests together with the Israeli economy. In the United States, anti-trust laws were passed in January 1976 by the Department of Justice in a civil anti-trust suit against a group of five Bechtel corporations which had refused to do business with American companies named on various boycott

---

<sup>16</sup> ‘Damascus 72nd conference of Boycotting Israel opened’, *Arabic News*, 27 Apr. 2004, <<http://www.arabicnews.com/ansub/Daily/Day/040427/2004042704.html>>.

<sup>17</sup> *Ibid.*

<sup>18</sup> O. Remba, *The Arab Boycott*, Midstream: A Quarterly Jewish Review, Summer 1960 (New York: Theodor Herzl Foundation, 1960), p. 40.

blacklists.<sup>19</sup> This led to the corporations relenting and marked an important success for the anti-boycott movement.

However, it was the creation of anti-boycott legislation by the Carter administration in 1977, which revealed the first serious engagement with the boycott. This legislation effectively made it illegal for any American company to engage in a boycott not sanctioned by the United States. The US Congress enacted amendments to the Export Administration Act to prohibit companies from cooperating with the League boycott. Those behind the amendments believed that US firms needed to be prevented from implementing foreign policies of other nations running counter to US policy. President Carter, when signing the Congressional bill into law, took more of an international perspective, stating that the law went “to the very heart of free trade among nations.”<sup>20</sup> However, the Act was the culmination of the efforts of Israel’s supporters within Congress, and Zionist lobbyists and pressure groups, as a means to shield the Israeli economy from the boycott and protect the business interests of US companies which wanted to trade with both Arab League states and Israel.

The legislation set in motion an attack against complicity with the secondary and tertiary levels of the boycott, but it wielded no influence over the implementation of the first component of the boycott by Arab League members. This was tackled in 1978 with the “peace” treaty between Egypt and Israel, a result of American pressures and promises of aid and assistance to then ruler Anwar Sadat. This was highly significant in the overall trajectory of regional normalization with the occupation, serving to deal the boycott a long-term political blow.

What the change in US laws did not prevent was continued acquiescence with the boycott amongst American firms, particularly in the immediate years following the legislation. On average in the early 1980s, 50 businesses per year were fined for their cooperation with the boycott.<sup>21</sup> Despite the threat and implementation of fines, some American companies (including McDonald’s) preferred to pay fines rather than break the boycott and thus endanger the loss of business in the Middle East.<sup>22</sup>

Today, enforcement of US anti-boycott laws is the responsibility of the Bureau of Industry and Security in the US Department of Commerce. They have noted that since 1979, when the anti-boycott compliance requirements were put into force, “a total of \$26.5 million dollars in civil penalties have been imposed.”<sup>23</sup> Today they also have at their disposal further anti-boycott legislation from 1994, Part C of the Foreign Relations Authorization Act (known as the Anti-Economic Discrimination Act). Coming into force

---

<sup>19</sup> S. H. Rolef, *Israel’s anti-boycott policy*, Policy Studies 28 (Jerusalem: The Leonard Davis Institute, 1989), p. 25.

<sup>20</sup> President Jimmy Carter cited in, P. L. Fitzgerald, ‘Pierre Goes Online: Blacklisting and Secondary Boycotts in US Trade Policy’, *Vanderbilt Journal of Transnational Law*, 31/1 (Jan. 1998), p. 56.

<sup>21</sup> Sarna, *Boycott*, p. 219.

<sup>22</sup> ‘Economic and Political Boycotts of Israel’, [http://en.wikipedia.org/wiki/Office\\_of\\_the\\_Arab\\_Boycott\\_of\\_Israel](http://en.wikipedia.org/wiki/Office_of_the_Arab_Boycott_of_Israel).

<sup>23</sup> Office of Anti-Boycott (US government), <http://www.bis.doc.gov/AntiboycottCompliance/OACCCaseHistories.html>.

on April 30, 1995, it barred the sale or lease of US defence articles or services to any country that sends letters to US firms requesting compliance with, or soliciting information regarding compliance with, the Arab League primary or secondary boycott of Israel.<sup>24</sup>

The initial US legislation inspired a similar bill to be passed in the state of Ontario, Canada. Enacted on the 9<sup>th</sup> of November 1978, Bill 112 was an Act to Prohibit Discrimination in Business Relationships. It stated:

No person in Ontario shall seek or provide a statement, whether written or oral, to the effect that any goods or services supplied or rendered by any person or government do not originate in whole or in part in a specific location, territory or country for the purpose of engaging or assisting in engaging in a discriminatory business practice.<sup>25</sup>

It also outlawed the refusal to engage in business with a second person, where the refusal is on account of the “race, creed, colour, nationality, ancestry, place of origin, sex or geographical location of the person [...]”<sup>26</sup> In 1977 the Canadian Labour Congress declared itself in support of resolutions to introduce anti-boycott legislation to oppose the Arab League boycott.

While similar legislation failed to become statute in the major European countries, Israel’s ability to weather several decades of the isolation served to take the steam out of the boycott. Moreover, the euphoria that had marked the first years of pan-Arab co-operation turned into fatigue and growing regional disunity as a result of the 1967 and 1973 wars. Egypt’s treaty with Israel sharpened the disunity and fractures within Arab League co-operation signalled that the boycott would become a marginal issue in the long run.

Accordingly the boycott relaxed from the mid 1980’s. Many companies that had previously stayed out of the Israeli market began to invest including Toyota and Nestlé.<sup>27</sup> A harder blow was to come with the Oslo Accords.

---

<sup>24</sup> ‘Saudi Arabia: Post-War Issues and US Relations’, *Federation of American Scientists*, <<http://www.fas.org/man/crs/93-113.htm>>.

<sup>25</sup> Cited in Sarna, *Boycott*, p. 223.

<sup>26</sup> *Ibid.*

<sup>27</sup> ‘Economic and Political Boycotts of Israel’, <[http://en.wikipedia.org/wiki/Office\\_of\\_the\\_Arab\\_Boycott\\_of\\_Israel](http://en.wikipedia.org/wiki/Office_of_the_Arab_Boycott_of_Israel)>.

## **2.4 Oslo, Normalization and the Decline of the League Boycott**

Changes in the Middle East political landscape were catalysed by the Madrid “peace” talks in 1991, and the participation of both Israel and the PLO in the Oslo process from 1992. The elation amongst international leaders and global media outlets of a negotiated settlement set about the collapse of the League boycott as an effective mechanism of isolating Israel.

Before the Accords were signed, the change in climate had already led to American, Asian and European companies setting up in Israel, positioning themselves to exploit the “peace dividend” resulting from any settlement.<sup>28</sup> Countries and companies began to ignore the boycott and League members themselves began to show little regard for the secondary and tertiary components of the boycott. The demise of the boycott, ongoing from the mid-1980s, accelerated when the Accords were signed in September 1993. A general understanding that they would eventually lead to a permanent settlement via dialogue and diplomacy ensured universal perception of the boycott as a hostile and aggressive act which had no place in the new era of the “peace process”.

Despite no realization of any of the core demands of the Palestinian struggle, the Accords generated immediate regional and international normalization with Israel. This process appeared irreversible as powerful forces combined to back Oslo. Israel benefited considerably in this milieu, particularly in diplomatic and economic terms. Financially, it resulted in a six-fold increase in direct foreign investment, a jump from \$686 million to about \$3.6 billion.<sup>29</sup> In 1994, Israel’s GDP grew by 6.8% and exports by 12.6%.<sup>30</sup> Moreover, in diplomatic terms, Israel’s position as a pariah state in the world was undone. Ties were created, renewed or strengthened, particularly with countries in the NAM, and in the Middle East and developing world.

In 1994, six members of the Gulf Cooperation Council (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates) announced they no longer supported the secondary boycott. Both secondary and tertiary levels of boycott began to disintegrate throughout the region, whilst direct trade with Israel was established in Qatar, Oman and Morocco.

The newly formed Palestinian National Authority (PNA) was brought onboard and the popular widespread internal boycott of the occupation that characterized society during the first *intifada* began to dissipate. Trade between Israel and the PNA became subject to the regulations of the Paris Protocol from 1994. Moreover, the PNA worked within the framework of the neo-liberal policies developed by World Bank “specialists” which

---

<sup>28</sup> Britain Israel Public Affairs Centre (BIPAC), *The Arab Boycott Summary* (London: BIPAC, 1993).

<sup>29</sup> Feiler, *Boycott*, p. 287.

<sup>30</sup> *Ibid*, p. 255.

sought to reinforce the peace process by further binding the Palestinian economy to that of Israel's via joint projects such as the industrial zones.<sup>31</sup> Under the guise of reinforcing a "peace process", it ensured the end of potentially autonomous and independent economic routes for a Palestinian state.

At a meeting in Taba, Egypt in February of 1995, Egyptian, American, Jordanian and Palestinian trade leaders signed a joint document – the Taba Declaration – which supported "all efforts to end the boycott of Israel."<sup>32</sup> The end of the secondary and tertiary boycott, and the partial end of the primary boycott, brought an enormous surge of foreign companies into Israel in search of profits through economic and technological cooperation, integration and investment. Israel reaped the dividends of normalization for engaging in talks with the PLO.

Japan, one of the countries where compliance with the boycott had been particularly strong, showed an immense increase in trade with Israel. An influx of Japanese companies entered Israeli markets, particularly in automobile and electrical fields. Meanwhile, South Korean exports (largely automobile related) were considered to be saving Israel \$89 million in one year alone as a result of the relaxation of the boycott in the early 1990s.<sup>33</sup>

Israeli and French officials signed an accord in Paris in 1993, creating a joint Israeli French Research and Development (R&D) fund with a budget of \$18 million for the first three years. The officials also agreed to enhance future co-operation.<sup>34</sup> It was just one of numerous agreements forged by Israel as a reward for the "peace process", many of which form targets of today's BDS campaigns to challenge Israel's links and support from the outside world.<sup>35</sup> In addition to direct investment, large companies and institutional investors began building up an Israeli portfolio, acquiring stocks and bonds on the open in Tel Aviv, New York and on European markets.<sup>36</sup> Geotek, specialising in military-turned-civilian telecom technology, attracted half a billion dollars in venture capital from George Soros, Claridge, Vanguard, and General Motors.<sup>37</sup>

Regionally, Israel benefited from the establishment of Qualifying Industrial Zones (QIZ) with Jordan and Egypt. The deals struck by the Israeli Delta Galil textile company were symptomatic of this new cooperation. They became involved in a \$5 million factory with Egypt from the early 1990s, and towards the end of 1997 joined forces with Jordan's

---

<sup>31</sup> Grassroots Palestinian Anti-Apartheid Wall Campaign, *Do it Yourself Apartheid in Palestine: Israel, The World Bank and the "Sustainable Development" of the Palestinian Ghettos* (Napoli: La Citta Del Sole, 2005).

<sup>32</sup> S. Eizenstat, 'The Cairo Economic Summit: Toward Prosperity and Peace', *United States Department of State*, 1996.

<<http://usinfo.state.gov/journals/ites/1196/ijee/ej4cairo.htm>>.

<sup>33</sup> C. Fershtman and N. Gandal, *The effect of the Arab Boycott on Israel: The Automobile Market*, working paper 39-95 (Tel Aviv University: The Sackler Institute for Economic Studies, 1995).

<sup>34</sup> BIPAC, *Boycott*.

<sup>35</sup> For example <<http://www.boycottmovement.net>>.

<sup>36</sup> J. Nitzen and S. Bichler, *The Global Political Economy of Israel* (London: Pluto, 2002), p. 337.

<sup>37</sup> *Ibid.* p. 344.

Century to set up a clothing factory in Irbid.<sup>38</sup> Labour in certain industries was shifted to these countries – where workers' conditions and lack of rights are routinely condemned – all in the name of progress and peace for the region.

Yet, perhaps most crucial of all in the normalization climate was that businesses were increasingly able to address the region as a single market, rather than separate, mutually exclusive ones. This not only enabled Israel to further its integration into global markets, but also ensured the strengthening of its control over the West Bank Gaza Strip (WBGs). In terms of the region, Israel was left significantly better off to capitalize from its highly developed military and technology-centred economy.

Oslo fundamentally changed the dynamics of the occupation to Israel's gain as the boycott disintegrated. The dividends, both economic and diplomatic, sustained a further wave of colonization throughout Palestine, and ensured Israel built upon its position as a regional technological leader and industrial powerhouse.

### *Is there a boycott today?*

The “peace process” triggered a chain of events, which brought about the integration of Israel into the global community, together with the permanent normalization and institutionalization of the occupation. Yet, the eruption of the second *intifada* in September 2000, saw Palestinians in the WBGs as well as those subjugated as second class citizens in Israel, make sure Israel and the world knew that the “peace process” had been a road to nowhere. As they renewed their freedom struggle and rejected occupation in Bantustans and entrenched Israeli apartheid, BDS movements in support of Palestine gained increasing resonance across the world. Amongst the Arab League states the boycott – at least rhetorically – was back on the agenda.

In the face of the brutal reprisals of the occupation to the uprising, Oman, Morocco, and Tunisia closed their Israeli trade offices or missions as a sign of protest. Discontent was expressed from states across the region as politicians and leaders mooted future policies in light of the *intifada*.

In the first eight years after the Oslo Accords, a quorum of the regional CBO had failed to meet, reflecting the indifference of League members to the boycott and their new commitment to ending the secondary and tertiary levels of the boycott. The *intifada* renewed the relevance of the CBO. At the 13<sup>th</sup> regular Arab summit meeting, convened in Amman in March of 2001, attendees agreed to revive the League's boycott. This was reaffirmed in subsequent summit meetings of the Arab League which re-established the CBO with the aim of preventing any dealings with Israel and implementing the boycott regulations.<sup>39</sup>

---

<sup>38</sup> Feiler, *Boycott*, p. 297.

<sup>39</sup> As submitted to the United Nations and documented online,

<<http://domino.un.org/UNISPAL.NSF/0080ef30efce525585256c38006eacae/07cd1234c61b141585256a42004e8df2!OpenDocument>>.

As a result of these regional developments, the CBO held an official regional meeting in Damascus in October 2001, the first such meeting since April 1993. Nineteen of the Arab League's 22 member states participated in the October CBO meeting, with only Egypt, Jordan and Mauritania absent. The October meeting was reported not for additions or removals to the blacklist, but as focusing on internal structural issues in line with the Arab League's call for revitalization of the CBO and the boycott.

Pro-boycott rhetoric continued into 2002 where at the Arab summit meeting in Beirut, emphasis was again placed on reactivation of the boycott in response to the brutal Israeli attacks and invasions. In November 2003, the Council of the Arab Inter-Parliamentary Union (AIPU) held its 44th Emergency Session in Damascus, issuing a political resolution noting: "The Council calls for stopping all forms of normalization with Israel, and the full implementation of a complete boycott against Israel, and reactivating all the means of this boycott" until Israel complied with international law and UN resolutions.<sup>40</sup>

Yet the commitment to revitalize the boycott seemed to have little impact in altering the reality, in which normalization continued to characterize relations, and in which the Roadmap was launched to revive the "peace process". In order to counteract this normalization, in April 2004, during the 72nd conference of the Arab Regional Offices of Liaison Officers, General Commissioner Ahmad Khazaa made the call "to reactivate the political and economic boycott."<sup>41</sup> He described the boycott as an "active reaction to the barbaric policy" of Israel, noting it to be a concept that represents a struggle of moral values forming "a kind of peaceful resistance to spread the boycott culture by all available means."<sup>42</sup>

The four-day conference of the Arab Boycott Bureau in Damascus in 2006 added new companies to the blacklist and sought to inject new vigour into the CBO. However, media reports focused on the fact that the majority of the majority of regional states were evading the boycott, notably the Gulf States and especially Saudi Arabia.<sup>43</sup> Moreover, much media attention was paid to the fact that only one country, Syria, had accepted a boycott of Nestlé which had been added to the blacklist at the meeting. Furthermore, the boycott was presented as a peaceful means to bring about change, no doubt shaped by the emergence of well-publicised BDS calls and movements in other parts of the world.

However, in spite of the repeated calls, statements and promises, states in the Arab League have consistently pursued policies to build ties and links with, rather than isolate, Israel. The constant calls to reactivate the boycott with the meeting of political structures related to the CBO have proven to be little more than exercises in rhetorical posturing for

---

<sup>40</sup> Arab Inter-parliamentary Union, <<http://www.arab-ipu.org/english/news/session44.html>>, and in which the Jordanian delegation expressed its "reservation" over this point. The resolution called for Israel to comply with "world legitimacy resolutions", see section 13 of the political resolution.

<sup>41</sup> 'Arab countries call for politically, economically boycott to Israel', *People's Daily Online*, 25 Jun. 2004, <[http://english.people.com.cn/200404/27/eng20040427\\_141598.shtml](http://english.people.com.cn/200404/27/eng20040427_141598.shtml)>.

<sup>42</sup> Ibid.

<sup>43</sup> 'Arab League Members ignore Nestlé Boycott', *The Daily Star*, 5 Jul. 2006, <[http://www.dailystar.com.lb/article.asp?edition\\_id=10&categ\\_id=3&article\\_id=73700](http://www.dailystar.com.lb/article.asp?edition_id=10&categ_id=3&article_id=73700)>.

Palestine. Israel's trade with Arab League states was reported to have risen more than 47% in the first eight months of 2004. The trade amounted to some \$169.7 million, with business with Jordan and Egypt leading the way.<sup>44</sup> This has continued to grow, with figures from the Israeli Export Institute showing a 34.5% rise in trade in the first quarter of 2006.<sup>45</sup> However, official figures may only scratch the surface of the levels of trade being undertaken. In order to circumvent the problem of the unpopularity of Israeli products amongst consumers in the region, Israel's exports are frequently disguised and channeled through third parties. It is believed that significant levels of trade exist via third countries with false brand names used, or in which the product's source becomes concealed.<sup>46</sup>

On January 23 1996 the Qatari Foreign Minister al-Thani announced that Israel was exporting \$2 billion worth of goods to the Gulf States, and that this trade was going through Cyprus.<sup>47</sup> In 2001, official figures revealed that Cyprus imported \$164 million in Israeli goods, but only exported \$27.5 million to Israel.<sup>48</sup> This increased to around \$264 million in imports by 2004.<sup>49</sup> Whether the surplus is destined for the Middle East is not clear but booming unofficial trade is thought to be a key mechanism to circumvent the origin of Israeli produce.

Mauritania, Morocco and Tunisia have all recognized Israel through the establishment of diplomatic relations. Yemen renounced observance of the secondary and tertiary aspects of the boycott in 1995. Algeria still adheres in principle but not in practice to the boycott. In Lebanon, the primary boycott is generally followed, with the secondary and tertiary boycotts selectively enforced. Djibouti does not enforce any aspects of the boycott, and there are no known restrictions on commerce with Israel. The Gulf States have all withdrawn the secondary and tertiary levels of the boycott, and direct trade with Israeli companies – such as that between shipping companies in Dubai and Israel – is flourishing. At least 35 Israeli companies operate in the Gulf Emirates and in 2005 Israeli exports had risen by 37% to \$300,000.<sup>50</sup> Oman openly trades with Israel and allows an Israeli trade mission to operate on its territory. Jordan and Egypt, as noted, have comprehensive links with Israel.

Co-operation with Israel persists through such projects such as SESAME (Synchrotron-light for Experimental Science and Applications in the Middle East), which oversees the joint construction of a particle accelerator between Israel, Iran, Pakistan, Bahrain, Jordan,

---

<sup>44</sup> G. Fitleberg, 'Israeli Trade With Arabs is Up', *Truth News*, 23 Sep. 2004, <<http://truthnews.com/world/2004090202.htm>>.

<sup>45</sup> 'Exports to Arab countries in Q1 up 34.5%', *Port2Port*, 22 May 2006, <<http://www.port2port.com/Index.asp?ArticleID=901&CategoryID=46&Year=2006&Month=5&Page=1>>.

<sup>46</sup> Feiler, *Boycott*, p. 289.

<sup>47</sup> *Ibid.* p. 119.

<sup>48</sup> 'Economic and Political Boycotts of Israel', <[http://en.wikipedia.org/wiki/Office\\_of\\_the\\_Arab\\_Boycott\\_of\\_Israel](http://en.wikipedia.org/wiki/Office_of_the_Arab_Boycott_of_Israel)>

<sup>49</sup> 'Doing business in Cyprus', *Israel Diplomatic Network*, <<http://nicosia.mfa.gov.il/mfm/Data/91883.doc>>.

<sup>50</sup> 'January – April 05: Exports to Arab countries up 8.3%', *Port2Port*, 6 Jun. 2005, <<http://www.port2port.com/Index.asp?ArticleID=459&CategoryID=46&Year=2005&Month=6&Page=1>>.

Egypt, Turkey and the PNA. Morocco, Oman, Libya, Iraq, the United Arab Emirates and Cyprus are expected to join shortly.

Syria is left as the only state maintaining anything close to an effective boycott, a perception reinforced by the fact that it was the only country to agree to implement the Nestlé boycott after its recent addition to the CBO blacklist. Lebanon also continues the tradition of the boycott although it fails to follow up the secondary and tertiary levels in an effective way. While boycott offices are still retained by many League countries, they are redundant institutions in the majority of cases. Individual companies still request adherence to the boycott, at secondary and tertiary levels, including businesses from Bahrain, Bangladesh, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates and Yemen. It is here, and within the grassroots movements, where BDS continues to work towards the isolation of Israel in the Middle East.

## **2.5 The Boycott is Grassroots**

The 1975 UN General Assembly Resolution, equating Zionism as a form of racism, seems distant to the current political climate where Israel is treated as a legitimate member of the global community. Any cursory glance at today's international markets, the global media, and the breadth of Israel's diplomatic and military ties, would suggest the transformation from global pariah to that of respected state is almost complete.

However, the failure of Oslo to bring about any of the goals of the Palestinian liberation struggle catalyzed new forms of resistance. Not all parties remained blind to the realities on the ground in which the ghettoization and expulsion of Palestinians from their lands today threatens a fresh catastrophe. Palestinians themselves confirmed the rejection of an illusionary peace process, notably in the second *intifada* and the recent elections in the WBGS. Furthermore, despite the euphoria of the Oslo Process and continual "peace" initiatives up until the Roadmap, normalization policies were not mirrored in the activities and calls from civil society and Palestinian solidarity movements in the Middle East.

While governments shunned taking measures against Israel for its ongoing crimes – choosing to quietly reward the occupation with diplomatic ties, cooperation and trade – pressure groups pushed for reinvigorating the isolation of Israel in the understanding that the Palestinian struggle was hindered rather than aided by Oslo. Given the pro-Palestinian rhetoric emanating from politicians and rulers in government, local boycott movements were able to deploy a similar boycott discourse to hold their leaders to account, and attempt to drive through changes from below.

As Israel intensified attacks against the Palestinian resistance throughout 2002, campaigns amongst civil society groups became widespread. From Bahrain to Oman, popular boycott movements revealed that people would respond to the realities in Palestine: the daily land confiscations, continual construction of apartheid roads and the Wall, the killings and invasions, and the permanent defiance of the occupation to implement the basic rudiments of international law such as the return of the Palestinian refugees.

In Egypt continuous boycott mobilization and work marks a challenge to the policies pursued by the Mubarak regime, stimulating greater democratization in activities outside of the realm of state control. A wave of demonstrations and widespread mobilization throughout Tunisia marked the visit of Foreign Minister Silver Shalom to the World Summit on the Information Society (WSIS) in Tunis in November 2005, revealing public sentiment on the ground.

Boycott initiatives target any symbols of the occupation, and consequently involves shunning products from the US as a protest against the various forms of assistance it affords Israel. In one example, managers of KFC and McDonald's branches in Muscat, Oman noted how sales had fallen by 45 and 65% respectively during 2002.<sup>51</sup> A McDonald's branch manager in Muscat noted: "People have stopped coming like they did last year, mainly to show sympathy with the Palestinian problem."<sup>52</sup> Local McDonald's franchise owners in a number of Arab League states have published advertisements declaring that their staff are all local and denying giving aid to Israel. In Jordan, the company went a step further and contributed to the Hashemite Relief Fund, a Jordanian government agency providing "aid" to Palestinians.<sup>53</sup>

Bahrain marks another example of the tensions between the state, civil society and external agencies such as the US in terms of normalization. In late September 2005, the government gave in to US pressure to end Bahrain's longstanding boycott of Israel, a requirement for securing free trade agreements. This was distant from the mood on the ground in Bahrain, where there are public education campaigns to boycott Israeli goods as well as the corporations known to be promoting or supporting Zionism. The continuation of the boycott at a grassroots and popular level was no doubt partly responsible for shaping the climate in which the decision to end the boycott was rescinded by the Bahraini Parliament in October 2005. The Parliament voted to reinstate the boycott and to re-open Bahrain's official boycott office. Boycott provisions were further strengthened with MPs voting in favour of the government drafting a law banning Bahrain from dealing or cooperating with Israel.<sup>54</sup> Nevertheless it revealed the extent to which free trade and neo-liberal economics are tied into normalization and the conditionality placed upon Bahrain and the region generally.

---

<sup>51</sup> L. Carmichael, 'Arab Boycott Campaign Worries US Business', Arab News, 1 May 2002, <<http://www.palestinecampaign.org/archives.asp?xid=833>>.

<sup>52</sup> Ibid.

<sup>53</sup> Ibid.

<sup>54</sup> 'Outrage in Bahrain Ensures Full Boycott of Apartheid Israel Remains a Pillar of the Countries Foreign Policy', *Stop The Wall*, 13 Oct. 2005, <<http://stopthewall.org/worldwideactivism/1024.shtml>>.

Civil society movements in the Middle East, which promote resistance to normalization with Israel, are often linked into wider social or local movements pursuing domestic goals and reforms. By bringing the boycott into communities, campaigns have bypassed the state while at the same time bringing a series of demands, calls and pressures upon the state to abide by its obligations to the Palestinian people and carry out the pro-Palestinian rhetoric that many Arab League governments deploy. To some extent the resurgence of the boycott serves to promote forms of democratization across the Middle East, posing a challenge not just to the presence of Zionism but also to the authoritarian nature of many governments throughout the region.

## **2.6 In Retrospect: Lessons for Today's Solidarity**

The effectiveness of the League's boycott cannot, and should not, be measured solely in terms of economic data. It is impossible to be precise in calculating the losses to the Israeli economy from the boycott, and while we can estimate the impact, it is equally important to consider if the boycott achieved success in terms of influencing wider popular opinion and discourse. It is crucial to consider if the boycott catalysed or inspired other acts of solidarity with Palestinians struggling for freedom. Additionally, we need to evaluate if there are any lessons from the boycott for today's solidarity campaigns.

Boycotts are pursued to bring about a shared vision of transformation and change. Thus we need to assess the way in which the boycott became presented, to what extent it pursued and attained identified goals, and the accomplishments it had in bringing about effective and concrete means to support Palestine.

The criteria for analysis can be broken down into three broad categories:

1. The economic impact
2. Influencing and shaping discourse, the media and popular opinion
3. Exacting concrete changes from Israel in accordance with the aims and objectives of the Palestinian struggle

### ***Economic***

Estimates of the yearly loss to Israeli GDP as a result of the boycott have fluctuated from around 3 to 10%.<sup>55</sup> In 1993, Danny Gillerman (President of the Israeli Chambers of Commerce) and economic analyst Danny Lipkin estimated the financial loss to Israel

---

<sup>55</sup> B. Dasgupta, 'Do economic boycotts work?', *rediff.com*, 21 Apr. 2006, <<http://in.rediff.com/money/2006/apr/21guest1.htm>>.

from the boycott since 1950 at somewhere between \$45 and \$49 billion.<sup>56</sup> The boycott office in Damascus has suggested the figure could be as high as \$90 billion.<sup>57</sup> Yet, the boycott has also been described as a "flop" and a "failure".<sup>58</sup> A significant proportion of today's BDS activists feel far more comfortable with parallels to the movement to isolate apartheid South Africa, as opposed to efforts associated with the Arab League boycott in regards to Israel. Yet, there is a strong case that the League's boycott had a serious impact in inhibiting the Israeli economy, placing considerable strain upon the state for several decades, while also yielding useful lessons for today's BDS activists and campaigners.

In the 1960s, annual loss to the Israeli economy from the boycott was thought to be running at anything up to \$70 million a year.<sup>59</sup> By this point the League had accumulated considerable data and knowledge of Israel's trade activities, whilst using its own political and economic strength to push for greater adherence of the boycott in the rest of the world. Amer Sharif's study of the boycott in 1970 noted: "Many companies, more than those which get black-listed, have complied with the Israel boycott regulations when their attention was drawn to the subject and its consequences."<sup>60</sup> Moreover, many companies acceding to the terms of the boycott came from the US and Western Europe, from countries with the strongest historical links with Israel.<sup>61</sup> However, such success was compromised when League countries placed sovereign interests above the maintenance of a stringent boycott, or lacked the collective strength to take on some of the most powerful global enterprises. For example, an article in *Business Management* from 1964 noted that:

... Enforcement is not uniform from market to market. In general, Morocco, Algeria, Tunisia and Sudan ... do not let it [the boycott] hinder their business activity. General Tire holds equity in factories in both Israel and Morocco, despite the fact that is listed. Morocco even ships some merchandise directly to Israel and allows blacklisted ships to use its ports. Recently, the French holiday-camp organization, Club Mediterranee, was blacklisted on account of its Israel camp, although its successful Moroccan operation continues, perhaps because of the 20,000 tourists it attracts annually.<sup>62</sup>

Indeed, the movement was compromised from the beginning as countries were tempted to bypass parts of the boycott, lured by the individual benefits they could accrue by not adhering. American Express provides an example of collective and "pragmatic" decision-

---

<sup>56</sup> Cited by C. Fershtman and N. Gandal, *Boycott*.

<sup>57</sup> This breaks down as \$20 billion for loss in exports to Arab countries, \$24 billion lost due to lack of investments in Arab countries and \$46 billion resulting from the impact of secondary and tertiary boycott in the rest of the world.

<sup>58</sup> Sarna, *Boycott*, p. 70.

<sup>59</sup> D. S. Chill, *The Arab boycott of Israel: Economic Aggression and World Reaction* (New York: Praeger Publishers, 1976), p. 23.

<sup>60</sup> A. A. Sharif, *A Statistical Study on the Arab Boycott of Israel* (Beirut: The Institute for Palestine Studies, 1970), p. 2.

<sup>61</sup> *Ibid.* p. 14.

<sup>62</sup> Chill, *Boycott*, p. 34.

making by the CBO to rescind a specific boycott in order to not harm wider interests. American Express had pulled out of the Israeli market in March 1956, a result of pressure from the CBO and the League states, only to reverse this decision two years later. The company's actions had largely been condemned in the United States where the company had not benefited from exposure within the media that they were submitting to the boycott. It then came to operate in both Israel and League states, leading to boycott officers waiving boycott principles in favour of retaining the services of American Express.<sup>63</sup>

A similar situation emerged when the Hilton hotel chain was mooted as a candidate for the central blacklist in the 1960s. Egypt worked against any such action because of the contribution the chain made to tourism in Egypt. Far from a unified stance involving disciplined parties willing to sacrifice national interests, the features of the boycott took on an ad-hoc nature.

In an atmosphere marked by disunity, states are far less likely to agree to sacrifices resulting from a boycott when others players are suspected or involved in breaking rules of the boycott for their own gain. Very much like the classic scenario of game-theory, where trust breaks down when advantages for not participating outweigh those of participation, adherence to the boycott by its proponents tended to follow predictable patterns and trends. Success was achieved with less powerful and smaller firms who lacked a strong enough base from which to resist the economic threat of boycott from the CBO. Failure characterized boycott calls made on more powerful companies, especially those already integrated into the region and which provided valued services and trade.

States in Asia, Latin American and post-colonial Africa (which all pursued trading links with the Arab League states) formed another target to ensure Israel's isolation. Subsequently, many African countries acceded to the terms of the boycott, whilst avoiding trade with Israel became standard in business circles throughout Asia. This continued into the 1970s, gaining in strength from the political influence associated with the growth of petrodollar wealth and the 1973 war. The oil crisis and the threat by oil producers of imposing an oil boycott on states friendly to Israel following the war gave the boycott a renewed lease of life.<sup>64</sup>

The rise in the price of oil, from \$3.01 to \$11.65 a barrel between October and December of 1973, and the imposition of the oil embargo on the US by key members of the Organization of the Petroleum Exporting Countries (OPEC) resulted in a sharp increase in the impact of the League's boycott. It is thought to have permeated the business transactions of hundreds of firms, and by 1976, 2,200 companies in the US reported over 97,000 transactions with boycott conditions or requirements.<sup>65</sup>

---

<sup>63</sup> Sarna, *Boycott*, p. 15.

<sup>64</sup> Rolef, *Anti-boycott*, p. 33.

<sup>65</sup> A. Lerman, 'Japanese Compliance with the Arab Boycott of Israel', *Institute of Jewish Affairs* (Report, 1991), p. 6.

The oil boom meant many blacklisted firms could not afford to stay out of profitable markets. As a result, companies went to great lengths to cleanse themselves from business dealings with Israel, submitting notarised documentation attesting to their withdrawal from the Israeli market.<sup>66</sup> Boycott offices duly removed these firms from the blacklists, enabling their products to reach consumers and government agencies. In political terms, Israel had found itself almost totally isolated from the international community as a result of a greater strength of the Arab League and wider adherence in the business world to the boycott.<sup>67</sup> It was at this time that the infamous statement equating Zionism with racism was passed by the United Nations General Assembly, reflecting at least in part the strength of the overtures of the Arab League to other states.

Britain's largest food can company, Metal Box, was one example of the power of the boycott when it divested itself from its 27% equity share in the Israel Can Company. Coming in February of 1977, the move ensured the company would not lose important sales in Saudi Arabia and Kuwait.<sup>68</sup> The Wall Street Journal noted in December of 1974 how individuals and businesses established their own boycott rules that were much tighter than the official boycott. The Journal noted that: "to be on the safe side they lean far over to be friendly to Arabs even if this means being overtly unfriendly to Israel."<sup>69</sup>

One of the effects of the adherence to the boycott was felt in the WBGs economy after the occupation in 1967. This was particularly noticed in the prohibition of Palestinian industrial products on the grounds that they might contain Israeli components.<sup>70</sup>

Yet, League states could still not persuade more powerful financial interests to abide by the terms of the boycott. Barclays Bank was given four months notice by the CBO in September 1975 to liquidate its 50% holding in Barclays Discount Bank in Israel or face blacklisting and termination of its operations in Egypt and several League states in the Gulf. Barclays refused to accede to the demands, whereupon the Bank was blacklisted. However, in just one year, the CBO backtracked on its decision reportedly because of Barclays' outstanding loans to League members.<sup>71</sup>

The setback to Israel's trade and investment program was considerable until anti-boycott legislation and policies were adopted, specifically in the United States. The treaty with Egypt signalled an additional major blow, striking the unity of the League's boycott, and enabling Israel to begin importing Egyptian oil from 1979 to offset imports lost after the revolution displaced the pro-Israeli regime in Iran.

---

<sup>66</sup> Sarna, *Boycott*, p. 35.

<sup>67</sup> Ibid.

<sup>68</sup> Ibid. p. 147.

<sup>69</sup> The journal from 30 Dec. 1974 cited by Chill, *Boycott*, p. 18.

<sup>70</sup> H. M. Awartani, *Agricultural Development in the West Bank, An economic and political study of the development of rain-fed farming in the West Bank*, University Thesis (Bradford: University of Bradford, 1982), p. 181 and A. Arnon and others, *The Palestinian Economy, Between Imposed Integration and Voluntary Separation* (New York: Brill, 1997) p. 168.

<sup>71</sup> Sarna, *Boycott*, p. 146.

Changes to the global economy made implementation of boycott regulations increasingly complicated in the 1980s. The beginning of what is popularly termed globalization – the development of neo-liberal policies within economic systems and relations – saw the growing fragmentation, outsourcing and relocation of production processes. Moreover, it catalysed a greater integration of markets into an international economy. It became increasingly difficult to source where all the various components, technology and financing for a particular product or service came from, and as a result harder to implement the boycott.<sup>72</sup>

While Israel's integration into and reliance upon international markets has been noted as a potential source of vulnerability, it also makes it far more difficult to organize a straightforward boycott where easily identifiable goods and products can be targeted.<sup>73</sup> As we will see, this marks a major difference with South Africa, where exports were often reliant upon specific raw materials and goods to sustain the apartheid economy.

Other factors in the 1980s also precipitated the waning of the boycott, notably the end of the oil crisis and the apparent ability of Israel to withstand the long-term effects of the boycott. Israel even experienced a consumer boom, attracting investments from many foreign companies that had previously stayed out of Israeli markets.<sup>74</sup> Later, Oslo created a trajectory of normalization with Israel that, barring Syria and Lebanon, continues today.<sup>75</sup>

### *Influencing and shaping discourse, the media and popular opinion*

Analysing the economic successes scored by the boycott quickly reveals that the strength of the CBO to isolate Israel was hinged upon the degree of economic and political pressure that the Arab League could exert. In the overwhelming majority of cases, it did not come about as a result of any external moral or ethical impulses regarding the Palestinian struggle.

When Alfred Lilienthal, counsel for the American-Arab Association for Commerce and Industry in the US described the boycott as "a real flop", he may well have been considering its ramifications outside of economics.<sup>76</sup> Did the boycott engage people in the issue? Was it backed up by any kind of public relations campaign? Did it create the means by which public opinion developed pro-Palestinian perspectives and sympathized with the goals of the liberation struggle?

The answer to those questions is a resounding "no". To the contrary, pro-Israeli lobbies and campaigners used exposure of the boycott to further their efforts in challenging the

---

<sup>72</sup> Feiler, *Boycott*, p. 271.

<sup>73</sup> S. Hever, *The Economy of the Occupation: The Question of Sanctions and a Boycott against Israel*, (Jerusalem: Alternative Information Centre, 2006).

<sup>74</sup> Feiler, *Boycott*, p. 271.

<sup>75</sup> Other states pursuing some kind of boycott, e.g. Bangladesh or Iran are not in the Arab League.

<sup>76</sup> The New York Times, Dec. 22 1963 cited by Chill, *Boycott*, p. 30.

League and overturning complicity of Western firms. The boycott achieved significant success for three decades, but in terms of stifling the development of the Israeli economy, it did so only as a result of coercion of foreign parties to act as enforcers of the League's programme. As one commentator noted, "in no other case have so many states which do not necessarily sympathize with the political goals of the boycotters, complied with their boycott for purely commercial reasons."<sup>77</sup>

Coercion and economic force shared little of the moral or ethical arguments that typically characterize solidarity work, and opened the boycott up to greater vulnerability to attacks from the pro-Israel lobby. Moreover, this problem was exacerbated as the proponents of the boycott represented increasingly authoritarian governments and regimes and in which cases of corruption emerged. Within these dynamics the boycott failed to resonate with many groups and movements who have extended solidarity to Palestinians. For example, in 1960 Finnish dockworkers announced their refusal to handle Egyptian ships due to Egypt's refusal of transit rights and full services to Finnish and other ships which traded with Israel.<sup>78</sup> The Swedish Transport Workers' Federation followed with a similar decision and in a conference in May of the same year, the Seamen's section of the International Transport Workers' Federation (ITF) unanimously adopted a strong resolution against the League's boycott and blacklisting policy. The representatives appealed to other affiliates of the Federation to take action.<sup>79</sup>

It is worth considering a standard letter sent out by the CBO from the early 1960s in which it states:

We draw your attention to the fact that the Arab countries are still in a state of war with Israel. Therefore as a measure of self-defence and with a view to safeguarding the rights and the vital interests of the Arabs of Palestine, the Arab countries strictly adhere to a set of boycott regulations directed at Israel. In brief, these regulations prohibit any Arab from having any dealings with any Israeli person or business, or with foreign persons or firms maintaining such dealings with Israel.<sup>80</sup>

There was little elaboration on the ideology of Zionism, the pain and suffering of the Palestinian refugees, their right of return, or any serious attempt to provide an argument which might evoke support and sympathy for the Palestinian cause and strengthen ties with the rest of the world.

In a similar way, the actions of companies divesting from South Africa in the 1980s were not a result of sudden realizations of justice over profits. Divestment came about from economic pressures and considerations, although in this case a result of popular campaigns led from grassroots anti-apartheid movements. Such activism employed a discourse hinged upon a series of moral arguments which gradually permeated public

---

<sup>77</sup> Rolef, *Anti-boycott*, p. 5.

<sup>78</sup> Remba, *The Arab Boycott*, p. 40.

<sup>79</sup> *Ibid.* p. 55.

<sup>80</sup> Available online at <<http://www.jewishvirtuallibrary.org/jsource/images/boycottletter.jpg>>.

opinion, serving to push the anti-apartheid movement forward, and influence targeted companies. This trend continues in today's BDS campaigns for Palestine, which look for as much exposure of campaign work as possible to strengthen the movement. Secret blacklists, furtive economic threats and directives emanating from a handful of officials are off the agenda.

In addition, the Arab League boycott, as noted by the al-Hayat newspaper, reflected "the intervention of strong economic interests" in every country to avoid the inclusion of certain companies on the blacklist.<sup>81</sup> Companies with obvious links to sustaining the Israeli economy tended not to be put on the blacklist if it damaged wider interests. Again, this does little to present a moral framework for such solidarity work and can be viewed as a challenge to the essence of a boycott for Palestine.

Moreover, companies found they could get round the boycott, not just by setting up secret subsidiaries, but through direct bribery.<sup>82</sup> A case to illustrate this point was the revelation by the US Securities and Exchange Commission (SEC) in 1976 that the General Tire and Rubber Company paid \$150,000 from 1971 to 1973 to an affiliated company to get off the League blacklists. Adnan Khashoggi, a Saudi Arabian who owned the company involved, was reported as a middleman for arms sales and other financial transactions in the region. The boycott was successfully bypassed although the SEC considered the payment to be a questionable corporate practice.<sup>83</sup> In 1971, Fatah called the Arab Boycott Office "a sinecure for parasites and inefficient officials."<sup>84</sup>

The lack of clarity and consistency in the League boycott made it easy to be dismissed as unpractical and even to be characterized as anti-Semitic, without the need to engage in any serious, critical discourse of Israel, Zionism and the promotion and realization of Palestinian rights. The opposition to Israel from the boycott took on a static form of opposition that lacked visionary political and social transformation which could include creating a secular state, realizing the right of return, ending the 1967 occupation, adhering to the boycott until international law was upheld, and other such objectives. The practice of requesting information about Jews in companies, occasionally employed by League members such as Saudi Arabia, clearly tarnished the boycott with anti-Semitism when the concerns of the boycotters should have been concerned with Zionism. In addition, that the representatives driving the initiative forward came from regimes like Saudi Arabia did little to legitimize the boycott in the rest of the world.

### ***Exactng change: End results less important than the means***

Undoubtedly, the boycott scored numerous successes in both economic and diplomatic terms. It stifled Israel's economy and also influenced numerous countries in the

---

<sup>81</sup> N. Raphaeli, 'The Arab Boycott of Israel in the Globalization Age in The Middle East', *Media Research Institute*, 261 (20 Jan. 2006), <<http://memri.org/bin/articles.cgi?Page=archives&Area=ia&ID=IA26106>>.

<sup>82</sup> Chill, *Boycott*, p. 36.

<sup>83</sup> Sarna, *Boycott*, p. 53.

<sup>84</sup> Cited in Chill, *Boycott*, p. 36.

developing world to take on a pro-Palestinian position. The vote of the United Nations Security Council in 1975 represented the zenith of the boycott's power and strength when non-aligned countries, the Arab League states and developing nations combined to pass a motion equating Zionism with racism. Yet, despite the clear reasons for ideological parity with Palestinians under occupation and as victims of imperialism, there is considerable evidence that it was pragmatic interests that dictated the pro-Palestinian line taken by numerous developing and post-colonial countries.

In addition, despite the gains made in achieving the compliance of companies with the boycott, the failure to follow this through with greater public awareness of the reasons for the campaign proved to be a decisive factor in the demise of the boycott in the long run. Thus, as the economic and political clout of the League weakened so did the boycott.

By the late 1980s, the boycott was still an irritant to the Israeli economy, its backers in the United States, and businesses which wanted to accrue benefits from Israel's consumer needs and technological exports. Consequently, the Oslo process was designed to remove this factor by normalization, together with the overall goal of quelling the Palestinian resistance of the *intifada*. One source at the recent Arab Boycott Bureau conference was quoted in the media noting "an important reason for not observing the boycott rules by the Arab countries is the growing US pressures in the direction of normalization with the Jewish state."<sup>85</sup> But Oslo aside, there are other reasons which account for the failure to adhere to the boycott, beginning with overriding national and sovereign interests whereby the boycott came to be compromised from its inception. A clearer set of objectives – along the lines of BDS work for South Africa (see chapter 4) – could have developed the characteristics of a global boycott more adept at withstanding external challenges and criticisms.

With or without the League boycott, Israel would have engaged in an intense and concerted effort to develop key sectors of its economy. This development would have been more favourable without the impediment of the boycott, and despite Israel's growth, economic activity was stifled for several decades. Moreover, it yielded experiences and a boycott history useful for today's activists. It shows how the unity of a movement can score important successes and that divestment and boycott can be institutionalized into the operations of companies and businesses across the globe. Yet it also reveals that transforming success into concrete political and social changes requires key fundamental characteristics which were lacking in the League's campaign. Public relations and media campaigns undertaken by activists on a grassroots level; open and transparent functioning; accessibility to the wider public and a clear set of aims and objectives were all missing in the League's work.

Maintaining the boycott behind closed doors without clear reference to the reasons for supporting Palestinians made it easy for the opposition to label boycotters anti-Semitic, without any exploration of the legitimacy of a BDS campaign. In some cases such claims were true and served to undermine the Palestinian cause. A boycott driven from above

---

<sup>85</sup> Arab Boycott, *The New York Sun*, 17 May 2006, <[http://www.shinesforall.com/archives/2006/05/arab\\_boycott.html](http://www.shinesforall.com/archives/2006/05/arab_boycott.html)>.

becomes problematic when the states involved reflect little of the justice or morality that should be invoked by BDS solidarity work. While undoubtedly the boycott received – and is today driven by – enormous grassroots support, it was consistently directed by state structures which have stifled such movements working for Palestinian and wider rights. Increasingly since Oslo, ruling elites or political structures have frozen the activities of social movements working for a boycott. Given the commitment of the PNA to normalization, Palestinians in the West Bank and Gaza Strip have also experienced at best minimal support for boycott initiatives.

Today, popular sentiment for Palestinians in the Middle East means trade via third parties forms a key role in business with Israel. Moreover, for the first time BDS initiatives are now widely pursued in Western societies, where Israel has historically been reliant upon continual support and backing. As we suggest in chapter 5, Israel's economic boom can be viewed as far less resilient and strong than assumed by many commentators, providing hope that a reinvigorated BDS movement can have some impact. If it does, it can learn a lot from past experiences.

A BDS movement must be aware that the way in which the boycott is pursued can be more important than the attainment of specific goal. For example divestment might be attained by pressure upon a company, but unless this has ramifications for the wider public consciousness, the act in itself may not serve to have any positive impact. The means can be equally as important as the ends. It shows that governments and states cannot be relied upon to be the enforcers of a boycott, even though they may be a useful component in institutionalising it. Moreover, it demonstrates that today's boycott movement must clearly articulate its aims and goals and until what point the boycott is to be maintained. Whereas the Arab League has highlighted a variety of motives for the boycott, lack of overall clarity and purpose has not won it sympathy in the rest of the world.

One anti-boycott activist wrote in the 1970s: “The Boycott's effectiveness will decrease in inverse proportion to the increase in public awareness of its activities and the methods by which the Boycott's efforts may be rendered nugatory.”<sup>86</sup> Today, exposure is one of the boycott's greatest weapons, as Israel no longer commands the hegemony over global solidarity and sympathy. The opening of new historical narratives, finally revealing the full subjugation and horror experienced by the Palestinian people as a result of Zionism, is making new waves in global discourse and perceptions.

---

<sup>86</sup> Chill, *Boycott*, p. 78.

## **3: The Call to Boycott and Resurgence of Palestinian Civil Society**

### **3.1 Historical Overview**

### **3.2 The Call**

### **3.3 BDS Initiatives**

### **3.1 Historical Overview**

Solidarity links with Palestine outside the immediate region developed from the 1960s, coming concurrently with the formation of a strong Palestinian liberation movement amongst the refugees in the diaspora and over time from the occupied WBGS. Ties were built with progressive and radical political organizations, and with other liberation struggles sharing similar goals to that of the Palestinian liberation movement. Countries from the Eastern Bloc and the NAM states developed relationships with Palestine with reference or claim to a broader anti-colonial struggle.

In the West, mainstream political parties, including those stating their adherence to leftist or socialist principles, tended to extend ties of friendship and support to Israel. The British Labour Party, for example, was a strong supporter of Zionism in terms of official policy. Consequently, the sites of concrete solidarity with Palestinians came from the revolutionary left and from other liberation struggles. From the African National Congress (ANC), to liberation movements in Asia, the "new" European left as well as some of the communist parties in Europe, strong rhetorical and ideological support for Palestinian liberation came to be part and parcel of the struggle against imperialism.

This solidarity was nearly always defined in relation to the Palestinian Liberation Organization (PLO) and the various factions within it. While individuals and groups boycotted Israeli goods and produce, this strategy was not emphasized in solidarity work as a means to support the Palestinian struggle. Instead efforts were concentrated on strengthening and elevating the PLO on the diplomatic stage, or through direct contributions to the protracted armed struggle. Support for Palestinians was bolstered by the wave of decolonization in the 1960s and the rise of "third world consciousness" in the post-colonial world. Standard mechanisms of assistance for an anti-colonial revolutionary struggle included the training of fighters and the contribution of materials as well as strategic support. In 1966, a Tricontinental Solidarity Conference in Havana produced a

resolution denouncing Israeli technical “assistance” as a form of imperialism.<sup>87</sup> The following year proved to be a watershed in defining Israel’s image in the rest of the world. Global relations deteriorated throughout the 1970s and Israel allied itself with a handful of pariah regimes such as apartheid South Africa.<sup>88</sup>

During the first *intifada*, solidarity efforts, especially in North America and Europe, focused on support to the popular committees created in the WBSG and their work to provide for the basic needs of communities. However, the impact of the Oslo Process and normalization served to sharply derail numerous ties built over several decades. This trend was assisted in the global crisis and decline of the left. This has been characterized as a worldwide ideological and political integration within a “neo-liberal project” and the conversion of many leftists to that process.<sup>89</sup> Moreover, the collapse of the Eastern Bloc and the increasing insignificance of the NAM countries in light of global developments such as the growth and dominance of the free market system, culminated in greater hegemony of the US and its allies on an international level.

The PLO entered negotiations in the early 1990s with good faith that they would lead to the realization of at least some of the goals of the Palestinian struggle. Global euphoria that a solution could be forged through dialogue had a fundamental impact in shaping the activities of external players in Palestine and efforts focused upon finding an authority to administer the “semi-autonomous” cantons of the WBSG. Transformation of dynamics around the struggle was further assured as important elements in the PLO entered the structures of the PNA (Palestinian National Authority). While endless negotiations failed to bring about any of the Palestinian objectives, the PNA became absorbed with the tasks of day-to-day administration over the disparate Bantustans of the WBSG. Meanwhile, fiscal policy “experts” from the World Bank, the organization which funded the PNA’s recurrent budget and start-up expenses, dictated the nature of a “development” strategy. Resulting implementation of free market and neo-liberal economic policies went hand-in-hand with the institutionalization of the occupation, as Palestinian “development” was built around Israeli priorities.<sup>90</sup> The PNA was left with little other choice than carrying out the decisions of its backers. Over the years the World Bank and the international community placed conditionalities on the funding for the PNA, threatening and withholding funds, as well as binding the authority to another infamous institution, the International Monetary Fund (IMF). Macro- and micro-economic policies in the shape of the standard Structural Adjustment Programmes (SAPs) bound the institutions of the Palestinian economy to an overall paradigm of neo-liberalism.

Some commentators suggest the loyalty of the PNA to a neo-liberal framework was a result of expectations that this would yield future benefits, namely the formation of a

---

<sup>87</sup> B. Beit-Hallahmi, *The Israeli Connection: Whom Israel Arms and Why* (London: I.B. Tauris and Co Ltd. 1988), p. 41.

<sup>88</sup> Although relations with the US have remained consistently strong. See <[www.bdsmovement.net](http://www.bdsmovement.net)> for further analysis and history of Israel’s foreign relations and activities.

<sup>89</sup> J. Petras, "Globalization: A Socialist Perspective", *James Petras Website*, 1999, <<http://petras.lahaine.org/articulo.php?p=89&more=1&c=1>>.

<sup>90</sup> The Grassroots Palestinian Anti-Apartheid Wall Campaign. "Aid and Assistance to Palestine: Creating the Bantu-State", *Stop The Wall*, Jan. 2006, <[www.stopthewall.org](http://www.stopthewall.org)>.

sovereign Palestinian state with East Jerusalem as its capital. Yet, as such hopes failed to materialize, two important developments demonstrated that hegemony of neo-liberal politics would be met by resistance in Palestine and in the rest of the world.

Firstly, with the start of the second *Intifada* in 2000, Palestinians rejected the *Bantu state* and “normalization” imposed by the Oslo Accords, and renewed their resistance to colonization of their land and lives. This provided the catalyst for resurgence in global solidarity work and the revitalization of ties with grassroots and civil society movements and organizations.

Secondly, on an international level, the emergence of the new social movements was heralded as the reinvention of progressive and grassroots politics. From the Zapatistas of Chiapas, the Movimento dos Trabalhadores Rurais Sem Terra (MST) of Brazil, to the anti-privatization groups of South Africa, the tag of “anti-globalization” has been used to bring together an awkward alliance of movements, interest groups and NGOs. The common goal of forging political and social change has transcended rigid conceptions of the party and the trade union, into notions of different interest movements that actively contest the prevailing forms of political representation and the legitimacy of such rule.<sup>91</sup> Much has been made of this development, particularly in the regional and global “social forums” that have attracted increasingly larger participation.

The first important move from global civil society came in August-September 2001, during the NGO Forum of the UN World Conference against Racism, Racial Discrimination and Related Intolerances in Durban, South Africa. Tens of thousands of people converged for the meeting, with Palestine one of the most prominent causes. A resolution was passed pressing for the isolation of Israel and denouncing its racist nature and policies.

The presence of activists such as MST leader Mario Lill and Paul Nicholson of Via Campesina during the siege of the *Moqata* in 2002 illustrated the rekindling of links between Palestinians and other struggles. Meanwhile, some of the new anti-war coalitions in different parts of the world accorded high profile to the Israeli occupation within their mobilization and discourse. In other parts of the globe, activists are still struggling to ensure that opposition to war in the Middle East is based on the understanding that there will be no peace in the region until Palestinians are granted their full rights. However, the movement opposing the US-led war on Iraq has placed significant emphasis on Palestine, ensuring the issue permeated deeper into popular media and discourse.

In September 2004, 260 participants in the Beirut Conference of the Anti-War and Anti-Globalization Movements asserted the call for the isolation of Israel. It endorsed the appeal for a campaign of comprehensive Boycott, Divestment and Sanctions (BDS) while

---

\* Landless Peoples Movement.

<sup>91</sup> See M. Murray, *South Africa: Time of Agony, Time of Destiny* (London: Verso, 1987) and M. Castells, *The City and the Grassroots: A Cross-cultural Theory of Urban Social Movements* (Berkeley: University of California Press, 1983).

a working group was formed to develop the Anti-Apartheid Movement against Israel. Later, the European Social Forum (ESF) resolved to launch a European sanctions campaign.

The All-India Anti-War Conference took up the calls and principles of the Beirut Conference and the assemblies from the 2005 World Social Forum (WSF) which had both called for comprehensive BDS campaigns against Israel. In 2006, the European Coordinating Committee for Palestine (ECCP) noted its support for “the BDS (boycott, divestment, sanctions) call signed by 170 Palestinian organizations and associations ... aimed at bringing pressure on governments and the international community to compel Israel to obey international law.”<sup>92</sup>

On the 4th of August 2006, the Hemispheric Council of the Americas\* issued the following statement:

We believe today that actions are necessary that end Israel's impunity that starts to stop and to punish the genocide. We cannot permit further impunity. We cannot allow that the geopolitics of extermination, the imperial control continues to impose itself over humanity.<sup>94</sup>

A statement was released calling for the identification of agreements kept with Israel in order to demand their immediate cancellation. Meanwhile, a host of other groups and organizations confirmed the widespread arrival of BDS strategies in support of Palestine, spanning churches, political parties, trade unions, social movements, associations and NGOs. The significant shift in perceptions around the occupation dented the dominance of Zionists and their apologists, whilst bringing Palestinian solidarity work to a crossroads. Could it gain in strength to realize concrete goals, or would it dissipate under the pressure of various lobbies, groups and political forces united by their will to continue the sham of the “peace process” and further normalization?

### **3.2 The Call**

Palestinian voices for a boycott were renewed in the summer of 2004 as the International Court of Justice (ICJ) in The Hague considered the Apartheid Wall. On the 9<sup>th</sup> of July the ICJ condemned the Wall, denounced Israeli occupation and settlement policy as illegal, and reminded the international community about their legal obligations not to render any

---

<sup>92</sup> ‘Geneva conference looks to future with boycott of Israel on agenda’, *Stop The Wall*. 19 Jun. 2006 <<http://stopthewall.org/worldwideactivism/1197.shtml>>.

\* The Hemispheric Council of the Americas is the coordination body of the Americas Social Forum.

<sup>94</sup> ‘Social Forum of the Americas Condemns “Genocide” and Calls for Sanctions on Israel’, *Stop The Wall*, 14 Sep. 2006, <<http://stopthewall.org/worldwideactivism/1302.shtml>>.

aid or assistance to the situation created by the Wall. In a press release the Anti-Apartheid Wall Campaign (AAWC) called for the comprehensive isolation of Israel. At the same time, the Palestinian Academic and Cultural Boycott Initiative (PACBI) issued the call for academic and cultural boycott, and the issue began to resonate throughout civil society.

The BDS call was quick to spread on a global level. While many solidarity organizations had been waiting for such a call to come out from Palestine, the heated discussion in other circles propagated the appeal well beyond its immediate supporters and even into mainstream media. A year later, Palestinian organizations converged to promote a unified appeal. Their call for a comprehensive BDS campaign against Israel, signed by over 170 Palestinian organizations, came as an important development in forging a common position on which to base relations with the rest of the world.

Fundamental was that the appeal crossed the full spectrum of Palestinian society, from political parties and factions, trade unions, civil society, NGO coalitions, official associations and faith-based movements. Furthermore, the signatories represented the three major components of the Palestinian people: the refugees in the diaspora, Palestinians under occupation and the subjugated Palestinian citizens of Israel.<sup>95</sup>

At that time, the AAWC summarized the main goals of a boycott:

- Expose the true nature of Israel's occupation and apartheid practices
- Give real value to human rights by making Israel accountable for its crimes
- Reveal and highlight the complicity of the international community in supporting Israeli crimes that relentlessly violate human rights and international law
- End international support for Israeli occupation and apartheid with the understanding that apartheid cannot be sustained without external assistance

The unified call also identified an end-point for campaigners and activists to work towards, in concurrence with international law and basic notions of human rights:

Ending its [Israel's] occupation and colonization of all Arab lands and dismantling the Wall;  
 Recognizing the fundamental rights of the Arab-Palestinian citizens of Israel to full equality; and  
 Respecting, protecting and promoting the rights of Palestinian refugees to return to their homes and properties as stipulated in UN resolution 194.<sup>96</sup>

---

<sup>95</sup> Download the call online at, <<http://stopthewall.org/worldwideactivism/968.shtml>>.

<sup>96</sup> Ibid.

### 3.3 BDS Initiatives

Palestinian calls to boycott the occupation have been a consistent feature and legacy of a struggle soon to reach its 60<sup>th</sup> year. While the July 9<sup>th</sup> call was crucial in determining the basis by which relations with the outside world could be pursued, BDS initiatives had been on the rise worldwide since the second *intifada*. Today, with a clearer sense of responsibility and purpose as a result of the united call, a variety of mechanisms have developed as a means by which to pursue solidarity work.

#### *Consumer Boycott*

##### Aims

- Raising awareness among consumers of the consequences of buying Israeli
- Ensuring removal of Israeli goods from shelves of shops and supermarkets
- Pressuring companies using Israeli technology and components to find alternatives and join the boycott
- Creating and/or promoting a *Buycott* alternative

##### Why

While the Israeli economy is far less dependent on the export of everyday consumer goods and produce now than throughout its history, the sector still makes an important contribution to sustaining the economy. Moreover, the sales of some products are directly linked to some of the most brutal aspects of the occupation, driving further acts of violence and dispossession against Palestinians. For example, Agrexco sources some of its agricultural goods from stolen Palestinian lands in the Jordan Valley where land confiscation and settler expansion continue to accrue further profits for the occupation.

Production within the technology sector makes a more telling contribution to the Israeli economy as a whole. Such technology is exported into various consumer markets from mobile phones, computers and software. However, it also incorporates the manufacture of various military services and goods marketed as meeting today's "security" needs. These have a distinct reputation for reliability, having been tried and tested by occupation forces on Palestinians.

Cutting off the economic support that drives the Israeli economy will present a series of challenges in maintaining the occupation. Ensuring that Israel pays for its crimes is a powerful means by which people from across the world can support Palestinian solidarity initiatives. In the West, consumers are growing increasingly aware of the products they buy and the food they eat. In the UK a survey conducted in 2005 for the Co-Operative

bank revealed that over half of the consumers questioned stated that they had avoided buying products from a company on the basis of its reputation.<sup>97</sup> Boycotts are big business, and it is vital that the general public are aware of the moral and ethical dimension of buying Israeli goods.

The boycott can instill broader moral and ethical considerations into consumerism and reward companies who publicly distance themselves from the Israeli economy with greater levels of trade. A *buycott*, promoting ethical alternatives to Israeli goods, can have a major impact if institutionalized into the practices of retailers and shoppers alike. Campaigners have deployed the *buycott* – also known as affirmative purchasing or a *girlcott* – on various occasions to reinforce positive behaviour. In the mid-1980s, shoppers in Australia and the US bought produce from New Zealand in support of that country's refusal to permit ships carrying nuclear weapons into their ports.<sup>98</sup>

### Logistics

Today, Israel is heavily involved in the manufacture and production of technology, some of which finds its way into the everyday consumer goods manufactured in countries across the world. As noted from the Arab League's boycott, the deep integration of the Israeli economy into high-tech markets causes obvious problems in successfully sourcing Israeli components and products. A well-organized consumer boycott will need to consider operating boycott and *buycott* lists and coordinating serious investigation in the sourcing of production. If companies choose not to be forthcoming with information, their automatic addition to a boycott list could be considered. Additionally, institutions and groups could pass boycott resolutions, which include mandates to investigate the levels of business pursued by companies with Israel. Such data could be shared amongst activists on a global level.

However, almost every major multinational is involved or linked into the Israeli economy. Historically, boycotts show that in order to be effective the public cannot be overwhelmed with products which to shun. It may be necessary to develop strategic lists with specific targets. This could take shape in two ways:

1. Produce symbolic of their origin from Israel e.g. fruit, vegetables, cut flowers
2. Goods making a fundamental contribution to the Israeli economy, e.g. mobile phone technology

While a comprehensive economic boycott may be difficult, if not impossible, to implement without the aid of sanctions, a limited or specific boycott campaign can be equally problematic if it only extends to settler produce and industry. While economic production directly linked to the occupation of the WBGS forms an easy target for

---

<sup>97</sup> Ethical Consumerism Report, 'The Co-operative Bank', 2005, <<http://neweconomics.org/gen/uploads/xtnbbq452mxiiuvshyfhxbn419122005183917.pdf#search=%22%22ethical%20consumerism%22%20trend%22>>.

<sup>98</sup> R. N. Mayer, *The Consumer Movement: Guardians of the Marketplace* (Boston: Twayne Publishers, 1989), p. 81.

boycott, Israeli economic activity as a whole sustains apartheid policies and ensures the daily crimes against Palestinians continue.<sup>99</sup> Boycotting settler industries forms only part of the action needed if genuine and concrete mechanisms are to be placed on Israel to abide by international law. Given that a core component of the Palestinian BDS call is the right of return of Palestinian refugees to their homes and communities in what became "Israel" in 1948, and equal rights for Palestinians that form 20% of the Israeli population, BDS initiatives that do not encompass a boycott of Israel in its entirety will be inadequate in supporting the implementation of the Palestinian rights. Moreover, they are unlikely to have a significant impact if other sectors of the Israeli economy do not come under pressure.

Taking the consumer boycott to its logical conclusion, the nature of the occupation would also mean that a successful boycott might have ramifications for Palestinian produce. With all borders controlled by Israel, Palestinian imports and exports are tied in various ways to the Israeli economy, posing a problem for campaigners who may wish to promote Palestinian produce as part of the *boycott*. Moreover, there is a danger of inflicting further damage to livelihoods dependent upon exports in already threatened Palestinian farming communities, even if such markets are rapidly shrinking due to the occupation. However, Palestinians have suffered and struggled for over five decades for freedom and losing export trade would be accepted by the majority as a necessary action in support of the struggle as a whole. Likewise, black South Africans acknowledged the boycott would hurt their communities but saw it as a greater good in the overall pursuance of liberation.

The consumer boycott relies upon a common and popular alliance of solidarity groups in the exchange and open publication of information. The "boycott" lists of the Arab League, shrouded in secrecy and composed behind closed doors, are very much in the past. Today's boycott relies on as much publicity as possible in order for the boycott to gain in strength and mobilize as wide an audience as possible.

Important stages in the growth of the boycott would be regular pickets, as well as popular blockades of Israeli produce being transported. It can be assisted by shop workers refusing to handle Israeli goods and dockworkers and others involved in the movement of goods to refuse shipments and consignments. Boycott efforts must incorporate a strong lobbying effort if they are to be successful given the integration of Israeli technology into products and markets across the world. With many products and services, consumers are unlikely to be aware that they are supporting companies utilizing Israeli technology. Only through the identification and publication of the use of Israeli technology, with the subsequent lobbying of companies to use alternatives, can support for this vital sector of the economy be targeted.

### Developments So Far

Groups in almost all European countries, in North America, the Middle East and beyond have called for a total ban on Israeli products, and call on consumers to avoid buying any

---

<sup>99</sup> For an analysis of Israeli apartheid see chapter 4.

product manufactured, grown, or otherwise exported by Israel (those with a bar code beginning in 7-290). Before the second *intifada* such calls tended to come from Arab or Muslim groups, but in recent years the consumer boycott has developed significantly in entering the consciousness of shoppers across the world.

In most European countries campaigners have designed posters, stickers and leaflets to alert consumers not to support Israeli trade and many boycott sites carry full lists of the Israeli products available in the country. Pickets of shops and supermarkets selling Israeli goods ensure the campaign reaches a wider public.

- UK campaigners have blockaded the premises of Agrexco on several occasions to protest against imports and have begun to enjoy smaller successes with the withdrawal of a handful of products from stores.
- With Estee Lauder headed by the President of the Jewish National Fund (JNF), pickets and protests in front of cosmetic shops have been staged all over the world.\*
- Starbucks Chairman Howard Schultz was reportedly honoured by the Jerusalem Fund of Aish HaTorah with the Israel 50th Anniversary Friend of Zion Tribute Award for playing a key role in promoting close alliance between the United States and Israel. His role as Starbucks chairman, and thus as the face of the company, has resulted in boycott campaigns being launched.
- In June 2005, Matzpun, an Israeli group, joins calls for a boycott of Israel: "We call on the world community to organize and boycott Israeli industrial and agricultural exports and goods, as well as leisure tourism, in the hope that it will have the same positive result that the boycott of South Africa had on Apartheid."<sup>100</sup>
- Two whole-food and greengrocer shops in the UK refuse to stock Israeli produce (the first from late 2005). A year later, a DIY shop in Limerick, Ireland de-shelves Israeli products after a string of BDS protests.
- In many places, campaigners and consumers render Israeli products unmarketable or destroy them.
- In July 2006, the international Catholic peace movement, Pax Christi, joined a British campaign against major companies whose businesses provide support for Israel's occupation of Palestine.
- In February 2007, the Ireland-Palestine Solidarity Campaign mobilizes for an international boycott of Israeli diamonds. It gains support from groups in Australia, South Africa, Canada, Norway, Scotland and England and prepares for official launch of the campaign in the summer of 2007.

## ***Academic Boycott***

### Aims

---

\* See chapter 4 for detail on the JNF.

<sup>100</sup> See Matzpun's call for boycott online at <<http://www.matzpun.com>>.

- Halting and preventing future joint and cooperative work with Israeli institutions
- Ending Israeli study abroad programs, appointment of Israeli professors and reciprocal arrangements for students and academics to Israel
- Stopping guest lecturers from Israel speaking abroad
- Ending participation of students and academics in conferences, programmes and activities, from and to Israeli institutions

### Why

Israeli academia is a specific target because of its role in justifying and inculcating the values of Zionism and its contribution in dismantling Palestinian culture. Academic institutions produce the research, arguments and new leaders for the occupation, in addition to serving as the scientific centres where weapons and technology are developed for use against Palestinians.

Historically, Israeli academics have failed to criticize the Israeli state in the face of obvious injustice, serving as an important extension of the occupation. In terms of university education, Israel is ranked second in the world in meeting the “needs economy”.<sup>\*</sup> In addition, professors and students alike articulate and re-invent Zionist myths and disguise racist and imperialist rhetoric as research. The freedom enjoyed by Israeli academy has come at the cost of access to education for Palestinians at every level.

For Palestinians in Israeli society, discrimination is rampant. The Israeli educational curriculum for Arab citizens plays a central role in denial of Palestinian history and identity. Children are taught a curriculum explicitly denying their Palestinian identity, and the state keeps watch to ensure that Arab schools fulfill this role. The political activity of Palestinian teachers both in the classroom and out of hours has always been strictly monitored. Teachers have been denied employment or fired for “security” reasons.<sup>101</sup>

Israeli curricula instill a culture of fear of Arabs, framing Middle Eastern studies in the context of racism and Zionist security prerogatives. Israeli universities have even distributed flyers to international students warning them to stay away from Palestinian localities in the area. An intricate system of apartheid systematically ensures the subjugation of Palestinians as second-class citizens without the same access to resources, services and funding as Jewish Israelis.<sup>102</sup> Meanwhile, in the WBGs, educational activity is severely restricted by the occupation. All 11 Palestinian universities have been closed, the longest being Birzeit between 1988 and 1992, and most recently Hebron Polytechnic which was closed by military order for 8 months in 2003. During these periods, community-based classes were criminalized and teachers and students arrested. Palestinian universities are also struggling with Birzeit now attracting the vast majority of its new students from the immediate Ramallah and Jerusalem areas, its intake of students

---

<sup>\*</sup> That is in terms of higher education meeting a range of economic criteria and needs.

<sup>101</sup> Z. Coursen-Neff. *Second Class: Discrimination Against Palestinian Arab Children in Israel's Schools* (New York: Human Rights Watch, 2001), and see BADIL, *BDS*.

<sup>102</sup> Elaborated upon in chapter 4.

from Jenin having dropped by 100% in 2005.<sup>103</sup> If schools are open, many students fear commuting to and attending classes. Students have been shot and killed by occupation soldiers in the WBGS while sitting in their classrooms (including primary schools run by UNRWA) and while walking to and from school.

Access to educational facilities is curtailed by the ever-increasing ghettoization of Palestinian communities resulting from the Apartheid Wall project. The Wall and the fortified settler-only roads have an enormous impact upon Palestinian movement and mean that many Palestinians are completely cut off from schools and universities. Even for those who theoretically have access to facilities, arbitrary closure of checkpoints (sometimes directly in the face of waiting students), roadblocks, earth mounds and flying checkpoints hamper students and teachers alike from reaching schools, workplaces and learning places. Moreover, racist policies enforced by the occupation have systematically prevented Palestinians from building educational facilities or renovating existing ones. In the Jordan Valley, many Palestinians attend school in tents, while several educational facilities in the West Bank are currently scheduled for demolition due to the “permit” system imposed by the occupation in their attacks on Palestinian communities.

Education is a fundamental human right, as enshrined by the Universal Declaration of Human Rights (1948) and within numerous international agreements and declarations. Yet, Palestinians struggle against an intense system of control and oppression to attain this basic right. All educational activity in the WBGS is undermined to the extent that it threatens a breakdown of the entire system. For example, in the secondary school in Anata, Jerusalem, the Apartheid Wall runs through the middle of the playground. Staff and students have come under continuous attack by occupation forces who have attempted to force the school to shut down. Meanwhile, the Lutheran World Federation College in Beit Hanina is one of dozens of institutions in Jerusalem set to close due to the expulsion of Palestinians by the Wall.<sup>104</sup> The length of the Wall in Jerusalem alone is 181 km as it ghettoizes and shuts out Palestinian neighbourhoods from their capital. Travelling to work or place of learning is either denied or is a process that can take up to several hours as Palestinians are forced to traverse the fortified checkpoints in the Wall. Palestinians with West Bank IDs are excluded en masse from entering Jerusalem, cutting them off from the most fundamental centre of Palestinian social, cultural and economic life and of course from the educational opportunities there. Jerusalem has been a regional centre of learning, culture and heritage for over a millennium but the Wall and expulsion of Palestinians threatens to cause irrevocable damage.

Meanwhile in Gaza, students in the post-disengagement climate are incarcerated into the world’s largest open-air prison in constant fear of bombings, attacks and sonic booms, and where teachers frequently go without salaries. The main university in Gaza has been bombed, and students are barred from taking up their courses in universities across the West Bank. Since 2000, 185 schools in the WBGS have been shelled and scores of

---

<sup>103</sup> Right to Education Campaign, ‘Can the Anti-Boycotters Please Stand Up? The Israeli Boycott of Palestinian Education’, available online at, <<http://www.jerusalemities.org/reports/57.htm>>.

<sup>104</sup> ‘Education in Jerusalem under attack from Apartheid Wall’, *Stop The Wall*, 27 Jun. 2006, <<http://stopthewall.org/latestnews/1207.shtml>>.

teachers and students have been shot at, injured and arrested. For some of the Palestinians in the wider diaspora, in countries such as Lebanon and Syria, schooling still takes place in refugee camps. Moreover, refugees here often lack access to higher or further learning institutions.

Academic activity – whether it is research, debate or voluntary work – on the mere subject of Palestine, in Palestine, is continually obstructed by the occupation. The stifling of Palestinian academia is a deliberate mechanism to thwart the advancement of educational institutions and forms part of the wider attack upon the Palestinian people.<sup>105</sup>

### Logistics

The Academic Boycott involves a variety of measures, which if combined, can assist in bringing about the isolation of an important component of Israeli society. However, its application brings into focus a series of issues, some of which evoke the same issues experienced by the academic boycott movement against South Africa. Namely, should the boycott be indiscriminate, or should allowances be made for Palestinian supporters in Israel?

PACBI, a Palestinian initiative formed to promote the call for academic and cultural boycott noted in a clause of its 2004 call, that the measures excluded “any conscientious Israeli academics and intellectuals opposed to their state’s colonial and racist policies.”<sup>106</sup> This had been done in the expectation that such academics would be allies of Palestinian rights, furthering the struggle for justice and liberation. Inevitably, it opened up the issue of drawing up a blacklist of individuals, a procedure that PACBI found unacceptable. The clause was later revoked and currently those calling for the boycott see it as a comprehensive measure operating from an individual affiliation up to the institutional level. The Birzeit Right to Education Students Committee has recently adopted a similar position, in front of the prospect of endless discussions regarding the political consciousness of individuals. One Israeli backer of the boycott, academic Ilan Pappé, has stated that he is willing to accept the enforcement of the boycott even if it limits or prevents his participation in academia outside Israel. Palestinians working and studying in Israeli universities would also be left affected by a blanket boycott. The exemptions of Palestinians – already heavily discriminated against in the Israeli education system – is one logical way to address the risk of creating further pressure on an already oppressed people.

In South Africa, the issue sparked considerable internal debate as adherence to the boycott strengthened in the 1980s. Some South African academics tried to minimize the impact of the boycott by drawing up political guidelines which pointed the way to a selective boycott of individuals and institutions.<sup>107</sup> Moreover, with universities being centres of resistance to apartheid, just as much as they were places where research

---

<sup>105</sup> Ibid.

<sup>106</sup> PACBI, ‘Palestinian Academics Call for International Academic Boycott of Israel’, *Right2Education*, 2004, <<http://right2edu.birzeit.edu/news/article178>>.

<sup>107</sup> J. Hanlon and R. Omond, *The Sanctions Handbook* (Hammondsworth: Penguin, 1987), p. 121.

benefited the regime, more of an ad-hoc approach developed as to what to boycott and when.

This policy can be seen in the statement of publicity secretary of Azanian Students' Organization, Riaz Jawoodeen, who noted only people "actively supportive of the struggle should come to South Africa."<sup>108</sup> Neville Alexander noted the boycott was "not a principle: it is a tactic which, like all tactical weapons, has to be used with due regard to time, place and circumstance," and that a total academic boycott "weakens us and we should, instead, support a carefully planned selective boycott."<sup>109</sup> His objection to the comprehensive boycott was that it could hamper the development of the struggle and inhibit the exchange of ideas conducive to forming resistance. He stated:

We can, obviously, have no objection whatsoever to visits by or the employment of progressives and radicals in the universities and other isolated institutions. On the contrary, we encourage this interchange of people and of ideas since it can only enrich and accelerate our struggle for the total liberation of the oppressed and exploited.<sup>110</sup>

On some occasions, the ANC stepped in to resolve disputes when academics from South Africa, in adherence to the boycott, refused to participate in external conferences.<sup>111</sup> If their contribution was seen as conducive to the struggle as a whole, the boycott was relaxed in order to accommodate them.

While for now the campaign focuses on winning over the academic community of the need for an academic boycott of Israel as such, the debate over maintaining a comprehensive and blanket ban, or making allowances in certain cases, will continue within Palestinian organizations as well across international solidarity groups. It will need to be determined by academic institutions, their unions and the movements calling for a boycott from Palestine. It will be the responsibility of those standing in solidarity to analyze and discuss the forms in which the Palestinian calls be taken up in varying contexts all over the world.

#### Developments So Far

- April 2002 – 120 academics endorse call for moratorium on EU funding for scientific projects in Israel.
- Spring 2002 – Approximately 100 Australian academics endorse the call for boycott.
- July 2002 – Call for boycott of Israeli Scientific Institutions read by Professor Steven Rose (Open University UK) on Newsnight (UK TV programme).
- 2002 – Inner Bookshop, Oxford, announces a ban on Israeli publishers and refuses to stock their books.

---

<sup>108</sup> Ibid. p. 119.

<sup>109</sup> N. Alexander, *Education and the Struggle for National Liberation in South Africa: Essays and Speeches -1985-89* (Johannesburg: Skotaville, 1990), p. 96.

<sup>110</sup> Ibid. p. 95.

<sup>111</sup> Hanlon, *Sanctions*, p. 121.

- 2002 – A professor at UMIST (UK) removes two Israeli scholars from the editorial boards of journals she edits and owns.
- 2002 – Academic from Ben Gurion University has article rejected by British journal Political Geography.
- July 2003 – An Oxford University Professor dismisses an application from an Israeli student on the grounds that he had served in the Israeli military.
- October 2003 – The first Palestinian call for a boycott from Academics for Justice.
- November 2003 – Israeli academics establish a forum to fight the international boycott.
- April 2004 – The launch of the Palestinian Campaign for Academic and Cultural Boycott of Israel (PACBI). By July 2005, 170 organizations back the call.
- April 2005 – In the UK, the Association of University Teachers (AUT) adopts motion urging academics, intellectuals and artists around the world to "comprehensively and consistently boycott all Israeli academic and cultural institutions as a contribution to the struggle to end Israel's occupation, colonization and system of apartheid." A boycott motion is passed against Bar Ilan and Haifa universities. Due to intensive pro-Israeli lobbying, this motion is rescinded shortly afterwards.
- May 2006 – A British professor refuses to write a book review for an Israeli journal.
- May 2006 – In the UK, the National Association of Teachers in Further and Higher Education (NATFHE), a motion was passed recommending its members boycott Israeli academics and institutions that do not publicly declare their opposition to the occupation and Israel's racist policies. Shortly afterwards, NATFHE merges with the AUT to form a new union, the University and College Lecturers' Union (UCU).
- The teachers union in Brazil adopts the call for BDS in the summer of 2005.
- In July of 2006, a group of Greek academics refuse to collaborate in a project organized from Slovakia because of the participation of a group from Ben-Gurion University. In a letter outlining the academic boycott it was noted by the Greek group that: "We refuse to collaborate with anybody working in Israeli universities. We don't want to support, even indirectly, or to be perceived as supporting, the obscene and criminal acts of the Israeli state against the Palestinian and the Lebanese populations. Unfortunately the Israeli academic community has by and large remained aloof or supports this obscene criminality of their State, which is being carried out in their name."<sup>112</sup>

---

<sup>112</sup> For further detail on the Institute of materials science, see online <<http://www.ims.demokritos.gr>>.

## *Secondary Boycott (Surrogate Boycott)*

### Aims

- Unmasking influential Zionist supporters and backers
- Enacting a full consumer boycott and divestment movement against companies supportive by secondary or indirect means of Zionism
- Ending the complicity of individuals and companies alike with Israeli war crimes

### Why

A secondary boycott can ensure consumers take responsibility for the custom they provide to companies which work to further the overall Zionist cause. This area of campaigning seeks to target companies which may not have significant involvement in the Israeli economy, but which pursue ideological or practical support of Zionism.

International complicity with Israeli occupation and apartheid spans the globe and a secondary boycott is an opportunity for consumers and citizens to demand that companies remain accountable and do not abuse their power and influence. Occupation and apartheid rely upon various mechanisms of external support and an effective secondary boycott can cut off important cultural, psychological and social links. Also, it is a means by which groups in countries that do not maintain official ties with Israel can work to keep the pressure on their governments not to surrender to normalization.

Additionally, a boycott of well-known personalities and celebrities supportive of Zionism can assist in creating a climate where holding racist attitudes becomes unacceptable. This will help to change public perceptions of Israel within public opinion and discourse, and challenge those who maintain Zionist beliefs.

### Logistics

Putting pressure on companies to sever their links with Israel and Zionism can take various forms in a similar vein to the consumer boycott or divestment movement. Well-orchestrated publicity or media campaigns from solidarity groups can hold individuals to account for their support for Zionism and expose and publicly shame backers of Israeli war crimes.

Influential figures within businesses, particularly those in the US, have not hidden their publicised support for Zionism (such as Ron Lauder, Chairman of multinational Estee Lauder). Other companies have sought to scale down links with Israel such as Starbucks when it removed the “Friend of Zion” award from its website. Moreover, such companies may not be so forthcoming about Israeli links in countries where pro-Palestinian sentiment is strong. Therefore, operating a secondary boycott is reliant upon good levels of communication – particularly from the US to the rest of the world – in order to scrutinize the activities of businesses, companies and individuals. A wide-scale boycott

of a company which has franchises throughout Europe and the Middle East, could then build the pressure necessary to ensure complicity with Israeli apartheid is ended.

### Developments So Far

- Estee Lauder and Starbucks: see above in consumer boycott.
- Personalities and politicians making public statements in support of Zionism, such as Hilary Clinton and her support for the Apartheid Wall, have been the focus of criticism from solidarity groups in highlighting those who promote injustice.
- December 2005 – Canadian activists begin campaign against Canadian book chain Chapters/Indigo. The owners of the chain had launched a fund called *Heseg* which provides educational grants for “lone soldiers” in the Israeli military and whose board included participation of war criminals such as General Almog.

### ***Implement Sanctions Now!***

#### Aims

- Implementation of comprehensive sanctions against Israel encompassing military, trade and travel
- Ending of Israel’s membership of various diplomatic and economic forums including the United Nations, WHO, Red Cross and the WTO

#### Why

Sanctions realized at a national, governmental and at a global institutional level represent one of the most effective ways of isolating Israeli apartheid. Within this there are three levels at which sanctions can be applied:

- Military: links, partnerships, agreements
- Economy: trade, co-operation, forums, agreements, research centres
- Diplomacy: official relations, participation in external forums and networks, travel of representatives of state

While application of economic and military sanctions has always resulted in clandestine sanctions-busting, the act itself is enough to have a major impact upon the target. It sends a clear message in this case that apartheid and occupation are unacceptable policies and could help to catalyze an anti-Zionist movement in Israeli society. Moreover, given the nature of Israeli integration into global markets and the use of its technology across a variety of sectors, sanctions at a state or institutional level may be the only effective measure to bring about the isolation of the economy.

At a military level, Israel will be unable to continue its war crimes against the Palestinians if it cannot replenish and restock military arsenals. While the Israeli economy is geared towards an intensive production of weapons and military systems, the

majority of manufacturing is for export markets. Israel relies upon external assistance from the EU and US to import specialized weaponry such as submarines, helicopters and missile technology. Moreover, an arms embargo against Israel may have a positive impact in other parts of the world where Israeli arms (or arms channelled by Israel) have been aggressively marketed and have fuelled conflict, regimes and war.

It is often argued that Israel's participation in the United Nations was conditional on its acceptance and implementation of Resolution 194. This resolution affirms the right of Palestinians to return to their homes and lands from where they were exiled in 1948, and also requires compensation for losses suffered. It also stipulates the right of Palestinians to be compensated and relocated should they choose not to return to their communities. Israel refuses to abide by this resolution, and considering almost 60 years of blatant violations of other UN resolutions, its membership of the UN forms a just target for BDS campaigners.

On a diplomatic level, banning Israeli leaders and representatives of the state, and campaigning against the Israeli presence in institutions like the UN, will send a clear message that war crimes have not gone unnoticed in the rest of the world. The morale of those struggling under occupation will be boosted and they will feel less isolated once Israel starts to pay a price for its crimes.

The process of initial lobbying opens up the issue to a wider audience and injustice, with debate and discussion likely to attract more supporters to the Palestinian cause. Economic sanctions work on two levels with trade sanctions to prevent imports and exports of goods, and capital sanction to prevent the import of financial investments, which in Israel's case are vital for sustaining the economy.

### Logistics

The main weakness of sanctions is that the duty and responsibility to act is vested upon states or global institutions, many of which may not have a consistent history of supporting values of freedom and justice. In the case of Palestine, powerful states have been directly complicit in prolonging the root causes of injustice throughout the Middle East and working against Palestinian rights and international law. Nevertheless, this does not prevent activists from attempting to change the status quo, and holding governments and leaders to account and driving through policies from below.

Campaigners and the authorities holding the power to implement sanctions are unlikely to share the same motivations and visions. Calling upon institutions and governments for sanctions needs to be pursued in ways that ensure campaigners on the ground do not become subsequently bypassed or without influence. In the event of sanctions being implemented, campaign work must continue on a number of levels to ensure the goals and targets of the solidarity work are met.

Even if a state or global institution enacts sanctions, such action is only likely to come after years of intense lobbying. Current efforts remain in their infancy and need to link to

a wider anti-apartheid and global solidarity movement to build the influence necessary for sanctions to be implemented. Maintaining the pressure from below for sanctions can have dramatic impact in shaping public opinion, also stimulating the conditions by which authorities are left with no option but to respond to the will and demands of their constituents.

Sanctions-busting has mirrored the development of sanctions throughout history. Creating effective means to challenge sanctions-busting relies upon a network of customs officials, dockworkers, shipping companies and handlers to enforce and support the goals of solidarity work. Activists and campaigners from research groups and forums will need to coordinate closely in tracking and monitoring violations in sanctions, having at their disposal the model established by previous anti-apartheid working groups in the 1970s and '80s. They documented violations of the military sanctions imposed on South Africa and relied upon public exposure of sanctions-busting as an important means of pressure to ensure adherence to the terms of the sanctions.

The Arab League's boycott highlights some lessons to be learnt, notably that pursuing action at a bureaucratic and national level does not form an adequate mechanism by itself, and in which corruption and political interests can override the effectiveness of the solidarity work.

### Developments So Far

In a handful of Middle Eastern and Asian countries as well as Cuba, a total government-agreed boycott of Israel is in operation. In all other countries in the world, Israel, its institutions, companies and representatives are welcome. Since normalization and Oslo these relations have been thriving.

In most countries across the Middle East, anti-normalization campaigns are struggling to uphold or reinstall governmental and economic boycotts. In the rest of the world efforts to create international sanctions against Israel have only recently begun but have already made some progress.

- Bahrain – The popular and parliamentary opposition within the country has argued forcefully against the government decision to end the boycott of Israel, to reinstall the official boycott office and strengthen boycott laws in the country.
- Europe – A European campaign against free trade agreements, military agreements and for comprehensive sanctions on Israel was launched on the anniversary of the ICJ decision in July 2005. Sanctions campaigns are now operating in number of countries. These focus on Article 2 of the EU-Israel Association agreement, which makes the respect of human rights by all parties to the treaty a condition for its validity.
- US – Groups such as Stop US tax-funded aid to Israel now! (SUSTAIN) campaign against the vast sums of military aid to the occupation and US tax money sent to the Israel.

- India – The Communist Party of India (CPI) and the CPI-M (Marxist), voted in April 2005 for resolutions to impose sanctions and end military agreements and ties with Israel. In July 2006 86 MPs of various parties asked the government to immediately suspend arms purchases from Israel and seek global sanctions against it.
- NAM countries – In August 2004 the 115-member Non-Aligned Movement adopted a resolution for limited sanctions against Israel. Members were urged to act "individually or collectively [...] to decline entry to Israeli settlers and to impose sanctions against companies and entities involved in the construction of the wall and other illegal activities in the occupied Palestinian territory."
- Norway – In 2005, the regional council of the Sør-Trøndelag passed a motion calling for a comprehensive boycott on Israeli goods to be followed up with an awareness raising campaign across the region. Sør-Trøndelag has a population of 270,000 (out of Norway's 4.6 million). Trondheim, Norway's third largest city, forms part of the region and is to participate in the boycott initiative.
- Venezuela – withdrew its ambassador from Israel in August of 2006 as a protest against escalating Israeli war crimes in Gaza and Lebanon.
- Ireland – In August 2006 the Irish Foreign Affairs Committee unanimously approved a statement in condemnation of Israel's war crimes. It further urges the government to ask for sanctions against Israel in the framework of the Euromed Trade Agreement at the next EU Council of Ministers meeting.
- South Africa – In August 2006 the popular call for sanctions representing a cross section of society reaches groups including churches, the trade unions, NGOs and civil society movements. Rolling mass action and national demonstrations bring tens of thousands of people to the streets all over South Africa, demanding diplomatic and trade sanctions against Israel are implemented immediately.
- July 2006 – The National Lawyers Guild in the US condemns Israel's crimes against humanity and calls for sanctions.
- Malaysia – In August 2006 Malaysia calls for governments to break off economic relations with Israel.

### *Sporting Boycotts and Sanctions*

#### Aims

- Use presence of Israeli sporting teams and individuals competing abroad to raise the profile of apartheid and occupation
- Exclude Israel from sporting events and within global competitions such as the World Cup, Olympics etc.
- Promote Palestinian presence and the right to participate in international sporting events

## Why

Participation in sporting events and competitions, particularly those emphasizing the merits of "fair play", hold play an important role in shaping Israel's image in the rest of the world. Israeli presence at international tournaments adds to stature and morale, and reinforces the perception that Israel is an acceptable member of the global community. Sport is a useful propaganda mechanism for Israeli apartheid, especially in the hosting of tournaments, competitions and games.

A frequent retort against the boycott stresses that politics and sport should not mix. However, a cursory glance at the facts on the ground reveals that Israel pursues a comprehensive clampdown on all Palestinian sporting activities and prevents the functioning of national institutions and bodies. This has culminated in a de-facto ban and thus boycott upon Palestinian sport and leisure activities. The freedom enjoyed by Israeli athletes and teams comes at the expense of Palestinians who are deprived of the right to participate in sports from a local to international level.

This discrimination affects all Palestinian people. Palestinians with Israeli ID lack the same access to resources, materials and funding as Jewish citizens, and at football matches featuring Palestinian Israelis, chants of "Death to Arabs" are commonplace. Meanwhile, in the WBGS, the occupation has continually stifled the functioning of any national associations or institutions of Palestinian sport while frequently bombing leisure facilities. This has created an effective boycott of Palestinian sport leaving Palestinian youth with entirely inadequate leisure services. Palestinian children in Gaza have been assassinated on several occasions whilst playing football. Israeli control over all borders and movement has made it impossible for Palestinian sporting teams to assemble and travel for national and international games and tournaments. For the refugees, another component of the Palestinian people, access to leisure is often dictated by what facilities are available in the refugee camps. The exile of the refugees means they are unable to participate in the national sporting institutions of their country.

A boycott ensures the crimes of occupation and apartheid are not embraced by the global sporting world. Boycotting Israeli sport is done with the goal of removing racism and discrimination in sport, not increasing it. Encouraging the participation of Palestinian teams and athletes in global sporting events can encourage one sector of national society and identity to grow despite the attacks made upon it by the occupation forces.

## Logistics

In South Africa, the sports boycott was particularly effective in sending a message to the regime and its backers that the majority of people in the world did not accept apartheid. Yet, the anti-apartheid movement fought a long struggle to institutionalize a sports boycott. Even by the 1980s, as South Africa became widely exposed as a vicious regime, players and teams still chose to be complicit with the apartheid state. Due to the lure of money or their own racist beliefs, touring players and teams gave much needed support to the ideologues of South African apartheid. However, South Africa's exclusion from all

major official competitions from the late 1960s and 1970s had a more long term and concrete impact and was particularly effective in isolating the regime and its supporters.

FIFA have shown the will and power to implement a boycott when the former Yugoslavia was excluded from the 1992 European Championships in Sweden after qualification, and replaced by eventual winners Denmark.

In recent years, Israel has notched up various important propaganda victories. The sight of football star John Barnes promoting an "anti-racism" campaign in Israel was particularly ironic in a state hinged upon the racist exclusion of Palestinians. The BDS campaign will clearly benefit from sports personalities who come out and publicly support Palestinian rights.

Addressing this necessitates a number of sporting personalities from diverse backgrounds objecting to Israeli participation in sporting events and promoting the Palestinian call to boycott. Clearly, the outreach of the sporting boycott forms the central priority for BDS campaign work where ordinary fans as well as the players need to be drawn into concerted lobbying efforts against the boards and committees that oversee major sporting events and competitions.

The first step in this work is transforming perceptions over Israel. Building a climate in which teams and players refuse to play in Israel, not due to "danger" or "risk", but because of the daily war crimes against the Palestinian people and denial of their rights – including those enshrined and protected by international law and convention – should be a key goal of the BDS movement.

Moreover, campaigners can work to promote the development of Palestinian sports and expose the discrimination and attacks of the occupation against Palestinian institutions and leisure activities. Palestinian clubs could have the option to join competitions such as those held by the Union of European Football Associations (UEFA), and should be supported in exercising their right to participate freely in regional tournaments.

### Developments So Far

Israel joined UEFA in the early 1990s and its teams have taken part in European competitions ever since. This came after the controversy of Israeli participation in the first five editions of the Asian Club competitions between 1967 and 1972, which brought numerous objections from other teams and countries to Israel's presence. Its identification as part of Europe reveals the origins of the ruling strata within Israeli society, the aspiration to be part of European culture and sport, and as such a strong colonial character. Israel was permanently barred from being a member of the Olympic Council of Asia, exclusion made all the more bitter by the admission to that body of the Palestine Olympic Committee.<sup>113</sup>

---

<sup>113</sup> J. Hunter, *Israeli Foreign Policy: South Africa and Central America* (Boston: South End Press, 1987), p. 84.

Its national football team has been involved in qualification rounds for both the European championship and the World Cup. Elsewhere, Israel fields teams and players within competitive sports; notably basketball, tennis, cricket, chess and athletics. That Israel participates in European tournaments despite not being geographically or politically part of Europe highlights the kind of external support to be targeted by BDS anti-apartheid campaigns against Western governments and institutions.

Some significant recent developments:

- February 2005 – Activists interrupted a basketball match in Barcelona against the Maccabi Tel Aviv team.
- June 2005 – Irish activists staged a month of mobilization against a soccer game played by their national team against Israel. Calling for sports boycott, a demonstration took place outside the stadium and inside Palestinian flags and pro-Palestinian slogans were chanted.
- July 2005 – Scottish activists protested against the visit of an Israeli cricket team and damage the cricket pitch that was supposed to host the match. A year later, Israel's opening match at the European Cricket Championship in Glasgow is cancelled after organizers cannot secure a venue amid fears of protests by solidarity groups over Israel's military action in Lebanon. A second match is played at a military base in the face of popular public condemnation of the game.
- September 2005 – Swiss activists interrupted a soccer match between their national team and Israel. Activists run onto the field displaying banners calling to boycott the apartheid state.
- February 2006 – Arsenal Football Club, UK, signs a sponsorship deal to promote Israel as a tourist destination in a two-year £350,000 package. Immediately calls for a boycott of Arsenal and regular pickets and protests begin.
- May 2006 – An online petition is established urging FIFA to suspend Israel's membership.
- April 2006 – Indonesia refuses to play its Tennis Federation Cup playoff in Israel, in protest against escalating Israeli violence against Palestinians. Indonesia had asked for the match to be scheduled elsewhere but without success. The team incurred various penalties for refusing to back down from their principled stance.

### *Student Activism*

#### Aims

- Supporting the wider academic boycott campaign
- Enacting the consumer and secondary boycott within the student union, college, high school, university and wider-community level
- Promoting the boycott part of student union/council policy
- Twinning initiatives with Palestinian educational institutions or solidarity motions and activities
- Preventing visits of guest Israeli lecturers and tours

- Strengthening divestment initiatives for institutional trusts and funds

### Why

Historically, students have always had considerable influence and control over their affairs but have also shown they are willing to take up various causes and struggles from different parts of the world. The democratic power enjoyed by students at most universities, through student unions or committees, ensures they can determine what products and goods the union purchases, as well as shaping the policies and views promoted by the union. University students can also have considerable say in the actions and principles held by the institution, together with a strong influence and presence within the wider community. High school and college students often have councils or bodies which represent and promote student affairs.

Business is booming in many university student unions where shops, bars, cafeterias and franchises form crucial money earners. Some unions even own external franchises and hold a variety of financial concerns. Thus, a comprehensive ban on Israeli products can have far reaching effects and ramifications.

A ban can be made union policy by students in a democratic process and has the potential to be more than just a symbolic action if the union is mandated to ask for adherence to the boycott from the external businesses and companies it deals with. Moreover, direct action by students themselves can root the aims of the BDS movement within campus consciousness. Other boycotts have been made official policy in some parts of the world – such as policy against Nestlé or promoting Fair Trade – resulting in purchasing departments of student unions having to meticulously source every article, service and product connected to the union. Other unions have implemented ethical policies which need to be utilized in support of BDS campaigns.

A boycott against Israel at this level could help to accumulate detailed facts on business and commercial links to Israel and contribute to the information required by the wider consumer and secondary boycott campaigns. In conjunction with a boycott, a divestment campaign can be particularly effective at universities, many of which hold stock and portfolios linked to Israel. Moreover, students can make their objections to Israeli apartheid known by refusing to allow universities to host Israeli lecturers, speakers and academics, especially when academic staff are unwilling to take direct action. Italian students have set an important precedent for this and have disrupted speaking tours of Israeli lecturers on numerous occasions.

High school and college students can also work towards the passing of pro-Palestinian resolutions including those which take up the BDS call. This can challenge the Zionist bias displayed in schools, particularly within the US and Europe, and play a role in building perceptions of Palestine within the contexts of liberation, human rights and just struggle. There is the potential for a whole generation of youth in educational institutions across the world to become aligned with the Palestinian cause and freedom struggle. Investing energy and efforts into building solidarity work and campaigns at a student

level can pay dividends at numerous levels, especially as students mix with the wider community or move into different jobs, careers and activities.

### Logistics

Getting resolutions and mandates through union and university committees and the wider student electorate requires well-planned and structured campaigns. Outside the US, student activists may encounter more resistance to their initiatives not from Zionists, but from union and university staff reluctant to back policies requiring policy overhauls.

Student campaigners, as well as teaching staff, should also consider offering honorary degrees or awards to Palestinian freedom fighters and recognizing their sacrifices by naming buildings in connection with the Palestinian struggle. Such strategies were commonplace across campuses throughout the 1980s in regard to the South African liberation struggle. Similarly the divestment movement driven by anti-apartheid student groups sets an important precedent for today's students and provides an outline of what can be achieved by sustained pressure on a university to dispose stocks or shares linked to sustaining apartheid. Students can also work towards revoking awards or giving recognition to the occupation such as the Rabin Award held by the University of Rome.

Better co-ordination between national solidarity groups and student groups, and between students from Palestine and the wider world, will help to build the levels of communication necessary for Palestine to take on a higher profile in places of learning. Recently a series of initiatives in West Bank universities called upon campus cafeterias to boycott Israeli goods. These and related initiatives can form the reference for similar actions by students from across the world. Teaching staff – especially on courses related to the Middle East – have a duty to expose Zionist myths and propaganda and encourage students to recognize the rights of Palestinians to self-determination, liberation and justice. Yet this will only come about as the BDS movement grows as a whole and individuals within the education system align themselves and take up the Palestinian cause. The potential for this is evident given the positive steps that have been taken by academic unions, particularly in the UK over the last few years.

Local councils supportive of the South African freedom struggle in the UK ensured that educational resources and materials were available in places of learning (such as libraries) and that propaganda from the regime was censored and banned. Placing the Palestinian struggle and Zionism in its correct historical context is crucial to combating prevailing pro-Israeli attitudes taken in the teaching curriculum in the West. Local activists, including those in municipalities and councils, have a role to play in ensuring the right kind of resources and materials reach institutions and the wider community. With an eye towards changing attitudes to the Palestinian struggle, student and educational activism can have far reaching and significant long-term effects and have the precedent of South African anti-apartheid activities as a guide and indication as to what can be achieved.

## Developments So Far

Successes to date for motions are limited to twinning agreements between universities, anti-occupation resolutions, and one divestment resolution in the US.

- On April 11, 2004, the Student Council of Wayne State University passed the US's first university divestment resolution with 9-7 votes approving divestment from Israeli apartheid.
- Over a dozen active divestment campaigns are ongoing in the US with a similar number reflecting efforts on a global level.
- In Italy, Spain and Canada, Israeli officials and professors have been repeatedly prevented from giving lectures due to student protests.

## *Cultural Boycott*

### Aims

- Institutionalizing a ban on cultural exchanges, programmes and visits with Israel
- Using Israeli performances, visits and film screenings as an opportunity to highlight occupation and apartheid amongst the wider public
- Forging ties of cultural support and solidarity with Palestine by artists and performers from across the world

### Why

The arts and popular culture community cannot maintain a “business as usual” approach with Israel given the severity of attacks made upon Palestinians. Artists and cultural institutions have an obligation not to lend their names, work or support to Israeli projects, and as a consequence provide support and complicity to the occupation.

Moreover, cultural collaboration serves to boost Israel's image amongst a wider audience when the crimes of the occupation, the Apartheid Wall and the rampant racism against Palestinians in Israeli society need to be overcome. Resolutions, statements and declarations from artistic groups and institutions can acknowledge the rights of the Palestinian people whilst refusing any ties and links with the state that perpetuates war crimes.

Boycotters can also publicise the constant attacks upon Palestinian culture and arts, destruction which threatens the existence of Palestinian cultural heritage. Instilling the rights and the legitimate struggle of the Palestinians across popular culture, and in expressions of artists and performers alike, can transform levels of external support and solidarity work.

### Logistics

BDS campaigners need to be aware of the calendars and activities of Israeli cultural institutions and arrange solidarity work accordingly. This involves trying to persuade artists not to perform in Israel and publicizing and mobilizing against Israeli events when they occur in the rest of the world. Money given by the Israeli embassies and other institutions needs to be tracked and challenged whenever such links can be exposed.

Those engaging in an external boycott will need to consider what type of relations they maintain with Israeli artists involved in promoting subversive work challenging the Israeli state. In some cases Israeli artists are now joining the boycott of official exhibitions, productions and performances. Meanwhile, Palestinian artists, especially those living as an oppressed part of Israeli society have proved to be a successful medium through which the realities of Israeli apartheid can be exposed in the rest of the world. Their work needs to be actively promoted and distributed.

In the same vein as the rich and diverse front of artists who opposed the regime in South Africa, a vocal cultural boycott of Israel can have a major impact in shaping public opinion particularly across the younger generation. Solidarity groups must make outreach work a priority and ensure artists as well as the general public have access to information that documents Israeli apartheid and the continuous crimes inflicted upon the Palestinian people.

Thus, one role of the boycott is forging links and relations with artists who lack access to basic resources, materials and services due to Israeli apartheid and ensure the continuation of Palestinian culture and heritage in a climate where such expression is under severe threat.

### Developments So Far

Artists and cultural institutions from around the world have responded to calls from Palestine to sever relations with Israel. Many concerned artists have cancelled or refused to participate in events in Israel and issued statements supporting the BDS campaign. Solidarity groups have also been active in petitioning international artists not to appear in Israel, and the boycotting of performances/productions by Israeli artists in their own institutions has begun.

The Network of Palestinian Arts Centers has given out a call for cultural boycott and there have been numerous appeals including one influential grouping of Palestinian filmmakers. The cultural boycott is a means for artists and cultural institutions to express their opposition and outrage against the construction of the Wall and Israeli occupation and apartheid. An online signature collection calling upon artists to boycott Israeli arts institutions, festivals and artists has been endorsed by hundreds of artists from all over the world.

- 2002 – Derry based Gaslight Productions joins the international boycott of Israel, refusing to participate in the Haifa International Film Festival.
- April 2006 – Roger Waters of Pink Floyd fame cancels his Tel Aviv gig in protest at Israel's treatment of the Palestinians. Waters later challenges Israel to "tear down this wall" and end its occupation to achieve real peace.
- February 2006 – The British architects group Architects and Planners for Justice in Palestine (APJP) announce plans to boycott construction companies involved in building Israel's "separation fence".
- May 2006 – Prof. Haim Bresheeth, Chair of Cultural and Media Studies at the University of East London, UK, quits the Israeli film festival jury in protest at Israel's treatment of the Palestinians.
- May 2006 – Professor Richard Seaford, from the University of Exeter, UK, refuses request to write article for Israeli journal, stating his participation with the academic boycott of Israel.
- June 2006 – Los Angeles activists stage a protest in front of the LA Film Festival to protest the screening of an Israeli film.
- July 2006 – The organizers of the Locarno International Film Festival in Switzerland drop the Israeli Ministry of Foreign Affairs as a festival sponsor pursuant to a call for action from Palestinian filmmakers.
- August 2006 – Sponsorship money returned to the Israeli Embassy by organizers of the Edinburgh Film Festival after a public outcry against the ties.
- August 2006 – The Greek Cinematography Center (GCC) withdraws all Greek films from the Haifa Cinema Festival in October, stating that "under the current circumstances the specific cultural event has lost its meaning."

### *Municipal and Trade Union Action*

#### Aims

- Cutting all ties between municipalities or local councils and Israel at cultural, economic, and diplomatic levels
- Passing measures or resolutions in support of the Palestinian struggle
- Twinning with Palestinian councils or municipalities where suitable
- Gaining union support for all aspects of the BDS campaign

#### Why

The municipal boycott can be used to enforce the consumer boycott and the secondary boycott at a local institutional level. Moreover, it can ensure official city contracts and business deals do not go to Israeli companies and end support for the Israeli economy and occupation as a whole. Moreover, a boycott against those using Israeli technology and goods provides an effective mechanism by which to discourage further investment and business with Israel.

This type of boycott can build much greater awareness among citizens with the potential for building educational and broader solidarity initiatives at a local level. Municipalities can also build into the boycott activities a database of the responses obtained from their research efforts into the economic ties existing between businesses with Israel. This information will be useful to other elements of the boycott, particular campaigners of the wider consumer and secondary boycotts.

Trade unions played a huge role in implementing various components of BDS against South Africa. Unions place notions of international workers solidarity at the heart of organizing and purpose, and as such they have significant potential for greater interaction and work on Palestine.

### Logistics

Boycott motions need regular and precise follow-ups in order to be effectively implemented. Even when local authorities and councils make declarations of boycotts, campaigners and activists on the ground need to ensure adherence across the wider community is built and maintained.

Passing resolutions requires a dedication from local level activists, including those active in party and union politics as well as civil movements, to the aims of the BDS campaign. The South African struggle is one example of a historical model for how such movements can be built and realized. About 20 local authorities in the UK held some form of resolution or measure in support of the South African struggle, with around ten councils imposing a permanent boycott. Sheffield City Council (UK) were instrumental in spreading this initiative and coordinating a local policy which challenged South African apartheid through a ban on all purchasing and investment, as well as ensuring anti-apartheid resources and materials were available in library services and education facilities.<sup>114</sup> In more recent years the Cities for Peace initiative in the US resulted in 46 cities passing council motions against the illegal invasion of Iraq, calling for troops to return home amongst other measures.<sup>115</sup> This should serve as an inspiration to activists at a grassroots level and set precedents for the policies presented in the manifestos of candidates standing in local elections.

Trade Unions can work towards attaining the following aims:

- Trade union investment portfolios should not include companies investing directly or indirectly in Israel
- Trade union members of the controlling boards of pension funds should seek to end their holdings in companies investing in Israel
- Trade unionists should participate in campaigns to persuade particular companies to withdraw from Israel
- Trade unionists, especially in the public sector, should support moves in local authorities to declare "apartheid-free zones" involving a pledge that no council

---

<sup>114</sup> Hanlon, *Sanctions*, p. 139.

<sup>115</sup> See online at <<http://www.ips-dc.org/citiesforpeace>>.

- funds will be invested in companies operating in Israel, and that they will discourage investment from their area
- Trade unions can be instrumental in calling for and implementing consumer boycotts by disseminating information and by backing workers that refuse to handle or process Israeli goods.
  - Making members aware of the need for divestment, by circulating material to branches, organising meetings, film shows, exhibitions, etc.
  - At a national level, raising the issue of sanctions on industry-wide national negotiating bodies
  - At an international level, working through international trade union bodies to coordinate and build pressure for sanctions
  - Ensure the boycott of the *Histadrut* (the Israeli Trade Union Federation) is implemented

### Developments So Far

The campaign to boycott has been taken to municipalities across the world but has yet to develop the strength and support necessary as a mechanism to put pressure on Israeli apartheid. Proposed motions and actions have varied from a complete ban on Israeli goods and services, to requests from campaigners that the city and local government divest itself from Israeli bonds or shares in Israeli companies. In other cities campaigners work to ban relations with companies complicit with the occupation, such as Caterpillar.

#### Local authorities

- Somerville: activists in this US town have been campaigning for 3 years to reach municipal divestment from Israeli bonds and companies supporting the occupation. Recent elections in the town saw 45% of voters back the Palestinian right to return and 31% advocate sanctions on Israel. The movement continues to grow in strength.
- Limerick: activists in this Irish city are hoping to make it the first "Caterpillar-free zone."
- Sør-Trøndelag: entire region of Sør-Trøndelag signed up to the boycott of Israeli goods. The bill was passed with the support of the ruling coalition composed of the Norwegian Labor Party, the Socialist Left Party, and the Center Party, as well as the Christian Democratic Party.
- Arbizu: a city in the Basque country passed a motion banning complicity and support for the Israeli occupation in November 2005.

#### Trade Unions

- Trade Union Friends of Palestine, UK has worked since 1980 to create effective solidarity with Palestine.
- 2002 – Danish trade unions call for boycott.

- April 2004 – "Labour for Palestine" founded in New York to support the Palestinian struggle and lobby trade unions to divest from Israel.
- June 2006 – The Ontario branch of the Canadian Union of Public Employees (CUPE) passes Resolution 50 at their Annual General Meeting committing the Union branch to support the Palestinian call for BDS until Palestinian rights, including the right of return are implemented; to initiate an educational campaign for members into the apartheid nature of the Israeli state; and to urge the Canadian Labour Congress to investigate the political and economic support of Canada for these practices.
- July 2006 – The Services, Industrial, Professional and Technical Union of Ireland calls for sanctions against Israel and immediate suspension of the Euro-Mediterranean Association Agreement with Israel until such time as that country ends its violations of international law.
- July 2006 – In the UK sacked Merseyside dockworkers call on the trade union movement to boycott Israeli consumer goods.
- June 2006 – Central Única dos Trabalhadores (CUT) Brazil and other trade unions in South America join the mobilization that blocks the signing of the Free Trade Agreement between the Mercosur countries and Israel.
- August 2006 – Willie Madisha, President of the Congress of South African Trade Unions (COSATU) states that South Africa must boycott Israel and supermarket workers should refuse to handle Israeli goods.
- July 2006 – The General Union of Oil Employees in Iraq issues an "appeal to all the honourable and free people of the world to demonstrate and protest about what is happening to Lebanon."
- August 2006 – An Irish tramline is forced to cancel a contract with Israeli occupation authorities in Jerusalem following pressure from trade union representatives.
- August 2006 – The Metal and Electrical Workers Union of South Africa calls for sanctions against Israel in the wake of the Qana Massacre.
- September 2006 – The largest South African trade union COSATU unanimously passes a resolution submitted by the National Union of Metalworkers (NUMSA). It proposed that the "international community implements diplomatic and trade sanctions against the State of Israel with immediate effect" and that, "The United Nations implements the advisory opinion of the International Court of Justice on Israel's Apartheid Wall."<sup>116</sup>

### ***Cut Military Links and Support***

#### Aims

- Obtaining legal prosecution of Israel's war criminals
- Securing arms sanctions and embargoes

---

<sup>116</sup> COSATU, '9<sup>th</sup> Congress Resolution', *ZNET Magazine*, 25 Sep. 2006, <<http://www.zmag.org/content/showarticle.cfm?ItemID=11040>>.

- Holding governments to account via prosecution when known to be providing support to the occupation forces and their war crimes

### Why

Court cases have recently become a tool to isolate Israel and target those who have been guilty in carrying out war crimes against Palestinians. Such actions highlight that the occupation and its officials are considered criminals by the rest of the world and ensure that they eventually face justice for their crimes.

These cases can effectively deter Israeli officials from traveling and lead to their arrest. It can also challenge the complicity of international governments or companies with the occupation. It attacks the legitimacy awarded to Israel by the international community and the previous protection awarded to those responsible for the gravest attacks upon Palestinian and Arab communities. Tied in to a wider campaign for arms sanctions and embargoes, efforts centre upon dissuading Israelis from serving in the mechanisms of the state, encouraging an internal refusenik movement that can weaken the strength of the occupation forces.

In similar way, direct actions to expose and obstruct arms deals with Israel have strengthened from increasing publicity. Grassroots campaigns have taken on roles in highlighting and challenging Israel's military links including mobilizing against arms conferences and deals, as well as opposing existing military co-operation and support given to Israel.

### Logistics

Certain campaigns might require the active participation and direction of activists well versed in law. While all activists can be supportive in the efforts of the campaign, the specialized nature of bringing about the prosecution of war criminals relies upon lawyers to take up cases. In some cases lawyers and legal firms may be sympathetic to the Palestinian cause and willingly give their time and resources to solidarity initiatives. In other instances, solidarity groups can consider fund-raising to hire firms to take on and challenge Israeli apartheid and occupation on a legal level.

Moreover, campaigners need to track planned arms conferences and official or unofficial arms deals by researching and following developments in the military industry. Creating ways to challenge can include disrupting or shutting down conferences and official functions involving any Israeli military as well as networking with anti-war and pro-peace movements. Blockading factories constructing goods for the Israeli military can also be an effective form of direct action to prevent complicity in future war crimes.

## Developments So Far

- September 2005 – UK lawyers obtain an arrest warrant for Israeli Commander Almog. Almog arrives in the UK but the British authorities allow him to flee the country from the airport.
- Cases have been compiled against former Israeli chief of staff Moshe Yaalon and his successor Dan Halutz. Yaalon cancelled a scheduled visit to Britain in September of 2005 for fears of arrest over charges of war crimes against Palestinians.
- 2006 – Grassroots activists in Switzerland mobilize against a military defence conference with strong Israeli involvement, culminating in its eventual cancellation. Meanwhile, there is a general Swiss campaign with signatures and public pressure against a continuation of the arms trade with Israel.
- March 2006 – Aviv Kochavi, serving as the commander of occupation forces in Gaza is forced to cancel his planned trip to the UK to study at the Royal College of Defense Studies. It came after the Israeli Military Advocate's Office instructed that he refrain from commencing studies, fearing that he would be arrested for "war crimes."<sup>117</sup>
- April 2006 – Sweden boycotts air force drills due to Israel's participation. Sweden called off its participation in international air force exercises to take place in Italy because of the involvement of the Israel Air Forces in the drills.
- July 2006 – The UN warns that Israel's bombardment of Lebanon may constitute war crimes.
- July 2006 – The Liberal Democrat party in the UK calls for suspension of all arms exports to Israel.
- July 2006 – The CPI and the CPI (M) of India voted in April 2005 for resolutions to impose sanctions and end military agreements and ties with Israel, and in July, 2006, 86 MPs of various parties asked the government to immediately suspend arms purchases from Israel and seek global sanctions against it.
- August 3, 2006 – In the UK, Members of Parliament attack the government for breaking its own guidelines on arms sales to Israel, and demands an explanation as to why the government continues to approve the sale of arms to Israel.
- August 2006 – Activists began to compile evidence necessary for a case against the British government for their complicity in the transportation of weapons from the US to Israel in their illegal bombings of the Lebanese populace.
- September 2006 – A number of European states including Britain, Germany and Italy refuse to allow *El Al* cargo planes carrying Israel Defense Forces (IDF) equipment from stopover landings in their airports.
- In autumn of 2006, Public Interest Lawyers (PIL) in cooperation with Palestinian rights organization challenge the UK government over its granting of export licenses for the sale of weapons to Israel.

---

<sup>117</sup> 'Israeli official cancels trip abroad for fear of being arrested as "war criminal"', *International Middle East Media Centre*, 2 Mar. 2006, <<http://www.imemc.org/content/view/17053/1/>>.

## *Divest from Israel*

### Aims

- Cutting off the important role of external investment for the Israeli economy
- Ensuring companies develop corporate responsibility by refusing to fund apartheid and occupation

### Why

Relinquishing stocks and other business interests in Israel or companies investing in Israel is an effective measure by which to cut-off the funding used to sustain the occupation. A successful campaign can instill broader values of corporate responsibility and ensure that as long as war crimes continue there can be no business with the Israeli economy. Its importance as a BDS measure is recognized because of the potentially large sums of money involved, cash vital to the maintenance of the occupation.

### Logistics

Individuals can begin by examining their stock portfolios and identifying any Israeli companies or those with ties to Israel. Subsequent lobbying for divestment can then take place and encompass other share-holders and activists from the wider community.

Strong campaigns can be forged when direct links can be made between companies and investments directly funding crimes against the Palestinian people (see *Veolia* case study in appendix). Divestment involves decision-making processes of entire institutions or boards and can only be the result of sustained campaigning. While companies maintain different interests to those of campaigners – with profits overriding concerns over human rights – they can be forced to act in a climate by which they receive negative publicity for their business links with the occupation. Campaigners must strategize as to the targets of divestment campaigns. Yet, while companies with direct links to the occupation of the WBGS form easier targets for action, divestment from Israel as a whole can only ensure the rights of all Palestinians including the refugees are realized.

Universities are popular targets for divestment campaigns given that such institutions tend to maintain stocks and shares that are tied into the Israeli economy. Churches, local municipalities and pension trusts, form other sectors where constituents can demand divestment to support the Palestinian struggle. Participation of the trade unions can be particularly influential within the movement as a whole and be mandated to make public their research and findings.

## Developments So Far

### Universities

- The US has been the site of the strongest divestment movement within universities with calls and mobilizations in over 15 campuses. Groups who have instigated divestment campaigns in the US include New York University Students for Justice in Palestine, Wesleyan Students for a Free Palestine, and others.
- In April 2005, the Association of University of Wisconsin Professionals (TAUWP) passed a resolution 24-2 to divest from companies supporting Israel.
- On April 11, 2004 the Student Council of Wayne State University passed the country's first university divestment resolution with 9-7 votes approving divestment from Israeli apartheid.
- The US movement organized two national divestment conferences in 2003 and 2004.

### Churches

Most of the main non-Catholic churches or their representatives have made various calls and recommendations for divestment from companies profiting from the occupation. The company mentioned most often has been Caterpillar although the US Presbyterian Church mentioned three other companies.

- July 2004 – The General Assembly of the Presbyterian Church (US) passes a resolution of divestment from Israel.
- September 2004 – The Anglican Peace and Justice Network recommends divestment. The Anglican Consultative Council approves divestment in a vote held in June 2005.
- October 2004 – The Episcopalian Church in the US considers divestment from Israel.
- February 2005 – The main governing body of World Council of Churches (WCC) puts out a recommendation encouraging member churches to consider divesting from companies doing business in Israel.
- April 2005 – The Sabeel Ecumenical Liberation Theology Centre calls for divestment from Israel.
- June 2005 – New England Methodists approve a resolution of divestment from Israel.
- July 2005 – The Anglican Church of Kenya decides to divest from companies engaged with supplying goods to the Israeli occupation.
- July 2005 – The Christian Church (Disciples of Christ) passes two resolutions at its 25th biennial General Synod in Atlanta, the first for divestment from Israel and the second resolution calling for Israel to tear down the wall.
- July 2005 – The 25<sup>th</sup> General Synod of the United Church of Christ approves divestment from Israel.
- July 2005 – In the US, the United Church of Christ (UCC) adopts an "economic leverage" resolution against Israel, calling on Israel to "tear down" the Wall.

- August 2005 – The Presbyterian Church US announces divestment measures targeting four American companies whose products are used by the Israeli forces in the occupied territories: Caterpillar, Motorola, United Technologies Corp., and ITT.
- August 2005 – The Evangelical Lutheran Church in America adopts a policy of divestment from Israel.
- February 2006 – the Anglican Church's General Synod overwhelmingly votes to divest from companies whose products are used by Israel in the WBGS.
- June 2006 – The United Church of Canada's Toronto branch steps up its awareness raising campaign, calling for a boycott of Israeli products and companies doing business with its military.

#### Other initiatives

- December 2005 – In the US, the Green Party endorses a statement supporting a comprehensive strategy of boycott and divestment to pressure Israel.
- July 2006 – Green Party in Ann Arbor, Michigan pushes for divestment from Israel.
- July 2006 – War on Want present their report *Profiting from the Occupation*, calling for divestment against Caterpillar.
- Activists launch divestment action against Veolia/Connex shares in the Netherlands while in Switzerland the Collectif Urgence Palestine stage a protest against the contracts of the Geneva public transport with Connex. Irish trade unionists force the Dublin public transport company not to train future workers for the Connex built tramway in Jerusalem.
- By November of 2006, ASN Bank, a Dutch bank based in The Hague, announces that it is to end its relationship with Veolia Transport over the tramway, a major success for BDS campaigners.
- Activists in the US stage annual protests at the AGM of Caterpillar, with demonstrations also occurring in Europe against the company.

### ***Tourism Boycott***

#### Aims

- Encouraging tourism to Palestine supportive of national heritage and culture
- Countering Israel's image of leisure and hospitality, and expose its crimes against the Palestinian people
- Advocating against tourism to Israel with the goal of reducing the vital injections of foreign currency this brings

#### Why

While Israeli tourism had been in crisis since the beginning of the second *intifada*, tourists returned en-masse from 2004 and provided vital investments and foreign

currency for the Israeli economy. Supporting Israeli tourism comes at the cost of further destruction to Palestinian communities, heritage and culture. Under the guise of gentrification, Palestinian areas have been the frequent target of destruction for the construction of Zionist tourist amenities and facilities. This has been particularly widespread in Jerusalem where the Judaization of the city has severely threatened the existence of Palestinian cultural heritage. A tourist boycott can ensure the funding for such projects is halted and not supported from outside.

A boycott has increasing importance given the attention Israel pays to its branding and image in the rest of the world. Tourism is used by the occupation to promote a "progressive", "peaceful" and "multi-cultural" nature to the world, despite the daily crimes committed against the Palestinian people.

As a key sector of the Israeli economy, providing income and jobs, an effective travel boycott will decrease financial support for the Israeli economy; discourage foreign investment; and halt the projects that continue colonization. However, it is important for people from all over the world to continue to visit Palestine outside the Israeli tourism industry and see the realities on the ground. Entering Palestine, particularly the Gaza Strip is a process fraught with difficulties. An increase of solidarity-orientated tourism can challenge the system and places pressure on Israel which uses borders, checkpoints and controls as one means to humiliate and abuse Palestinians. In addition, the presence of foreigners lets Palestinians know that their struggle is not forgotten in the rest of the world and can build important ties and bridges of solidarity.

### Logistics

According to one Israeli tourist association in 2005, visitors to Israel are almost at the same level as before the second *intifada*.<sup>118</sup> Meanwhile the Israeli government has predicted tourism will continue to rise, and that a million tourists will visit Israel on group tours in 2007 making an important contribution to the overall economy.<sup>119</sup>

Pilgrims should be encouraged to use Palestinian guides and services and boycott Israeli businesses and groups, especially those which run tours to Bethlehem and Jerusalem. Numerous travel guides can be used to promote supporting Palestinian tourism.

An effective strategy to counter tourism has yet to emerge within solidarity groups. General calls and appeals have been issued against the tourist trade and in the UK activists have begun to mobilize the local community in north London after it was revealed that Arsenal Football Club had collaborated in a £350,000 business deal made with the Israeli governmental tourist agency to promote travel to Israel. A strong campaign initiated at a grassroots level presents the most effective means for shaping public opinion against travel to Israel.

---

<sup>118</sup> Israel Incoming Tour Operators Association, 'Passover Tourist Numbers Up 40%', *Atid-Edi Ltd.*, 4 May 2005, <<http://www.atid-edi.com/fnarchive/bw20050504.htm#2.1>>.

<sup>119</sup> *Ibid.*

In the campaign against tourism to South Africa, activists sought out tourist exhibitions or agents promoting travel to the regime under the slogan "Apartheid is NO Holiday". A similar campaign can seek to:

1. Expose those promoting trips to Israel
2. Encourage local travel agents to be apartheid free
3. Monitor the media for Israeli adverts
4. Persuade exhibitions for tourism not to promote Israel
5. Lobby political representatives to bring about a ban on tourism to Israel and reciprocal arrangements for Israeli tourism to the UK

#### Developments So Far

- Pickets outside Arsenal football matches in the UK are now regular and is building an opposition within the club's fan-base to the complicity of the clubs financiers with Israeli apartheid.

## **4: Apartheid South Africa and Israel**

### **4.1 Introduction: South African Liberation**

### **4.2 Reflections on BDS against South African Apartheid: Strategies and Tactics**

### **4.3 Israel and Apartheid South Africa: Making Comparisons and Distinctions in Solidarity Work**

### **4.4 Solidarity Work Today: Learning from the South African Struggle**

### **4.1 Introduction: South African Liberation**

The ending of apartheid in South Africa have generally been attributed to five central factors:

1. Internal resistance – the movements that rendered the country “ungovernable” – placing South Africa on an irreversible trajectory of revolution.
2. A pragmatic turn in the ANC dropping the more radical aspects of their social and economic programme in order to coax the nationalists into a negotiated settlement, achieving majority-rule but protecting some white interests.
3. The impact of global events, notably the disintegration of the Soviet Union and the Eastern Bloc, allaying nationalist fears of the “threat” of communism and stimulating a global political climate more favourable to negotiations with the ANC.
4. The international isolation of South Africa, including sustained forms of pressure from global BDS campaigns, which culminated in internal social and economic ramifications to the detriment of the regime and its backers.
5. The influence of global capital, specifically forces defined as neo-liberal, in which apartheid and white rule stifled the market and became increasingly challenged by financial interests.

The majority of historical narratives have tended to emphasize each cause differently, blending various nuances of these interpretations in accounting for the changes that swept across South Africa from the end of the 1980s. If we are to use South African anti-apartheid activism as a model for today’s BDS work regarding Palestine – as campaigns

frequently do – it is necessary to evaluate the South African freedom struggle via its historiography. Did the anti-apartheid movement and multitude of BDS initiatives really play a significant role in the white regime’s demise? If so, what strategies, tactics and mechanisms were utilized, were most effective and remain relevant to today’s generation of campaigners? Moreover, are there contrasts in the nature of solidarity organizing today with that of the 1970s and 80s, as well as the nature of apartheid itself in Israel and South Africa?

Answers to these questions can build more effective BDS campaigns in the current context, determining to what extent should international reprisal be placed upon Israel and how to strengthen public awareness of the situation and support for Palestine.

An appraisal of past BDS work also leads to an explanation of the dynamics, similarities and differences between Israeli and South African apartheid. To what extent does Israel warrant a similar global moral condemnation as South Africa, and how can comparisons of laws, policies and ideologies further solidarity work to build greater public awareness and support for Palestine?

### *Accounting for social change – a history of internal resistance to apartheid*

Accounting for the end of apartheid requires consideration of a range of contentious narratives. However, virtually all interpretations concur that internal resistance had an important role to play in facilitating the end of the regime. Over the decades, that struggle took on a variety of forms.

Resistance to white rule preceded the struggle against apartheid, dating back to the arrival of the first colonists in the 18<sup>th</sup> century.<sup>120</sup> After the ascendancy of the Nationalist party to power in 1948, various mechanisms were deployed to institutionalize apartheid; the system of laws, measures and policies that ensured the continuing subjugation of the black majority to white domination.\*

Protests, demonstrations and symbolic measures of defiance against apartheid stepped up in the 1950s, with co-ordination and mobilization primarily, but not exclusively, run from the ANC, the non-European Unity Movement or Unity Movement, the wider Congress Alliance, and from 1959 the PAC.\* However, the growth of the liberation movements and freedom struggle spurred the increasingly repressive measures taken by the regime,

---

<sup>120</sup> G. Gerhart, *Black Power in South Africa: The Evolution of an Ideology* (Berkeley: University of California Press, 1978), and P. Alexander, *Workers War and The Origins of Apartheid: Labour and Politics in South Africa 1939-48* (Oxford: James Currey, 2000).

\* Black encapsulates all of the “ethnic” groups defined as non-white by the whites, in keeping with the definitions established by South Africans during their struggle.

\* The Congress Alliance formed from the organizations that adhered to the Freedom Charter signed in 1955, including the ANC, South African Indian Congress (SAIC), the Congress of Democrats and the Colored Peoples Congress. The PAC was formed in 1959 by a pan-Africanist grouping in the ANC. The Congress Alliance should not be confused with the Tripartite Alliance which came to refer to the South African Communist Party (SACP), COSATU and the ANC, and became formalised in the 1990s.

notably the massacre of demonstrators in Sharpeville (1960) and the mass detention, torture and imprisonment of activists. As it became clear that the regime could not be overthrown without other forms of pressure brought upon it, the PAC, ANC and smaller leftist groups adopted the philosophy of a protracted armed struggle. These assumed various guises, from the ANC's promotion of strategies such as sabotage to bring about a national convention, to leftist groups espousing a people's war or national liberation front analogous to that of Algeria. However, with thousands imprisoned or exiled throughout the 1960s, and in a time when trade unionists and activists were executed, liberation movements were hampered in their attempts at providing the vanguard for a successful guerrilla war and of replicating the achievements of emerging freedom struggles in Zimbabwe and Mozambique.<sup>121</sup>

Despite the stifling of political activity, workers mobilized for a series of popular strikes in Durban of 1973/4, an eruption of resistance which provided the first serious internal challenge to the regime, and which redefined the South African landscape for years to come. The social unionism and militancy of the unions in the 1980s were rooted in the Durban strikes, where demands for better wages and equal rights were linked to overall political goals of the freedom struggle.

Three years after Durban, the Soweto uprising marked a further fundamental development, and signalled the beginning of an era of popular, grassroots-driven struggle. Imbued with the philosophy of black consciousness (BC) and self-empowerment, Soweto was to have a fundamental impact in shaping the future nature of resistance to the regime. Thousands of young people put the theories of self-determination and self-liberation associated with BC thinking into practice. The "multi-national" perspective associated with the Congress Alliance gradually lost much of its political resonance as the inspiration and solidarity of BC sliced through the connotations of separate organizations of oppressed people. Soweto reflected an exuberance, confidence and defiance that marked a watershed in the freedom struggle.

By 1978 the uprising had been quelled. Approximately 1,000 young people had been killed, while tens of thousands were arrested or had fled to neighbouring countries.<sup>122</sup> However, Soweto set in motion a process whereby the struggle became institutionalized into communities across the country. Civics (local township movements) took root throughout the late 1970s, particularly in the confluence of worker and community struggles in the Eastern Cape. These new structures mushroomed during the early 1980s, coming at a time when the regime sought collaborators for the widely detested Black Local Authorities (BLA) launched in 1983.

Collectively driven social movements appeared in schools, rural communities and the workplace "in response to the oppressive conditions of daily life."<sup>123</sup> Yet, the vision of

<sup>121</sup> For example in 1964 trade unionist activists Vuyisile Mini, Zinakile Mkaba and Wilson Khayingl were all hanged by the regime while hundreds of freedom fighters were incarcerated throughout the decade in prisons such as Robben Island. Hundreds of other South Africans were exiled for their political beliefs.

<sup>122</sup> S. Vally and M. Saleone, 'Beyond Matric', supplement to the *Mail and Guardian*, 5-11 May 2006.

<sup>123</sup> J. Rantete and M. Swilling, Organization and strategies of the major resistance movements in the negotiation era, in R. Lee & L. Schlemmer (eds.), *Transition to Democracy: Policy Perspectives* (Cape Town: OUP, 1991) p. 201

these movements that advocated and struggled for the removal of the apartheid regime placed economic redistribution at the heart of discourse and practice.<sup>124</sup> Unity across different social groups was built, reflected by the relations developed between trade unions and community-based movements.<sup>125</sup>

By 1983 the civic movement had grown into a truly mass movement. This transformation was led by groups such as the Cradock Residents Association (CRADORA), a group responsible for enlisting the vast majority of township residents into street committees. Thereafter, such committees proliferated across townships and became a characteristic feature of civic associations throughout the country.<sup>126</sup> National liberation began to take on new meanings, moving from notions of protracted guerrilla war to popular and locally organized defiance against the symbols and institutions of the regime.

On the 3<sup>rd</sup> September 1984, the day Botha's Tricameral Parliament was inaugurated, townships across the Vaal triangle exploded in a new wave of defiance and anger.\* Communities throughout the country followed suit as civic, student and youth groups mobilized against the official local government system. In several townships, BLAs collapsed and groups set up alternative structures to represent residents and, in some cases, to administer parts of the area. National umbrella groups emerged including the National Forum (NF), the United Democratic Front (UDF) and the related Mass Democratic Movement (MDM).

The UDF came to play a central role in providing a national structure and a political discourse under which to unite various local movements and groups. Formed on 20<sup>th</sup> August 1983, the Front took in hundreds of organizations in its first year and peaked at around 600 affiliations from across youth organizations, student movements, women's groups, religious groups, civic associations, political parties and a range of support and professional organizations.<sup>127</sup> The Front struggled to attract affiliates from within the trade unions but was strengthened when the Congress of South African Trade Unions (COSATU) opted to align itself with the UDF after its formation in 1985. The UDF provided organizational and conceptual links between disparate localized struggles and the overall struggle for political change, thereby boosting local-local developments into a national consensus.<sup>128</sup> By early 1986, the UDF had consolidated a significant amount of the township and civil resistance into its own structures to forge a coherent anti-

---

<sup>124</sup> Vally, *Beyond*.

<sup>125</sup> E. Webster, 'The Rise of Social Movement Unionism: The Two Faces of the Black Trade Union Movement in South Africa', in P. Frankel, N. Pines and M. Swilling, (eds.), *State, Resistance and Change in South Africa* (Johannesburg: Southern Book Publishers, 1998).

<sup>126</sup> K. Shubane, 'Black Local Authorities: a contraption of control', in M. Swilling, R. Humphries and K. Shubane (eds.), *Apartheid City in Transition* (Cape Town: Oxford University Press, 1991), p. 73.

\* The Tricameral Parliament was presented by the Botha regime as an attempt to "reform" apartheid and grant concessions to "Colored" and "Indian" groups.

<sup>127</sup> M. Swilling, 'The United Democratic Front and Township Revolt', *Work In Progress* (1987) and available online at <<http://www.anc.org.za/ancdocs/pubs/umrabulo/umrabulo19/revolt.html>>.

<sup>128</sup> J. Seekings, *A History of the United Democratic Front in South Africa* (London: James Curry, 2000), p. 170.

Apartheid and pro-Charterist Front.<sup>129</sup> Moreover, it filled the void left by the banning of the national political parties. In particular, the UDF continued the Congress tradition, and specifically the ANC's aims, at a time when its leaders were exiled or imprisoned. This is supported by the fact that the UDF dispersed quickly after the official ban on the ANC was lifted in 1990.

However, the UDF does not hold hegemony over this period of struggle.<sup>130</sup> Various movements did not align with the Front until two years after its formation; others remained loosely attached, while some groups remained independent or affiliated to bodies such as the NF. Charges that the UDF was top-heavy and undemocratic, focused on multi-class alliances including the liberal bourgeoisie, as well as persisting with a multi-racial form of organisation instead of an anti-racist one, formed the major impetus for the activities of the NF.<sup>131</sup> These concerns were particularly felt within the trade unions, highlighting how criticism became more widespread than the critiques coming from the NF or the Azanian People's Organization (AZAPO).<sup>132</sup>

The NF, which included movements from a BC and independent leftist background as well as a handful of trade unions, had already adopted a comprehensive socialist alternative of the Azanian peoples manifesto when the UDF was established.\* It retained a federated structure in which all affiliates operated without centralized coordination.<sup>133</sup> At its peak, around 200 groups and movements affiliated to the NF, cementing its position as an alternative to the UDF.

The tendency after 1994 to depict the history of the struggle as unified, or as being coordinated by the UDF, has served to downplay real ideological and political differences that existed between anti-apartheid groups. History and social change does not occur in neat delineations or stages and the tensions and clashes that existed between the UDF and the black consciousness aligned AZAPO during the mid 1980s, are an apt example of the debate – and at times fraught differences – within struggle organizations largely negated by current historiography.<sup>134</sup> Equally, it cannot override the moments in which charterists

---

<sup>129</sup> For additional information about the UDF, refer to T. Lodge, 'The United Democratic Front, Leadership and Ideology', in J. D. Brewer (ed.), *Can South Africa Survive: Five Minutes to Midnight* (London: Macmillan Press, 1989), and A. Marx. *Lessons of struggle: South African internal opposition, 1960-1990* (New York: Oxford University Press, 1992). The UDF did not immediately adopt the Freedom Charter but was considered to be a Charterist organisation (at least at a national leadership level).

<sup>130</sup> Marx, *Lessons*; M. Murray, *South Africa* (1987) and N. Alexander, *Sow the Wind: Contemporary Speeches* (Skotaville: Johannesburg, 1983). To read pro-UDF material, see contemporary journals *African Communist* and *Work In Progress*.

<sup>131</sup> For an early critique of the UDF, see I. Silver and A. Sfarnas, 'The UDF: A "Workerist" response', *South African Labor Bureau*, 8/9 (1983).

<sup>132</sup> D. Lewis, 'The General Workers' Union and the UDF', *Work In Progress*, 29 (October 1983). Although Azapo was affiliated to the NF, relations were not always harmonious, especially concerning the semantics of non-racialism.

\* "Azania" was and still is used instead of "South Africa" by various groups coming from a nationalist, leftist or BC perspective (such as the PAC and AZAPO).

<sup>133</sup> Murray, *Time*, (1987), p. 221.

<sup>134</sup> Vally, *Beyond*, and Marx, *Lessons*, p. 174, both of which draw out some of the tensions, ideological and sectarian, between the UDF and AZAPO.

and non-charterists worked together and the shared significance of black consciousness within all liberation groups. ANC colours alongside banners declaring “One Azania, One Nation” was not an unfamiliar occurrence.<sup>135</sup>

By the time the national state of emergency was declared on the 12<sup>th</sup> of June 1986, struggle in South Africa had reached unprecedented heights.\* Mayekiso notes of the 1980s insurrection that: “This period of *intifada* was the most sophisticated ever in either the national liberation struggle or any urban social movement in South African history, and the regime, not only locally but also nationally, was near collapse.”<sup>136</sup>

Indeed the intensity of the internal resistance was so strong that Sweezy and Magdoff noted in 1986 that South Africa was the only country with a “well-developed, modern capitalist structure which is not only ‘objectively’ ripe for revolution but has actually entered a stage of overt and seemingly irreversible revolutionary struggle.”<sup>137</sup> Yet, the imposition of a nationwide state of emergency ushered in a period of severe state repression that substantially constrained the level and form of internal resistance.<sup>138</sup> The regime shored up the BLAs by force and detained 26,000 people alone in 1986. By 1987 repression had broken local structures, shifting the emphasis back to what remained of a national leadership.<sup>139</sup> Into 1988, Soweto in Johannesburg was the only township where the committees openly persisted.<sup>140</sup> While insurrection continued, increasingly without formal structure or organization, the final years of apartheid have been characterized as a stalemate between the regime and its opponents. Apartheid politicians relied on brute force and military rule to stifle resistance, as well as sowing the seeds of a third force to destabilize struggle groups and assassinate activists. By 1988 the “irreversible” revolution appeared a distant outcome.

It is here that historians have discerned a pragmatic turn by groups aligned to the Congress tradition who initiated a series of political manoeuvrings that brought about a negotiated settlement and hastened the demise of the regime. Further, this has been viewed in two ways: as necessary compromises to further the freedom struggle and avert the possibility of a full-scale civil war, and as a betrayal of some of the core aims of a struggle which had economic as well as political aspirations. While the upsurge in mass struggle is depicted as forcing the regime to the negotiating table, one influential school of thought has portrayed the ANC as subsequently capitulating to white interests and selling out to many of the demands of the struggle in return for majority rule.

---

<sup>135</sup> Marx, *Lessons*, p. 132.

\* While a state of emergency was declared on 20 July 1985 for 36 magisterial districts, the 1986 measure affected the entire country.

<sup>136</sup> M. Mayekiso, ‘The Legacy of Ungovernability’, *Southern African Review of Books*, 28 (1993), p. 25.

<sup>137</sup> Quoted in J Saul, *Cry for the Beloved Country: The Post-Apartheid Denouement*, Paper Presented at Development Studies Seminar (Johannesburg: RAU, Aug. 30, 2002), p. 89.

<sup>138</sup> Seekings, *Township*, p. 291.

<sup>139</sup> Marx, *Lessons*, p. 175.

<sup>140</sup> H. Mashabela, *Townships of the PWV* (Johannesburg: South African Institute of Race Relations, 1988), p. 5.

Various components of the Alliance's leadership began to meet, at first in secret, with the regime from the late 1980s. This helped to forge the climate necessary for an end to the bans of the political parties in 1989, the release of political prisoners, and the Kempton Park talks which secured a negotiated settlement and the 1994 elections.

McKinley asserts that by 1987, UDF leaders were "focusing substantial attention and organizational energy on wooing white capital and political liberals," continuing the process begun by the ANC leadership when it met with white big business representatives in Lusaka in 1986.<sup>141</sup> Other critiques of the UDF charge that the group emphasized the political goal of abolishing apartheid first and foremost, and ignored retaining a social and economic vision for overhauling the oppression that system had created.

The mass struggle, which had pushed the regime into negotiating, was viewed as being usurped by leaders who engaged in a process of elite-pacting with the Nationalists.<sup>142</sup> The negotiated end to apartheid has been seen as limiting the policies available to the successor state with the basis of the Convention for A Democratic South Africa (CODESA) being a trade-off between majority rule and capitalist stability. The Nationalists accepted universal suffrage in a unitary state; and the ANC accepted that there would be neither expropriations nor radical redistribution and that the relations of production would be largely retained. Today that viewpoint is echoed within South Africa's independent left which feels betrayed or let down by the ANC and refers to the period since apartheid as a transition rather than a transformation.

In refuting these criticisms, many within the Tripartite Alliance state how the negotiation process yielded majority rule governance, an achievement that appeared unthinkable a decade previously. Moreover, compromises are cited as averting the very real possibility of an all out civil war in the country, while securing a political stability that would yield subsequent victories for the oppressed. These compromises included aspects of the Freedom Charter being put aside, notably areas concerning land redistribution, as well as the introduction of the "Sunset Clause", which agreed that power would be shared with the Nationalists for a period of 5 years after the first elections. In arguing such strategies were necessary, Alliance supporters and various historians have pointed to the settlement paving the way for a political overhaul of apartheid, and placing the country on a new trajectory whereby economic and social goals could be gradually attained within a framework often referred to as the National Democratic Revolution (NDR). Moreover, the process of "elite-pacting" may have also reflected the real politic in which local organising and mobilization had been attacked by the regime throughout the late 1980s, boosting the unilateralism of the remaining national leadership.

Many see development and the overcoming of the structural injustices of apartheid as being achieved in a series of stages, while critics have accused the ANC of pursuing neo-liberal policies which have done little to improve the position of the black majority, but

---

<sup>141</sup> D. McKinley, *The ANC and the Liberation Struggle* (London: Pluto Press, 1997), p. 75.

<sup>142</sup> J. Saul, *Recolonization and Resistance in South Africa in the 1990s* (New Jersey: Africa World Press, 1993).

assisted in maintaining, or even elevating, white wealth alongside the creation of a black bourgeois elite.

Tied into some perceptions of this period are notions that the Nationalists were influenced by overriding global events rather than the strength of the internal resistance when opting to pursue a negotiated settlement. The end of “socialist” rule in the Soviet Union and Eastern Bloc eased the fears of Nationalists over the strength of hostile influences in the opposition movements, and reduced their fear of engaging in a settlement. Certainly parts of the Alliance, in particular the SACP, were left politically weakened by the events of 1989. Just months before the Berlin Wall came down, the SACP had noted of the socialist countries that: “a new way of life is taking shape in which there are neither oppressors nor the oppressed, neither exploiters nor the exploited, in which power belongs to the people.”<sup>143</sup> The Eastern Bloc had been a strong supporter of the liberation groups, and groups such as the ANC’s military wing *Umkhonto we sizwe* (MK) had received various forms of military assistance and training through the SACP.

Thus as the “socialist” states crumbled, the apartheid regime became perceived as more confident in its negotiations with opposition movements who had lost the support of key external allies. Alexander has noted the role of the internal struggle as well as the external pressure of boycotts and sanctions in ending apartheid, but states how “the actual timing of the transition from apartheid to democratic rule was determined by the strategic shift in the politics of the former Soviet Union under Gorbachev.”<sup>144</sup> It became increasingly illogical for western governments to continue backing a pariah regime in the light of potential black majority rule willing to adopt the hegemonic neo-liberal, free-market, multiparty formula of governance.<sup>145</sup>

Just as the internal resistance and global events such as the fall of communism were seen as influential factors, so have various forms of external pressure been regarded as significantly impacting the conditions leading to the demise of the regime. These concern the multitude of BDS initiatives, movements and actions from across the world, which culminated in the severing of important ties, links and relations with South Africa. In other words, global anti-apartheid activism successfully influenced the policies of various governments and international institutions and pressured them to take a tougher stance against the regime.

The global BDS movement emerged in the late 1950s as a response to the calls of South African activists and political groups, as well as the advocacy work of newly independent African states. A cultural boycott was launched in Britain, along with a consumer boycott campaign, both growing globally for 20 years before peaking in the mid-1980s. By the early 1970s, a campaign to boycott apartheid sport led to the expulsion of South Africa from the International Olympic Committee (IOC) and a UN resolution against apartheid in sports. The late 1960s and 1970s saw the intensification of the academic boycott, which made South African academia almost completely isolated by the 1980s.

---

<sup>143</sup> The African Communist, 3 (1989), p. 118.

<sup>144</sup> N. Alexander, *Education*, p. 44/45.

<sup>145</sup> Ibid. p. 45.

The UN General Assembly first called for sanctions against South Africa in 1962 in a resolution that garnered the support of the NAM countries, the Eastern Bloc as well as the African states. In 1963 the UN Security Council adopted a weaker resolution for a voluntary embargo on military sales to South Africa. By the mid-1960s, both the US and UK adopted arms embargoes against South Africa, although neither was fully enforced nor particularly effective until all major arms exporting countries (except Israel) adopted similar policies when military sanctions were passed by the UNSC in 1977. Meanwhile, divestment campaigns put pressure on banks to cancel loans to South Africa, on governments to refuse to sell oil to South Africa, and on municipalities, universities, and companies to divest from South Africa.

By the mid-1980s, the regime and South African corporations were increasingly isolated. This international pressure provided important support to the popular movements that were leading the struggle on the ground against the apartheid regime. Without access to foreign aid or international loans, and facing militant labour action and uprisings throughout the country, many white South Africans – especially owners of the major banks and mining houses – have been perceived as abandoning the apartheid regime that they had supported for so long and helping facilitate the transition to democracy. However, and as we will explore in more depth shortly, BDS activism was to also have significant ramifications in crushing the morale of the regime and its supporters, boosting the internal resistance, and in forcing economic divestment that seriously undermined the ability of the regime to sustain its apartheid in the long-term.

Other external pressures cited for contributing to the end of the apartheid system have centred upon forces of global capital and the wider impact of neo-liberalism within the internal market and regimes policies. The peculiar political, economic and social engineering policies of the apartheid state articulated a complex system of social security and protections for a minority white population, hinged upon the dispossession and exploitation of the black majority. While the internal struggle was an important factor in the demise of apartheid, the nature of the response by the regime to resistance has been seen as influenced by market forces and the particular challenges faced by domestic capital.<sup>146</sup> The international boycotts, as well as the growing internal resistance and militancy of the workers and their communities, fuelled these challenges. However, added to the pressures were mounting tensions between South Africa's political economy and global financial trends gravitating towards "free" markets and neo-liberal accumulation. Business interests have been depicted as developing antagonisms with apartheid, with particular concerns centred upon policies of a protectionist nature. South Africa's reliance on core export-producing industries along with constant mobilization of foreign investment needed to drive policies. Social-geographies controlled, overseen and engineered by the state made it look increasingly volatile and vulnerable in the financial climate of the early 1980s.

---

<sup>146</sup> A. Veriava and D. McKinley, *Arresting Dissent: State Repression and Post-Apartheid Social Movements* (Johannesburg: Transition Project Centre for the Study of Violence and Reconciliation, 2005).

Capital investors rarely engaged in any principled opposition to apartheid, and it was the dynamics of the overall business climate that added to the structural problems facing the regime. Grappling to ensure that domestic production and economic stability were maintained, analysts have argued that apartheid policy came to rely increasingly on adapting to the needs of the market rather than upon maintaining statutory discrimination.<sup>147</sup> By the end of the decade important sections of big business began implementing elements of a neo-liberal accumulation strategy, pass laws were scrapped and the geographical boundaries of apartheid began to unravel.<sup>148</sup> And while brutal in its conduct towards the resistance, the regime undertook various political and economic “concessions” going against the ideology of apartheid, but within the logic of securing the maintenance, functioning and operation of domestic markets and production.<sup>149</sup>

The impetus for negotiations has come to be viewed in some quarters as part of a series of efforts to secure and uphold the economy and levels of production. Marais states:

At their most basic level, they [the reforms] were aimed at shoring up the two fundamental foundations of state power in capitalist society – coercion and consent – and at reshaping the spheres of production, distribution and consumption in order to resuscitate faltering economic growth.<sup>150</sup>

While the reforms were tied to the repression strategy and attempted to drive a wedge between oppressed people, they represented a weakness in the regime as it attempted to re-align its power and authority. Today analysts have pointed to a continuation of neo-liberal fiscal policies by the ANC, giving credence to the idea that forces of global capital had a role to play in the demise of political apartheid, even if socio-economic structures were to be retained and reinforced by neo-liberalism in the new South Africa.<sup>151</sup> Writer Ashwin Desai noted that the repayment of apartheid-era debts has created “a situation where paying the debt has much graver implications for South Africa than repudiating it.”<sup>152</sup>

## ***Conclusion***

The five factors outlined in accounting for the downfall of the apartheid regime are all interconnected. They did not occur in a vacuum but within the wider dynamics of a time when apartheid attracted increasing international scrutiny and focus. The consequences of this climate included the actions of those motivated from purely economic motives, divesting for fear of losing capital; to the attempts to “reform” and develop “constructive

---

<sup>147</sup> Nattrass and Seekings quoted in C. Bundy, *The Presence of History*, Paper presented ‘Looking at South Africa Ten Years On’, School for Oriental and African Studies (10-12 September 2004).

<sup>148</sup> H. Marais, *South Africa Limits to Change: The Political Economy of Transition* (London: Zed Books, 2<sup>nd</sup> edition, 2001) and Veriava, *Arresting*.

<sup>149</sup> Marais, *South*, p. 104.

<sup>150</sup> *Ibid.* p. 41.

<sup>151</sup> *Ibid.* Also the work of Patrick Bond such as *Against Global Apartheid: South Africa Meets the World Bank, IMF and International Finance* (Cape Town: UCT Press, 2002).

<sup>152</sup> Marais, *South*, p. 15.

engagement” with apartheid by conservative politicians; to the boycotts and sanctions led by activists and campaigners on the ground, driven by their opposition to the racist system. The various factors at play, from the boycotts to the divestment and the internal resistance, ensured momentum was sustained to bring the regime down, and that the efforts of powerful agencies like the Reagan and Botha administrations failed in their attempts to sustain apartheid via a range of cosmetic reforms coupled with repression.

BDS initiatives, actions and successes stimulated rather than stifled a political, financial and domestic climate that helped facilitate the end of apartheid. Greater forces and structures of global capital and markets have been shown to play a part in this process, but they in turn were at least partly shaped by the boycotts and internal resistance which threatened the long-term profitability of apartheid. The regime bore the brunt of a myriad of pressures, which combined to ensure the negotiations would, at a minimum, achieve majority rule.

It is plausible that in the absence of global anti-apartheid activity the end of the regime would have been delayed and conservatives would have received greater global legitimacy for their attempts to reform apartheid. As such, South African history has enshrined boycotts, divestment and sanctions as an invaluable tool and strategy for justice-seeking people across the world, when military occupations and junta states need to be defeated, systems of entrenched racism and apartheid challenged and overhauled, and injustice and oppression exposed and overcome.

## **4.2 Reflections on BDS against South African Apartheid: Strategies and Tactics**

We have outlined the successes and strengths of the BDS movement, but in order to flesh out models and inspirations for today’s generation of anti-apartheid campaigns, it is essential to look in detail at the external efforts supportive of the liberation struggle.

### ***Consumer Boycott***

“Don’t doubt the damage of the sanctions fight, devastating, them boycotts bite  
 The more we know the more we can do, so get on down, it’s up to you  
 Don’t mess, don’t wait, don’t hesitate, do your thing  
 Hit the Apartheid State, cos’ the little bit more  
 That we take away, the little bit closer  
 To the VICTORY day - AMANDLA!”  
 - *From London Anti-Apartheid News, Summer (1989)*<sup>153</sup>

---

<sup>153</sup> London Anti-Apartheid News, Newsletter, Summer 1989, p. 3.

Activism and mobilization for an economic boycott of South Africa began in response to racist laws before the formal adoption of apartheid in 1948. In the UK, these efforts gained in momentum after President Luthuli of the ANC launched an appeal for a consumer boycott in 1959. The anti-apartheid movement\* (AAM), formed in response to the call, became involved in spreading boycott initiatives, awareness-raising across the country, and reporting victories alongside awareness raising in its monthly newspaper: Anti-Apartheid News. Launched in 1965, the publication became a major force in educational and campaigning activities in Britain and abroad.

By 1960, the call for boycott received the backing of some political parties and the Trade Unions Congress (TUC) when they supported a boycott organized for March of that year. The left-wing Tribune magazine published a list of 40 products for shoppers to avoid, and similar lists were distributed among trade unionists and the public.<sup>154</sup>

In 1964, the AAM sponsored an international conference to examine the feasibility of applying comprehensive economic sanctions against South Africa. The conference received the support of many governments sympathetic to the liberation struggle and brought the debate to a new level in Britain and beyond.<sup>155</sup> The conference helped to build activist links on a global level and catalyse the movement which would go on to attain concrete victories in solidarity work.

In the US in the 1950s, anti-apartheid grassroots movements emerged, many of which linked the US civil rights movement with solidarity for the South African freedom struggle. Notable was the American Committee on Africa (ACOA), formed in 1953 from Americans for South African Resistance (AFSAR), one of a handful of umbrella groups for local anti-apartheid groups. Consumer boycotts grew, as hundreds of solidarity groups formed at a community level. Student, religious, human rights and grassroots organizations became engaged in virtually every state and city, providing the firm basis for the divestment movement that was to take on a considerable influence from the late 1970s.

Meanwhile, in 1962 a special committee was created within the United Nations to support anti-apartheid activities. Although it did not have regulatory powers, the committee was mandated to facilitate global coordination of campaigning and activism. Coming in the same year, and in the face of resolute Western opposition, the General Assembly adopted a resolution calling for comprehensive economic and other sanctions against South Africa. The resolution was weakened by the refusal of the Security Council to adopt any similar legislation. This culminated in many countries using the UN as a shield for their individual failure to take tougher stances against the regime. For example

---

\* Initially called the Boycott Movement. A later faction of the group was known as the London Anti-Apartheid Movement.

<sup>154</sup> Hanlon, *Sanctions*, p. 136.

<sup>155</sup> R. Segal (ed.), *Sanctions against South Africa: International Conference on Economic Sanctions against South Africa* (Penguin Books: Middlesex, 1964).

the Scandinavian countries agreed in 1962 that they would not impose unilateral trade sanctions against South Africa without a mandatory UN initiative.<sup>156</sup>

In light of an unwillingness of governments in Europe and North America to implement trade sanctions or boycotts against the regime, popular movements on the ground helped to direct the pace at which the South African liberation struggle entered the consciousness of communities across the world. In one example, from 1963 – which was to set an important precedent for future actions – Danish dockers refused to unload a shipment of South African goods. When the transport arrived in Sweden, dockers there also refused to unload the cargo. Despite fines imposed on the dockers in Denmark, they continued to reject South African shipments on numerous occasions. Two months later, governing parties in Scandinavia jointly proposed a resolution advocating economic sanctions on South Africa at the Conference of the Socialist International, revealing how initiatives taken on the ground had the potential to pressure or influence governments into taking a more progressive stance on an issue.<sup>157</sup> Consumer boycotts gained in strength from South Africa's own internal resistance. After the massacres committed by the regime against the Soweto uprising, the revelations of trade and military links held by various countries with South Africa, galvanized a greater public rejection of complicity with apartheid.

In Denmark, anti-apartheid activists published statistics outlining Danish trade relations with South Africa (actually expanding at that time due to large coal purchases), which contradicted the political statements of the government that had played down relations with the regime. Individuals and organizations across the country were mobilized into action, appalled by evidence of continuing trade with the regime. From 1977, local South Africa Committees were established, holding regular demonstrations against shops selling South African fruit and agitating for government measures against South Africa. The popular campaign resulted in the large supermarket chains *Irma* and the cooperative *Brugsen* dropping South African products, and in consumer commodity imports going down.<sup>158</sup>

In the UK activists worked tirelessly to promote the boycott, efforts that began to pay-off in the 1980s as South African goods, particularly foodstuffs, were taken off the shelves in shops across the country and many independent retailers refused to stock any produce from South Africa. The TUC called on Britain's leading 50 retailers to remove South African goods from their shelves and by December 1985, nine had agreed.<sup>159</sup> Again adherence to the boycott was strengthened from the bold actions of the workers themselves, with Liverpool dockers refusing to unload apartheid goods and checkout assistants in Irish supermarkets declining to handle South African produce. The consumer boycott became entwined with many aspects of the secondary boycott or divestment

---

<sup>156</sup> C. M. Morgenstierne, 'African Freedom Struggle - in Denmark: Organisations as Policy Developers and Policy Advocates', *ANC*, <<http://www.anc.org.za/ancdocs/history/aam/denmark.html>>.

<sup>157</sup> R. Ainslie and D. Robinson, *The Collaborators* (London: Anti-Apartheid Movement, 1963) p. 6.

<sup>158</sup> Morgenstierne, *African*.

<sup>159</sup> Hanlon, *Sanctions*, p. 139.

campaigns, with companies such as Shell the target of a strong boycott in the UK and the Netherlands due to its support for apartheid (see divestment section).

Dutch anti-apartheid organisations also organized public campaigns such as a fruit boycott. Consumers were asked to stop buying Outspan brand oranges and grapefruits in the early 1970s. By 1986, after an intensive information and public pressure campaign, almost all agricultural products from South Africa disappeared from the shops.<sup>160</sup> Activities such as this were mirrored in Belgium, France, Switzerland, Austria, Luxembourg and Germany coming as a result of the fact that the European Union took two-thirds of South Africa's export of fruit and vegetables at this time.<sup>161</sup> Other European states, specifically Ireland and in Scandinavia developed strong consumer boycotts by the 1980s, driven through by trade union movements.

Some of the strongest enforcement of the boycott was maintained by the Finnish Transport Workers' Union (AKT)\*, which imposed an effective and total ban on trade between Finland and South Africa in the mid-1980s. This was assisted by the fact that all Finnish dockworkers belonged to the AKT. With help from unions in other countries they caught companies trying to evade the ban and threatened to boycott all their foreign trade unless they stopped dealing with South Africa.<sup>162</sup>

Outside of Western Europe and North America, consumer boycotts tended to lack significance due to far lower or insignificant levels of trade in consumer goods with South Africa, in some cases a result of sanctions preventing such trade. Other forms of BDS were more relevant, such as sport (see below), along with direct diplomatic support as well as funding and training for liberation movements.

### *The Struggle for Divestment/People's Sanctions*

The divestment movement, which advocated for individuals, businesses and institutions to drop financial investments with the regime or companies active in South Africa, was most relevant in the United States and countries in Western Europe where the strongest economic ties with South Africa were maintained.

#### The United States

The United States requires considerable attention given the wide-scale presence of divestment campaigns by 1980; movements that were to have a profound impact in the way South Africa became viewed in the public eye, and in which activists began to attain concrete victories against foreign investment in South Africa. From the hundreds of anti-

---

<sup>160</sup> A. Nieuwhof and B. Ngeleza, 'Sanctions against apartheid South Africa should inspire the Palestinian people', *The Electronic Intifada*, 14 Dec. 2004, <<http://electronicintifada.net/cgi-bin/artman/exec/view.cgi/10/3429>>.

<sup>161</sup> Ibid.

\* Auto-ja Kujetyösalan Työntekijäliitto (AKT).

<sup>162</sup> Hanlon, *Sanctions*, p. 275.

apartheid groups formed in the 1960s, a national consensus steadily grew, believing that campaigns for divestment represented an effective mechanism that every American could get involved in.

The American Committee on Africa laid some of the groundwork for sanctions and divestment and in June 1960 a conference, co-sponsored with a range of other organizations including Americans for Democratic Action, trade unions and the National Association for the Advancement of Coloured People, urged Washington to stop buying gold and strategic resources from South Africa. The conference also called for a consumer boycott of South African goods, urging dockworkers to refuse to unload these goods, and attempted to dissuade businessmen from investing in the country.<sup>163</sup>

As activists targeted institutional investors such as churches, labour unions, universities, student associations, foundations, insurance companies, and state and local governments, so too were new constituencies created within the divestment movement. Institutions, including many churches and student groups, became important participants and advocates in efforts to sever economic links with apartheid South Africa.

By the 1970s, as South Africa became increasingly profitable for external investors, pressure was put upon US banks making loans to, and companies doing business in, apartheid South Africa.<sup>164</sup> US involvement overall with South Africa had dramatically risen throughout the 1960s and 1970s. Over these decades the regime relied on vital capital and technology from external governments and trans-national corporations, which consequently shared in the profits of South Africa's industrialization and the various exports and manufactured goods it offered from a large pool of cheap black labour.

High investment returns from manufacturing, together with a tightly controlled labour force, was key in encouraging foreign investors. Between 1956 and 1972 direct external investments rose from R1,590 million to R4,895 million, an increase of more than 300%.<sup>165</sup> Between 1956 and 1972, South Africa's own direct foreign investments rose from R250 million to R1,050 million, reflecting a four-fold increase and the purchase of technology and hardware necessary for an industrialization programme.<sup>166</sup> The business environment was so attractive that US banks and corporations became "increasingly important business partners for South Africa."<sup>167</sup>

A consensus emerged amongst analysts that "foreign capital and foreign trade have been critical to the economic development of South Africa providing the foreign exchange required for industrialization and for the expansion of an increasingly capital-intensive economy."<sup>168</sup> In 1980, foreign capital enjoyed a 23% rate of profitability in investment,

---

<sup>163</sup> Ibid. p. 156.

<sup>164</sup> J. Love, *The US Anti-Apartheid Movement: Local Activism in Global Politics* (New York: Praeger, 1985) p. 63. The table reveals anything up to 18% returns on investments.

<sup>165</sup> D. Good and M. Williams, *South Africa: The Crisis in Britain and the Apartheid Economy, Foreign Investment in South Africa*, (London: Anti-Apartheid Movement, 1976) p. 13.

<sup>166</sup> Ibid. p. 16.

<sup>167</sup> Love, *US Anti-Apartheid*, p. 14.

<sup>168</sup> Ibid. p. 58.

revealing the extent to which South Africa was an attractive market for investors, and reflecting in part the efforts undertaken by the regime to woo much needed reserves of foreign currency.<sup>169</sup> This included the lucrative deals awarded to oil companies with regard to coal export quotas. From the late 1970s, oil multinationals received generous quotes to export the lucrative commodity of coal. By 1985 Shell and BP exported 11 million tons between them, a significant proportion of South Africa's total coal exports. In 1979 the regime's minister for economic affairs stated export quotas "will be reviewed should any of the oil companies no longer contribute towards the country's needs for petroleum products."<sup>170</sup>

Apartheid's intricate relationship with and benefit from capital contradicted the claims made by those funding the regime such as Barclays Bank who claimed their presence in South Africa had a "liberalizing" influence in "reforming apartheid from within".<sup>171</sup> That was confirmed in 1971 in a report from The Times newspaper showing that between 1956 and 1970, a period of sustained economic growth and political repression, a 61% rise in average African incomes had been more than offset by a 20% growth in inflation and the 40% increase in population.<sup>172</sup> Investment in South Africa represented investment in apartheid, strengthening and reinforcing the control of the regime over the black majority.

Within the struggle to get companies to divest, activists developed a number of strategies for exerting pressure on complicit corporations and institutions. Important to these was the link between the profits deriving from foreign investors and businesses and the role of investors in sustaining apartheid.

In total, three broad forms of campaigning took root in local campaigns that became built into a national anti-apartheid discourse and popular movement.<sup>173</sup>

***College & University Divestment Campaigns:*** Following the Soweto uprising, student activity on college and university campuses increased dramatically. Almost every college had one or more organizations. Activities engaged the community as students undertook various protests from occupying administrative offices, engaging in sit-ins and building shanties. Students, sometimes with support from faculty members, pressured their institutions' boards of trustees to sell South African related securities in investment portfolios of endowment funds. From the mid 1970s the first successes were struck and by 1980 several universities began to divest.

---

<sup>169</sup> Ibid. p. 63.

<sup>170</sup> Quoted in Embargo, Newsletter, 3, Spring 1987.

<sup>171</sup> End Loans To South Africa, *Barclays Shadow Report 1981*, (London: ELTSA, 1981), p. 9.

<sup>172</sup> M. Legassick and D. Hemson, *Foreign Investment and the Reproduction of Racial Capitalism in South Africa*, Foreign Investment in South Africa: A discussion Series No. 2 (London: Anti-Apartheid Movement, 1976), p. 2.

<sup>173</sup> R. Knight, *Documenting the US Solidarity Movement – With reflections on the sanctions and divestment campaigns*, paper presented at 'International Anti-Apartheid Movements in South Africa's Freedom Struggle: Lessons for Today' held in Durban, South Africa, 10-13 Oct. 2004 and available online <<http://richardknight.homestead.com/files/aaapdurban2004.htm>>.

ACOA speakers held talks in colleges across the US and in 1979 the organization began publishing the *Student Anti-Apartheid Newsletter*, reporting on activities and developments from across the country. ACOA also played an important role, talking students through issues such as how to respond to reformist measures such as the Sullivan Principles.\* Student activity surged again after 1984 and the number of colleges and universities which had undertaken at least partial divestment, jumped from 53 prior to April 1985, to 128 by February 1987, and to 155 by August 1988.<sup>174</sup> Over 50 of these institutions adopted policies of total divestment.<sup>175</sup> Early successes included some of the most renowned American Universities. In 1979 student campaigns led to Yale selling off a \$1.6 million shareholding in J.P. Morgan, because of its policy of lending to South Africa.<sup>176</sup> In another example from 1986, Harvard University sold off its £20 million holding of Shell shares due to the company's involvement with apartheid. This followed a mass rally and sit-in by labour leaders and students.<sup>177</sup>

**Bank Campaign:** In 1966 ACOA, together with the University Christian Movement, initiated the Committee of Conscience Against Apartheid to oppose a \$40 million revolving credit by a consortium of ten US banks to the South African government. Churches and community groups were quick to join what was seen as a legitimate and moral campaign leading to some \$23 million being withdrawn by the US banks involved.<sup>178</sup> The campaign continued until the credit was terminated in 1969. In 1973 ACOA and the churches put together a campaign which resisted the European-American Banking Corporation (EABC) of forty banks, including 11 from the US, involved in assisting the regime with \$70 million in loans. After protests in the US and Europe, EABC stated, "under the present circumstances we have decided not to grant any credits to South Africa other than those for the financing of current trade."<sup>179</sup>

In 1977, ACOA with Clergy and Laity Concerned initiated the Committee to Oppose Bank Loans to South Africa (COBLSA). The campaign was sparked when US bank lending to South Africa jumped to \$1.8 billion in 1975 from just under \$1 billion in 1974. COBLSA built a broad-based membership among labour, church and community organizations. As a result many local organizations took up the issue of loans, focusing on the banks in their area. Within a few months nearly 50 groups were involved. Mobilization and actions carried the momentum of the campaign into the 1980s with church groups such as the World Council of Churches (WCC) and the All Africa Council of Churches (AACC), adding to the pressure by withdrawing their monies from banks making loans to South Africa.<sup>180</sup> By December 1984, Seafirst adopted a policy of no new loans to South Africa, followed by the Bank of Boston, Chase Manhattan and First Bank System in 1985. Significantly, North Carolina National Bank Corp., the regional bank

---

\* These were a weak set of measures developed by which to rate companies involved in South Africa along "ethical" lines. They were deemed to be inadequate by South Africans struggling for freedom who demanded a comprehensive boycott of the regime.

<sup>174</sup> Knight, *Documenting*.

<sup>175</sup> P. Kelly. 'Putting Pressure on Pretoria', *Multinational Monitor*, 8/2 (Feb. 1987), p. 26.

<sup>176</sup> End Loans To South Africa, Newsletter 18, Jul. 1979.

<sup>177</sup> Embargo, Newsletter 1, Autumn 1986.

<sup>178</sup> Knight, *Documenting*.

<sup>179</sup> Ibid.

<sup>180</sup> Love, *US Anti-Apartheid*, p. 5.

with the largest lending to South Africa and the only regional bank to maintain an office in South Africa, also ended all new loans in 1985.

By 1985 South Africa owed Western financial institutions \$24 billion, \$14 billion of which was short-term debt. The declaration of a state of emergency in June 1985 added to the pressure on the banks. American banks refused to rollover their loans and demanded their capital back. European banks followed suit. As the Rand plummeted on foreign exchange markets, South Africa responded by freezing all repayment, followed on the 1st September with the declaration of a debt standstill.

Research for bank campaigns relied upon the dedication and efforts of campaign groups, but also UN agencies such as the Special Committee Against Apartheid and the Centre Against Apartheid. The Special Committee published, *Bank loans to South Africa, 1972-1978*, and thorough and diligent research was vital in feeding the information necessary to pursue and support campaigns at the grassroots level. International conferences to strategize against apartheid invariably featured the UN Centre Against Apartheid, alongside church groups such as the WCC, as well as the national and local anti-apartheid bodies. Other specialized agencies of the United Nations became concerned with the struggle against apartheid. The United Nations Educational, Scientific and Cultural Organisation (UNESCO) published *The Effects of Apartheid on Education, Science, Culture and Information in South Africa*, as well as an educational kit on apartheid for use in schools.

***State and Municipal Government – “People’s Sanctions”***: The campaign to get state and municipal governments to end their own links with the regime, as well as take action against companies doing business in South Africa, was linked to student and bank campaigns. The three major types of action taken by states and cities involved were:

- 1) Withdrawal of deposits and other business from banks making loans to South Africa.
- 2) Divestment of public pension funds from companies doing business in South Africa.
- 3) Selective purchasing whereby companies not undertaking business in South Africa were given preference in the bidding process for the purchase of goods and services.

The cities of Davis and Berkeley had referendums in 1978 and 1979 respectively, in which the public voted to support divestment of operating funds as a means to contribute to anti-apartheid efforts. Both passed, with the Berkeley motion affecting approximately \$4.5 million.<sup>181</sup> On 1 June 1981 the Connecticut General Assembly gave final approval to the most far-reaching divestment legislation ever passed up to that time by a governmental body. The bill provided that no state funds were to be invested in corporations or banks doing business in South Africa. Although vetoed by the Mayor, a

---

<sup>181</sup> Love, *US Anti-Apartheid*, p. 43.

revised version was passed the following year, falling short of comprehensive divestment but still representing a remarkable achievement for the local anti-apartheid movement.<sup>182</sup>

In June 1981, ACOA held the first Conference on Public Investment and South Africa bringing together state and municipal legislators, anti-apartheid activists, community organizers and trade unionists to work in support of legislation that would prevent public funds from being invested in banks and corporations doing business in South Africa. Forty legislators from 14 states attended and a wider network of concerned legislators and anti-apartheid activists grew from the conference. In April 1983 ACOA organized a second conference in Boston after Massachusetts became the first state to totally divest.

ACOA staff testified before state legislatures, city councils and organizations such as the National Conference of State Legislatures and the National Black Caucus of State Legislators. ACOA's *Public Investment and South Africa* newsletter was mailed out to local activists and hundreds of state legislators and city councillors. The success of the campaign rested on the work of hundreds of local groups, often taking years of organizing to accomplish the creation of anti-apartheid legislation. By 1991, 28 states and 92 cities as well as the Virgin Islands had adopted legislation or policies imposing some form of sanctions on South Africa.<sup>183</sup>

Concrete victories came about from the efforts of those involved with grassroots activism. The Connecticut Anti-Apartheid Committee (CAAC) formed in August 1978 had a nucleus of between six and ten people on their steering committee for the first 18 months. They were devoted to a wide range of educational and support-building activities: distributing fliers and pamphlets, getting endorsements from community leaders, showing films, sponsoring conferences and organizing speaking engagements with black South Africans and Americans with expertise on southern Africa, writing newspaper articles, holding social and cultural events focused on South Africa, doing research on Connecticut investments and the issue of sanctions against South Africa, and obtaining support and endorsements from organizations around the state.<sup>184</sup> Out of the relatively small group emerged a lobby powerful enough to influence wider changes at a state level, typical of the kind of anti-apartheid activism spreading across the US at this time.

Philadelphia became the first large city to pass a binding resolution prohibiting public employee pension funds being invested in corporations operating in South Africa (and occupied Namibia). The ordinance was passed unanimously, and by September 1983, securities worth \$57 million had been sold.<sup>185</sup>

Trade unions also had an increasing role in pressuring American corporations to sell their South African interests. One of the biggest moves came in March 1986 when the American Federation of Labour-Congress of Industrial Organization (AFL-CIO)

---

<sup>182</sup> Ibid. p. 99.

<sup>183</sup> Knight, *Documenting*.

<sup>184</sup> Love, *US Anti-Apartheid*, p. 101.

<sup>185</sup> Ibid. p. 43.

endorsed a consumer boycott of Shell to coincide with the 26<sup>th</sup> anniversary of Sharpeville.<sup>186</sup>

By mid-1986, more than \$230 billion in US investment funds had some restrictions on involvement with South Africa, and at least £18 billion in shares in companies with South African links had been or were being sold. Churches, universities, trade unions and state and local governments were the most active divestors.<sup>187</sup> However, for all the successes scored across the various campaigns, and the debt standstill of September 1985, the regime was able to stabilize and businesses found creative mechanisms by which to evade the divestment campaign and undermine its effectiveness.

Coca-Cola provides one such example, which draws out some of the limitations of the divestment movement. In 1985, a few months after the anti-apartheid activists picketed the company's centennial celebration, Coca-Cola announced that it planned to divest from South Africa, following a boycott threat from the Reverend Joseph Lowery and his Atlanta-based Southern Christian Leadership Conference. Coca-Cola stated that it would sell its bottling plants to qualified black owners. The company set up an Equal Opportunity Fund (EOF) with a \$10 million endowment. The company's concentrate plant moved from Durban to Swaziland, instantly doubling the Kingdom's tax revenue and Coca-Cola continued to supply its independent bottlers with syrup and marketing advice.<sup>188</sup> While Coca-Cola had partially pulled out, it did not represent the full divestment measures which campaigners sought.

Moreover, it began to emerge that various well-known multinationals had found ways to maintain financial activities, despite having announced their withdrawal. According to the Washington-based Investor Responsibility Research Center (IRRC), 49 US firms announced they were leaving South Africa in 1986, but only a few actually severed ties with the country completely. At least 46 US firms that had pulled out of South Africa since 1984 were found to be licensing technology to former subsidiaries or had distribution and franchise agreements with South African firms.<sup>189</sup> One Israeli subsidiary of a US corporation continued to do business in South Africa after the parent company had officially pulled out. Motorola Israel Ltd. persisted with its trade after Motorola had won considerable praise for divesting of its holdings.<sup>190</sup> Consequently anti-apartheid activists regrouped in 1986 to continue the campaign to sever links with the South African economy.

Furthermore, the regime reached agreements with banks and governments to consolidate debt repayments, and also secured one new bank loan, to prevent a financial collapse. In 1987 the banks agreed to reschedule the frozen debt and under the agreement long-term debt was to be paid on time with short-term debt frozen with only interest and small

---

<sup>186</sup> Hanlon, *Sanctions*, p. 165.

<sup>187</sup> *Ibid.* p. 202/3.

<sup>188</sup> P. B. Hutt, *The Image and Politics of Coca-Cola: From the Early Years to the Present* (Harvard: LEDA Harvard Law School, 2001).

<sup>189</sup> J. Summa, 'Apartheid's Lingering Ties: Deceptive Divestors', *Multinational Monitor*, 8/6 (Jun. 1987), p. 4/5.

<sup>190</sup> B. Beit-Hallahmi, *Israeli Connection*, p. 138.

amounts of capital being paid. Meanwhile, trade credits involving the participation of banks and government export department were extended to the regime and ensured it had access to vital imports as well as the ability to export.<sup>191</sup>

Nevertheless, the moments of victory of the divestment campaign opened up vulnerability in the regime to concerted external actions. In the 15 years leading up to 1980 the gross domestic product (GDP) of South Africa grew by 4% a year. In the years following it grew by less than 1% a year.<sup>192</sup> Taken together, apartheid's ability to sustain itself in the long run was severely challenged by the internal resistance with the assistance of BDS initiatives, not just in the US but spanning the globe. They ensured the issue was elevated in the media and in public consciousness throughout the world, within a framework tying apartheid to injustice.

### *The Global Picture*

“All the evidence in recent years shows that the companies operating in South Africa are continuing to function as partners in the apartheid system and we believe that the suggestion that they will act as major agents of change is merely a manoeuvre to try to legitimise their investments in South Africa and to facilitate the free flow of valuable capital to that country. [...] Each penny invested is certainly not just a single and once-for-all transaction. It sets up a pattern or structure of support which reinforces the apartheid system by a web of relationships.”

– *Seminar held under auspices of Christian Concern for Southern Africa (1976)*<sup>193</sup>

Divestment initiatives sprung up in UK from the 1960s. By the late 1970s, campaigns across Europe were spurred into action, coming after Soweto and the increasing links being made between the volumes of foreign investment and the entrenchment and strengthening of the apartheid system. In 1963 the AAM noted Britain to be South Africa's main trading partner. Out of some £1,500m foreign capital invested in South Africa, £1,000m came from Britain.<sup>194</sup> Moreover, according to a 1963 South Africa Foundation report, British money was acquiring enormous dividend returns averaging 12.6% (the highest rate in the world at that time).<sup>195</sup>

Divestment campaigns targeted companies perceived to be making the most crucial contributions to the South African economy, such as those dealing in oil. Writing in 1977 Bailey notes how the South African economy, “remains very dependent on imported oil to fuel its transport system and industrial sector,” while quoting the managing director of

<sup>191</sup> End Loans To South Africa, Newsletter 35, Spring 1988.

<sup>192</sup> London Anti-Apartheid News, Boycott Apartheid, Winter 1988/89, p. 4/5.

<sup>193</sup> ‘The Case for Economic Disengagement’, Paper presented to a seminar held in London, in February 1976, under the auspices of the Christian Concern for Southern Africa (CCSA), ANC, <<http://www.anc.org.za/ancdocs/history/aam/abdul-7.html>>.

<sup>194</sup> Ainslie, *Collaborators*, p. 8. £300 million came from the United States.

<sup>195</sup> *Ibid.* p. 8.

the Industrial Development Corporation\* on how dependence on imported fuel was one of South Africa's "weak points".<sup>196</sup>

The active involvement of UK oil companies in South Africa was seen as making the regime less vulnerable to an international boycott, as well as increasing the country's exports.<sup>197</sup> Shell and BP in the late 1970s were importing, refining and distributing 40% of South Africa's petroleum requirements.<sup>198</sup> The PAC noted:

The giant oil companies play a major role in supplying the apartheid regime with petroleum, thereby breaking the oil embargo called for by the 86 nations of the non-aligned movement. The oil companies continue to sell fuel to the South African armed forces and police. In addition petroleum is being supplied to the illegal Smith regime in Rhodesia. Company chairmen argue that they are agents of peaceful change in South Africa. Politicians plead for gradualism, and for critics to be patient. Apartheid, they say will die of attrition beneath the weight of economic logic. But investment in South Africa represents investment in Apartheid.<sup>199</sup>

The British Labour Party, which had made a series of progressive recommendations for different forms of BDS, failed to implement its rhetoric during a period of government in the late 1970s. At that time, the UK government was the majority shareholder in BP and this was drawn upon by the AAM in highlighting inconsistencies between resolutions of support and the reality in which complicity for apartheid continued to shape official policy and action.<sup>200</sup> It is worth outlining a few examples to see how such research was geared to exposing the mechanisms by which the apartheid regime was able to secure outside support for its system. The Labour Party declared that it would:

- Ensure that British companies already there create the conditions necessary for the proper functioning of free African trade union activity.
- Ensure the ending of all relationships with South African security forces.
- Ensure that the export of capital goods to South Africa cease and ban the transfer of patents and licence rights.
- Ensure the repatriation of profits earned in South Africa to prevent further investment.
- Prohibit all further investment by British companies in South Africa.<sup>201</sup>

---

\* State-owned company mandated by the regime to stimulate national industrial growth.

<sup>196</sup> Quoted in Bailey p. 6.

<sup>197</sup> M. Bailey, *Shell and BP in South Africa* (London: Anti-Apartheid Movement/Haslemere Group, 1977), p. 20.

<sup>198</sup> Ibid. p. 1.

<sup>199</sup> Statement by Vuyani Mngaza, PAC representative in the UK and quoted in Bailey, *Shell*, p. 37. The Arab League also had an oil embargo from 1973, although it was not particularly effective with European countries and companies taking on the role of a third party to transport oil to the regime.

<sup>200</sup> Ibid. p. 39/40.

<sup>201</sup> Ibid.

However, activists uncovered that during the party's period of governance that there were no Shell or BP employees in South Africa who were trade union members, that they both supplied fuel to South Africa, that they were providing sophisticated technology for the development of South Africa's oil, petro-chemical and mining industries and that the companies were reinvesting all their profits to help finance their massive expansion in South Africa.<sup>202</sup>

By 1980 campaigns in Britain, and throughout Europe, had failed to have any significant impact on changing the operations of multi and trans-national companies, even if public consciousness and awareness of apartheid had risen dramatically. Abdul Minty, secretary of the AAM noted in 1982 that:

What we have witnessed over these two decades and more is that as the resolutions have each year been adopted with greater majorities in the UN and other institutions, reflecting greater commitment to sanctions, at the same time it is also the period in which economic and other links with the apartheid system have expanded at a substantial rate: South Africa has never before traded as much as it does now and has never traded with as many countries before as it does now. It has also never had as much overseas investment as it has today.<sup>203</sup>

However, a period of concerted action began to challenge the status quo and concrete victories were attained by anti-apartheid campaigns in the UK and increasingly across Europe. In the UK, the Trades Union Council (TUC) began pressing for union trustees to challenge the use of those funds for investment in South Africa, with the first pensions divesting from 1982.<sup>204</sup>

Moreover, as in the US, banks were singled out by divestment campaigns to end their profitable trade with South Africa. In the UK, a campaign against Barclays revealed just how effective a coordinated and sustained divestment campaign could be. Barclays channelled vital funds to the regime through its subsidiary, Barclays Bank International, with Barclays one of the major banks serving South Africa. A "shadow" board of the bank, including several well-known public figures and campaigners, was formed in 1981 to publicise the links between Barclays and apartheid. A series of shadow reports strengthened the pressure on Barclays to withdraw from South Africa. The shadow board noted the bank was a "major provider of capital to the government," and its role as a partner to the Anglo-American Corporation which invested in various projects including the notorious mines where thousands of black South Africans – and economic migrants from the wider region – lost their lives.<sup>205</sup> It also used its subsidiary to provide loans and assistance in sanctions-busting efforts to the white regime in Rhodesia.

---

<sup>202</sup> Ibid.

<sup>203</sup> Anti-Apartheid Movement, *Isolate Apartheid: Report of the Anti-Apartheid Movement Trade Union Conference held on November 27, 1982* (London: Anti-Apartheid Movement, 1983), p. 10.

<sup>204</sup> Ibid. p. 6.

<sup>205</sup> End Loans To South Africa, *Barclays Shadow*, p. 6.

In 1983 the Barclays Group made 18% of its worldwide profits in South Africa, where it only had 12% of its assets (approximately £7,500 million).<sup>206</sup> The bank published guides that promoted emigration and exports to South Africa. One such book noted that investment: “pays excellent dividends” and that “Barclays should know – the profitability of its South African subsidiary is considerably higher than its operations in the rest of the world.”<sup>207</sup>

Hundreds of organisations dropped their bank accounts with Barclays. By 1981 this included the National Union of Public Employees, the High Commission of Grenada in London, the Brussels-based World confederation of Labour, Wandsworth Council for Community Relations, Southwark Council for Voluntary Service, the Catholic Renewal Movement, a number of local church groups in Britain and the Caribbean Conference of Churches which withdrew its \$3 million account from Barclays.<sup>208</sup> Pressure continued when the London Borough of Lambeth, which had an annual turnover of over £1,200 million, ended its relations with the bank. It was Barclays’ tenth largest account in Britain.<sup>209</sup> The Council used Section 71 of the 1976 Race Relations Act in which local authorities maintain a duty to promote equality and good race relations. In this instance, the apartheid system – for all its crimes – was seen as offensive to Lambeth’s large black community and used as the pretext for divestment.<sup>210</sup> In September 1984, over 3000 members of the British Psychological Society (BPS) voted two to one in a referendum to withdraw from Barclays. The BPS is the professional body for British psychologists and had an account with a turnover of £500,000 a year. The referendum followed a long debate in the Society’s magazine and mounting pressure from members determined to cut the link with Barclays.<sup>211</sup> Public demonstrations included burning of giant symbolic Barclaycards outside the bank’s headquarters.<sup>212</sup>

In August 1985 Barclays National (South Africa) became an associate rather than a direct subsidiary when Barclays of London, under serious pressure from the climate of divestment, dropped its stake from 50.5% to 40.4%. It was the first indication that the bank found South Africa’s economic prospects unpromising. Anti-apartheid campaigners declared 1986 as the “year against Barclays” and by November pulled off a remarkable victory. By the summer Barclays stated there would be no new money to South Africa and that it would not be party to any formal debt rescheduling until steps towards reform were taken.<sup>213</sup> Then in November, after over a decade of campaigning, Barclays announced it was withdrawing from South Africa. Fundamentally it shattered the myths propagated by Barclays that “economic ties and investment” were “the only viable instruments of peaceful change.”<sup>214</sup>

---

<sup>206</sup> End Loans To South Africa, Newsletter 28, Summer 1984, p. 1.

<sup>207</sup> Bailey, *Shell*, p. 7.

<sup>208</sup> End Loans To South Africa, *Barclays Shadow*, p. 12.

<sup>209</sup> *Ibid.*

<sup>210</sup> Hanlon, *Sanctions*, p. 239.

<sup>211</sup> End Loans To South Africa, Newsletter 29, Spring 1985, p. 1.

<sup>212</sup> End Loans To South Africa, Newsletter 17, Mar. 1979, p. 1.

<sup>213</sup> End Loans To South Africa, Newsletter 32, Summer 1986, p. 5.

<sup>214</sup> Cited in Smith, *Consumer*, p. 21.

By the time Barclays pulled out, its share of the student market in the UK had plummeted from 27% to 15%.<sup>215</sup> Barclays itself noted this was a result of campaigns led by the AAM and the National Union of Students (NUS).<sup>216</sup> Its image became seriously tainted, and the volume of accounts lost was beginning to have an impact upon its operations in the UK. In the Netherlands, a campaign was launched in 1982 urging consumers to close their bank accounts and hold picket lines at the entrance of banks dealing with South Africa. Within one year the three major Dutch banks, ABN, AMRO and RABO, decided to stop selling the golden Kruger Rand coin. In February 1985, the sale of Kruger Rands was entirely halted in the Netherlands.<sup>217</sup>

South Africa's dependence on oil imports was increasingly recognised as central in the fuelling of the apartheid economy, bringing campaigners to continue pushing for a global embargo in the 1980s. As various nations adhered to oil sanctions of some shape or form, the Financial Times noted on the 17<sup>th</sup> September 1986 that the embargo was costing South Africa \$2.3 billion a year.<sup>218</sup> More than half of this cost was the result of attempts to reduce oil dependency by converting coal into liquid products as well as the costs encountered by paying a premium to entice companies to break the embargo.<sup>219</sup> Britain played a key role in this process with the Thatcher administration admitting it couldn't control the sale of North Sea oil through third countries and that there was trade between Britain and South Africa in petroleum products.<sup>220</sup> Trans-national companies, the target of campaigns in the 1970s, became more vulnerable to divestment campaigns as the tide began to turn against the regime.

Shell, an Anglo-Dutch company with a heavy involvement and profit from its operations in South Africa, was subject to an intensive boycott campaign. Consumers were urged not to fill their petrol tanks at Shell stations and Shell's sales decreased in the US, UK and the Netherlands. In the summer of 1987 Lewisham Council in London decided not to renew Shell contracts and would seek to use alternatives where they were available. Shell threatened massive legal action but this did not deter Sheffield City Council dropping its £1.8 million contract with Shell at end of 1987.<sup>221</sup> Sheffield had earlier adopted a concrete declaration against apartheid and proclaimed the city to be an apartheid-free zone, an action that inspired around a dozen councils in the UK to take similar measures.<sup>222</sup>

Exxon was the first oil multinational to withdraw significantly from South Africa, selling the shares of its two affiliates Esso South Africa and Esso Chemicals. President Lawrence Rawl stated: "the deterioration of the South African economic and business climate

---

<sup>215</sup> Boycotts: An Introduction, *Ethical Consumer*

<<http://www.ethicalconsumer.org/boycotts/aboutboycotts.htm>>.

<sup>216</sup> End Loans To South Africa, Newsletter 33, Autumn 1986, p. 1.

<sup>217</sup> Nieuwhof, *Sanctions*.

<sup>218</sup> Embargo, Newsletter 1, Autumn 86.

<sup>219</sup> Ibid.

<sup>220</sup> Hanlon, *Sanctions*, p. 152/3.

<sup>221</sup> Embargo, Newsletter 5, Autumn 1987.

<sup>222</sup> Special Committee Against Apartheid, 'Appeal by the Special Committee against apartheid to the cities of the world', *ANC*, Mar. 21 1984, <<http://www.anc.org.za/un/undocs2c.html>>.

caused by the continuing internal and external constraints had affected our business and its potential for growth.”<sup>223</sup> Pressure increased on Shell when it was announced that Mobil was selling its substantial South African assets and that BP was selling its major non-oil investments. Although there was strong speculation the deal involved the continuation of various franchise and other links, Mobil’s withdrawal from South Africa in 1989 reflected the shrinking confidence of the business community in apartheid South Africa’s ability to survive.<sup>224</sup>

Shell had been reduced to turning to the publicity organisation Pagan International (who had advised the Nestlé Corporation on strategies for neutralizing protests against its infant-formula marketing practices in the developing world). Pagan helped to subsidize a reactionary organisation formed by US businesses called the Coalition on Southern Africa (COSA), in an attempt to divide the anti-apartheid movement. However, when details of their new publicity strategies were leaked to the press Shell came under intense criticism and pulled out of its deal with Pagan. While Shell stubbornly remained loyal to the regime, boycott and divestment activities hurt the company and raised the profile of apartheid struggle in the US, UK and the Netherlands.

Elsewhere, Denmark banned all trade with South Africa by 1986 (including all imports and oil) and barred all Danish owned ships from transporting oil to the regime. Finland’s transport workers’ union the AKT imposed a total ban on trade with South Africa; with the tacit approval of the government and trade immediately fell to 4% of former levels.<sup>225</sup> In Norway 80% (364 of 454) of municipalities took some kind of stand against South African apartheid.

The Irish Distributive and Administrative Trade Union (IDATU) agreed at its 1984 conference to boycott South African goods. After representations from IDATU many shops also stopped selling South African goods. A long strike against Dunne’s stores was triggered when an IDATU member at the checkout was suspended for refusing to handle a South African grapefruit. This finally resulted in a governmental ban on South African fruit and vegetables.<sup>226</sup> In Britain 120 local councils took some anti-apartheid action. As well as engaging in disinvestments and buying boycotts, many declared local areas as “anti-apartheid zones”. Bristol commissioned a special apartheid audit to find out just what its South African links were. Dozens of councils carried out publicity campaigns in libraries, in schools, using council magazines, through newspaper advertising and so on.

Officially Japan went further than most of the European countries. It had banned direct investment in South Africa since 1968, restricted diplomatic links; restricted sports, cultural and educational links; prohibited the sale of computers to the regime; banned the sale of nuclear technology; halted the import of gold coins, iron and steel; stopped issuing

---

<sup>223</sup> Embargo, Newsletter 6, Winter 1987, p. 2.

<sup>224</sup> Embargo, Newsletter 8, Winter 1989, p. 2.

<sup>225</sup> Hanlon, *Sanctions*, p. 199.

<sup>226</sup> Hanlon, *Sanctions*, p. 201.

tourist visas to South Africans; and banned air links although indirect investment and technology transfer still took place.<sup>227</sup>

For the majority of states in the world, sanctions of some shape or form had been in place against the regime for several decades. Moreover, minimal trade links were held by South Africa outside of the US and Western Europe rendering divestment campaigns irrelevant in many countries. However, campaigns and actions were able to contribute via other forms of anti-apartheid activity, notably the sports boycott and the movement to isolate the regime in regional and international forums. The UN General Assembly passed increasingly critical resolutions against South Africa from the 1960s and notably from 1974, regular motions denouncing the Israeli-South African alliance were approved.<sup>228</sup>

### ***Sport Boycott***

“For it is wrong to support racialism in any form. And apartheid is not a game.”  
- *Paper prepared for the United Nations Unit on Apartheid (1971)*<sup>229</sup>

“No normal sport in an abnormal society.”  
*South African Congress of Sports (SACOS)*

Due to international pressures, in particular objections from African and Asian governments, South Africa was excluded from the 1968 Olympic Games, and subsequently expelled from the Olympic Movement itself in 1972. In 1964 the Football Association of South Africa (FASA) was suspended from the sports global body FIFA only a year after having been reinstated. This was not due to any material change in South Africa but a result of the higher number of Afro-Asian members present at the FIFA congress in 1964. These countries tended to maintain comprehensive sports boycotts of the regime, encouraging South Africa to look for its friends in “white” commonwealth countries for sporting relations.\*

It was here that popular grassroots campaigns were built to oppose any sporting contact with the regime. The major campaign conducted against the 1965 Test series held in Britain between the Springbok cricket team and England was the forerunner to the AAM/Stop the Seventies Tour campaign launched in the latter years of the 1960s. In a three-year campaign, with demonstrations which at one point brought out more than 50,000 people, British anti-apartheid activists succeeded in forcing the cancellation of the

---

<sup>227</sup> Ibid. p. 199.

<sup>228</sup> B. Beit-Hallahmi, *Israeli Connection*, p. 114. Also of note was the paper submitted at a conference under the aegis of the United Nations African Institute for Economic Development from 1975 had explored the special relationship between South Africa and Israel.

<sup>229</sup> A. Minty, *International Boycott of Apartheid Sport*, ANC, 1971, <<http://www.anc.org.za/ancdocs/history/aam/abdul-2.html>>.

\* South Africa had been expelled from the Commonwealth in 1961 but maintained more favourable relations with the ‘white’ countries such as Britain, Australia, Canada etc.

1970 South African cricket tour in Britain.<sup>230</sup> This also achieved South Africa's effective exclusion from cricket's global body the ICC.

The Gleneagles Declaration of 1977 was pursued by African states in the commonwealth and bound members to "taking every practical step to discourage contact or competition by the nationals with sporting organizations, teams or sportsmen from South Africa."<sup>231</sup> Campaigns largely isolated South African sport, meaning that by the 1980s the only outlet for the regime's teams was in the "rebel" tours played against sportsmen and women persuaded of going against the international boycott (often through the lure of huge financial rewards). This brought further condemnation and bad publicity when it was revealed that the regime was spending millions of dollars on such tours in order to maintain sporting contact.<sup>232</sup>

Where other forms of BDS were not particularly effective, the sports boycott took on a particularly valuable role. Tatz noted how: "The Australian trade sanction can't hurt. But the sports boycott is a strategy of worth: it causes the white elite a great deal of pain, it stirs some conscience, it gives blacks some sense of solidarity against the racist system [...]."<sup>233</sup>

### ***Cultural and Academic Boycott***

"Relocation to Phoney Homelands  
Separation of Families I can't understand  
Twenty-three million can't vote because they're black  
We're stabbing our brothers and sisters in the back."  
- *Little Steven (1985)*

"Silver and Gold. This song was written in a hotel room in New York city around about the time a friend of ours Little Steven was putting together a record of artists against apartheid. It's a song written about a man in shanty town outside of Johannesburg, a man who is sick of looking down the barrel of white South Africa, a man who is at the point where he is ready to take up arms against his oppressor, a man who has lost faith in the peace makers of the west [...]"  
- *U2, Silver and Gold (1989)*

As Enuga Reddy stated, the cultural boycott of South Africa was not initiated by the Special Committee of the United Nations, but by artists and their unions voicing their own opposition and rejection of apartheid.<sup>234</sup> This included the British Screenwriters Guild and British Equity in 1965, British, Irish and American playwrights from 1963 and by American Equity throughout the 1960s. From 1957, the Musicians' Union in the UK barred considerable numbers of its members from touring South Africa. In 1965 *Anti-*

<sup>230</sup> R. E. Lapchick, *Sports boycotts in the International Campaign Against Apartheid* (United Nations Centre Against Apartheid Notes and Documents, 1977) p. 9-14.

<sup>231</sup> Hanlon, *Sanctions*, p. 197.

<sup>232</sup> C. Tatz, 'Sport in South Africa', *The Australian Quarterly*, 55, 4 (Summer 1983) p. 16.

<sup>233</sup> *Ibid.* p. 17.

<sup>234</sup> E. S. Reddy, 'Cultural Boycott', Press Briefing, *ANC*, 11 Jan. 1984, <[http://www.anc.org.za/un/reddy/cultural\\_boycott.html](http://www.anc.org.za/un/reddy/cultural_boycott.html)>.

*Apartheid News* noted that in the previous year and a half, 19 different groups or individuals had been affected, including the London Symphony Orchestra, the Rolling Stones and Adam Faith's backing group.<sup>235</sup>

The United Nations commended the boycott and from the 1960s the Special Committee was involved in the work to dissuade some artists who were planning to perform in South Africa.<sup>236</sup> By the mid-1960s film directors and playwrights were putting clauses into their work so that it could not be performed or screened in South Africa, with the British director Tony Richardson one prominent example.

Alongside the boycott, came widespread support for the goals of the liberation struggle within popular culture and public opinion. South African embassies and consulates became flashpoints of resistance to the regime and manifestations of widespread support for the liberation struggle. On one occasion in October 1985, the South African consulate in Copenhagen was occupied. A major police force managed to clear the premises before a press conference could be held, but the occupants got hold of the consulate's codebook, which was hurried to the ANC in Lusaka. The authorities raised charges against the activists to pay for the damages. The lawsuits could have ruined them personally, but they were never followed up by the Danish legal system.<sup>237</sup> In the US activists and campaigners – many with a high profile – were continuously arrested in protests at South African embassy or consulate buildings.

From the late 1970s the UN General Assembly called on individual member states to impose “sports, cultural, academic, consumer, tourism, and other boycotts of South Africa, as well as banning oil sales, further investment and loans, and nuclear and military collaboration.”<sup>238</sup> By the 1980s the anti-apartheid cause was firmly entrenched within public consciousness in the music of artists such as Tracy Chapman, Hugh Masekela, Paul Simon and U2.

As the cultural boycott of South Africa became the norm by the 1980s, so too the academic boycott began to take on a greater influence. Cases such as the visit of Conor Cruise O'Brien in 1987, served to catalyse greater discussion amongst struggle groups present in South African universities building a consensus that only those wholly supportive of the anti-apartheid struggle were welcome in South Africa.\* Meanwhile, the call from South Africans for the rest of the world to boycott and ban visits by ideologues, supporters and those with a “soft” take on apartheid began to take on more of a resonance and support.

---

<sup>235</sup> Anti-Apartheid Movement, Newsletter, Jan. 1965, p. 7.

<sup>236</sup> Reddy, *Cultural*.

<sup>237</sup> Morgenstierne, *African*.

<sup>238</sup> Hanlon, *Sanctions*, p. 196. See resolutions 34/93A of 1979, 35/206E of 1980, 40/64A of 1985 and 41/35 of 1986.

\* Conor Cruise O'Brien, the politician and writer.

### *Military Links/Sanctions*

"In the economic field there can be no such thing as a non-intervention policy towards South Africa. Not only is British investment steadily increasing; it is playing an integral part in underwriting the apartheid policy."

- *Barbara Castle (1963)* <sup>239</sup>

In the exploratory work that led to sustained efforts for sanctions upon South Africa in the 1960s, several conclusions were drawn regarding the regime's economy:

1. That the South African economy was a relatively open one, in the sense that foreign trade played a major role in economic growth, both by providing growing markets for South African produce and by providing the industrial materials, fuel, and capital equipment feeding growth.
2. That the concentration of South African foreign trade within a limited number of industrialized countries implied that no attempt by the United Nations to impose sanctions on South Africa could succeed without the full agreement and participation of these countries, among which Britain and the United States were the most important.
3. That sanctions limited to a few "key" commodities (petroleum, capital equipment, and gold) would have severe adverse repercussions on the South African economy without putting that economy under siege conditions.
4. That some form of policing of trade with countries not conforming to a general United Nations' sanctions scheme would have to be instituted to prevent any substantial evasion by way of trade diversion.<sup>240</sup>

Recognising the characteristics of the South African economy, and its potential vulnerability to external pressures, efforts were made for many decades to establish effective sanctions of the regime. In 1960 the Conference of Independent African States called for a ban on oil sales to South Africa. The UN General Assembly first called for sanctions against South Africa in 1962 and in 1963 the UN Security Council adopted a weaker resolution for a voluntary embargo on military sales to South Africa. In the same year the General Assembly passed a resolution urging all states to refrain from the supply in any manner or form of any petroleum products. This measure was thwarted, specifically by a number of Middle Eastern states that dealt with the regime.

By the mid-1960s, both the US and UK adopted arms embargoes against South Africa. However, in the UK, despite the passing of the sanctions measure by the new Labour Administration in late 1964, exceptions were immediately made in supplying the regime

---

<sup>239</sup> Foreword by B. Castle in Ainslie, *Collaborators*, p. 3.

<sup>240</sup> A. Maizels, 'Economic Sanctions and South Africa's trade', in Segal (ed.), *Sanctions*, p. 132.

with the hardware it required. This included in early 1965 the sale of 16 Buccaneer aircraft and an understanding to provide parts as well as service them.<sup>241</sup>

In 1973 the UN General Assembly declared apartheid to be a “crime against humanity”, and prevented South Africa from taking part in plenary sessions after 1974. Moreover, the ANC and PAC were given observer status in the plenary and in the Special Committee on Apartheid. In November 1973 members of the Arab League adopted a resolution calling for a “complete Arab oil embargo” against South Africa, Rhodesia and Portugal. In August 1976 the 86 members of the non-aligned movement unanimously passed a resolution urging “all countries concerned to take steps to prevent the supply of petroleum and petroleum products to South Africa.”<sup>242</sup>

On the 9<sup>th</sup> of November 1976 the UN General Assembly passed the Programme of Action Against South Africa, which called for an oil embargo against South Africa.<sup>243</sup> South Africa came to rely on the Iranian regime and increasingly after 1979 from oil channelled through western oil companies, often via the Gulf States despite the resolution made by the Arab League in 1973.

In parts of the world where economic relations with the regime were not particularly strong or important, sanctions were still deployed even if these took on a more symbolic value. India had measures in place as early as 1944, and which began to be imposed from 1946. By the time of full independence in 1947, trade was reduced between the two countries to negligible levels.<sup>244</sup> India adhered to its decision despite losses to the country in the jute export trade, especially with neighbouring Pakistan taking over India’s trade.\*

However, in 1965 Pakistan also banned all exports to South Africa and prevented Pakistani ships from entering South African ports. In 1964 South Africa imported goods from Pakistan worth £6,400,000 and exported goods worth just £400,000. Principle was put before profits, as Pakistan refused the regime access to imports such as jute.<sup>245</sup> In another important example, the Palestinian people had their own motion until 1994, which declared that as long as South Africa was not free, Palestine could not be free.

Military sanctions were passed by the UNSC in 1977 but as activists and groups scrutinized business dealings, sanctions-busting was exposed at a number of levels. For example, a UK firm, ICL, was a major supplier of computers to the regime, including its police and security forces. It refused to disclose details of its sales, but the AAM revealed on August 20, 1978, that ICL had supplied a computer to the Atlas Aircraft Corporation, which made aircraft and other equipment for the regime’s armed forces. Disclosures of this kind encouraged public opinion to exert pressure on the government to block loopholes in the embargo, although activists noted how it was almost impossible for

---

<sup>241</sup> Anti Apartheid Movement, Newsletter, Jan. 1965, p. 8.

<sup>242</sup> Bailey, *Shell*, p. 7.

<sup>243</sup> Ibid.

<sup>244</sup> K. N. Raj, ‘Sanctions and the Indian Experience’, in Segal (ed.), *Sanctions*, p. 197.

\* Despite the Muslim League having objected to trade with South Africa during 1946.

<sup>245</sup> Anti-Apartheid Movement, Newsletter, Feb. 1965, p. 8.

voluntary anti-apartheid organisations to know about all such deals which were generally confidential, if not secret.<sup>246</sup>

Into the 1980s British firms were still participating in the process of making South Africa a major exporter of arms and it was disclosed that up to 20 British nuclear scientists were “serving in South Africa after having been openly recruited by the South African regime through advertisement and other methods.”<sup>247</sup> In September 1985 the European Community (EC), which had introduced a Community-wide Code of Conduct for Subsidiaries operating in South Africa in 1977, announced the Luxembourg package including measures some of which had already been implemented on a piecemeal basis by different governments. This featured a ban on exporting or importing arms and paramilitary equipment; refusing military cooperation; not selling sensitive equipment to the police and armed forces; refusing to collaborate in South Africa’s nuclear development; and an oil embargo. It also agreed to discourage scientific or cultural events except where they contributed to ending apartheid or had no possible role in supporting it. It agreed to freeze contacts and agreements in sport and security, recall military attaches and refuse accreditation to South African military attaches.

The Brussels meeting of the EEC in September 1986 agreed to ban new investment in South Africa, imports of iron and steel but not imports of coal and gold coins. However, even limited sanctions were not fully applied on a governmental level. In late 1986 several reports were highly critical of the UK government which was accused of being more efficient in persuading – and in one case preventing – other states from applying sanctions than in successfully implementing its own sanctions.<sup>248</sup>

In July 1986 the AAM noted the UK government had refused to implement even those measures agreed at Nassau in the Bahamas by the Commonwealth whereby the central tenants of the Luxembourg package had been agreed. Military equipment and police computers were still getting through from the UK and sporting links were still stronger than with anywhere else in the Commonwealth. Despite Thatcher’s claim that the record in upholding the arms embargo was second to none, the UK largely failed to introduce controls and the government sanctioned the sale of arms and military equipment to South Africa as it defined what came within the embargo. Spare parts and vital strategic equipment such as a Plessey military radar system got through the UK government’s own sanctions.<sup>249</sup> Estimates suggested that government measures were affecting only 2-3% of the £2 billion trade between Britain and South Africa.<sup>250</sup>

A few sanctions-busters were convicted of illegal arms trading with South Africa, in West Germany, Denmark, Britain and the USA. In the West German case, managers of the Rheinmetall Company were jailed for selling arms, ammunition and a complete

---

<sup>246</sup> A. Minty, ‘South Africa’s Military and Nuclear Build Up’, Paper submitted to the International NGO Conference for Action against Apartheid, Geneva, ANC, 28-31 Aug. 1978, <<http://www.anc.org.za/ancdocs/history/aam/abdul-12.html>>.

<sup>247</sup> Anti-Apartheid Movement, *Isolate*, p. 14.

<sup>248</sup> Hanlon, *Sanctions*, p. 152.

<sup>249</sup> *Ibid.*

<sup>250</sup> *Ibid.* p. 153.

ammunition-making plant to South Africa. However enforcement was weak, especially compared with enforcement of bans on trade in the “socialist” countries.<sup>251</sup>

Joseph Hanlon, a British expert on sanctions was quoted in the *Jerusalem Post* in March of 1987 that, whatever embargo violations the West were guilty of, “none do so on Israel’s scale” and that Israel was the “worst offender”.<sup>252</sup> Israel was arguably South Africa’s strongest supporter and backer from the late 1970s.<sup>253</sup> Sources in the US State Department highlighted Israel as a prime offender of violating the United Nations embargo on arms shipments to South Africa.<sup>254</sup> Military trade with South Africa was estimated at around \$300 million in 1986.<sup>255</sup> Adams noted that, “while it is impossible to place an accurate figure on the true total volume, it is probable that when all trade is taken into account, Israel may be South Africa’s biggest trading partner.”<sup>256</sup>

### **4.3 Israel and Apartheid South Africa: Making Comparisons and Distinctions in Solidarity Work**

“There are few places in the world where governments construct a web of nationality and residency laws designed for use by one section of the population against another. Apartheid South Africa was one. So is Israel.”

- *Chris McGreal in The Guardian Newspaper, UK (January 2006)*<sup>257</sup>

Comparisons between apartheid South Africa and Israel have become commonplace in recent years, a result of the direction taken by Palestinians to articulate their oppression as well as the analysis and testimonies of South Africans who see in Israel a similar, if not worse, system of racism and discrimination than their apartheid regime. Amongst wider communities of academics, analysts and campaigners, opinion as to Israel’s apartheid status has grown in light of Oslo’s failure and the further colonization of remaining Palestinian lands.

---

<sup>251</sup> Ibid. p. 275.

<sup>252</sup> From March 27 1987 and quoted in B.M. Joseph, *Besieged Bedfellows: Israel and the Land of Apartheid* (New York: Greenwood Press, 1988), p. 77.

<sup>253</sup> For detailed information see < <http://www.boycottmovement.net>>, J. Hunter, *Israeli Foreign Policy: South Africa and Central America* (Boston: South End Press, 1987) and J Hunter, *Undercutting Sanctions: Israel, the US and South Africa*. revised edition, Washington: Washington Middle East Associates, 1987 where she noted that contributions to apartheid’s arsenal by the US and Western Europe ‘pale(s) beside those of Israel’, p. 22.

<sup>254</sup> S. Sparks, ‘Israel: Arming Apartheid’, *Multinational Monitor*, 8/3 (Mar. 1987), p. 4.

<sup>255</sup> Ibid.

<sup>256</sup> J. Adams, *The Unnatural Alliance* (London: Quartet Books, 1984), p. 19.

<sup>257</sup> C. McGreal, ‘Worlds Apart’, *The Guardian – UK*, 6 Feb. 2006, <<http://www.guardian.co.uk/israel/Story/0,,1703245,00.html>>.

The tag of “apartheid” is used to galvanize a set of solidarity strategies and tactics in the framework of global action, reminiscent of that which targeted South Africa’s regime. Even amongst campaigners who don’t accept the apartheid argument, consensus remains for a revival of the BDS movements once used to pressure apartheid South Africa to be deployed again today against Israel.

An Afrikaans term, *apartheid*, literally means separation or apartness. In this case, separation takes on a clear connotation as a pretence for subjugation and social and geographical engineering by white settlers over the rest of the population. The United Nations created a working definition of apartheid when the International Convention on the Suppression and Punishment of the Crime of Apartheid, drafted through the UN Commission of Human Rights, came into force. Known as the Apartheid Convention, apartheid was cited as a crime against humanity. The Convention listed various characteristics of apartheid present, but not exclusive to, apartheid South Africa. These centred upon forms of social and geo-political engineering to inflict “inhuman acts” on a group of people.<sup>258</sup>

Depicting the rudiments of apartheid within Israel – as a state that has defined itself and is currently driven by discrimination wielded by one group over another – fuels intense argument and debate. Some advocate that it is more accurate to view elements of apartheid only within Israeli policies in the West Bank and Gaza Strip; suggesting injustice can be ended by a two-state solution of the pre 1967 armistice line. Others see little to distinguish between white South Africa and Israel, or state that Israeli policies have been even more destructive than those achieved by the regime in South Africa. Finally some analysts – notably not any prominent South Africans – suggest the connection of Israel with apartheid undermines the South African struggle and in no way forms an appropriate parallel to draw in regard to Israel, its policies or its occupation.

If solidarity work is to be inspired and based upon aspects of the previous anti-apartheid movement, it is necessary to draw out the distinctions and similarities between apartheid South Africa and Israel. This can help to facilitate greater public awareness and perceptions regarding Israel and the Palestinian struggle, which emphasize the historical context of the occupation. Moreover, this can serve as a challenge to mainstream media, which has consistently presented the issue as some kind of inextricable conflict between two groups of people with no acknowledgement of the historical perspective of Palestine or the right of an occupied people to resist. Finally, a comparison can be useful if solidarity movements are to advance a solid and coherent set of principles on which to establish current and future BDS campaigns and activities.

---

<sup>258</sup> ‘International Convention on the Suppression and Punishment of the Crime of Apartheid’, available online at <<http://www.unhcr.ch/html/menu3/b/11.htm>>.

### *Laws, Policies and Society*

There is a tendency amongst those advancing the apartheid framework to portray two forms of apartheid against Palestinians.\* Firstly apartheid imposed upon the Palestinians\* who are citizens in the Jewish state (totalling at least 1,377,100) and the apartheid experienced by some 3.7 million Palestinians under military occupation in the WBGS.<sup>259</sup> While both forms of apartheid lead to a familiar outcome (ghettoization, subjugation and expulsion), the various structures in place which divide and rule Palestinians need to be dissected and presented if an account and critique of Israeli apartheid is to reflect its subtleties and nuances.

It is, however, also necessary to bear in mind that the different expressions and guises of apartheid – that over the course of the last 60 years have been developed under Israeli rule – need to be presented as a coherent political project. Let us consider the evidence for the existence of apartheid within Israeli society.

### *Palestinian Citizens of Israel – Separate and Unequal*

#### The Land, Nation and Movement

All citizens of Israel have to register as a “nationality” as defined by the state (Population Registry Law - 1965) with the majority falling under either “Jewish” or “Arab” identity.\* There is no such classification as “Israeli” nationality, and law prohibits it.<sup>260</sup> Identity cards have to be carried at all times and be presented to “senior police officers, to the heads of local authorities, or to police officers or soldiers on duty when requested to do so.”<sup>261</sup> Until 2005 “nationality” was stated on ID cards, and from 2005 Jewish Israelis are distinguished on ID cards by the presence of two birth dates (civil and Jewish) as well as “nationality” being identifiable by the coding of 8 digit numbers found on the IDs.

In South Africa the Population Registration Act (Act No. 30 of 1950) led to the creation of a national register in which every person’s “race” was recorded. A Race Classification

---

\* With a third form of apartheid sometimes used to illustrate the slightly different form of occupation for the 180,000 Palestinians living in occupied Jerusalem who have “Jerusalem” IDs rather than Israeli citizenship or WBGS status.

\* Palestinian citizens in Israel are often referred to as “Israeli Arabs”, “non-Jews”, “minorities” or by religious affiliation. Israeli Jews, some of who might be considered to be “Arab” tend not to be presented in popular discourse as “Arabs” or “Israeli Arabs”, a reference generally reserved for Palestinians.

<sup>259</sup> Figures for Palestinians in Israel noted online from 2005 census at [http://en.wikipedia.org/wiki/Demographics\\_of\\_Israel](http://en.wikipedia.org/wiki/Demographics_of_Israel)>. For WBGS see Palestinian Central Bureau of Statistics online at <[http://www.pcbs.gov.ps/Portals/\\_pcbs/populati/demd2.aspx](http://www.pcbs.gov.ps/Portals/_pcbs/populati/demd2.aspx)>.

\* There are also Kara’ites (a Jewish denomination), Circassians, the Druze who received nationality status in 1962, as well as the Samaritans (of which around 700 exist today, living by Nablus and who also hold Palestinian identity). Altogether these groups make up around 4.6% of the overall current population of Israel.

<sup>260</sup> V. Tilley, *The One-State Solution: A Breakthrough for Peace in the Israeli-Palestinian Deadlock* (Ann Arbor: University of Michigan Press, 2005), p. 47.

<sup>261</sup> Identity Card, Possession and Presentation Law (1982).

Board took the final decision on what a person's race was in disputed cases. The Natives Abolition of Passes and Co-ordination of Documents Act (1950), commonly known as the Pass Laws, made it compulsory for blacks to carry identification ready for inspection at all times.

Defining identity is the means used to implement various mechanisms of discrimination against the non-Jewish population of Israel. Ethnic or racial identities are created, defined and maintained by the oppressor, and exist in today's Israel just as much as they did in South Africa.

In the absence of a constitution, a cluster of laws defines Israel as a "Jewish state" and establishes its two-tiered system of citizenship privileging the "Jewish" nationality.<sup>262</sup> The Law of Return (1950) grants any Jew the right to emigrate to Israel and the Citizenship Law (1952) grants anyone arriving in Israel under the Law of Return (i.e., Jews) Israeli citizenship without further procedures and immediately upon entering the country.<sup>263</sup>

Palestinians that were not expelled in 1948 became citizens of Israel. Many were subject to the Absentee Property Law (1950), which authorized the state to confiscate any property if, between the end of November 1947 and May 19, 1948, the legal owner or owners were absent from the property for even one day.<sup>264</sup> They were declared "present absentees" and property was confiscated by the Israeli state along with the assets owned by the 750,000 refugees who were forced into exile during this time. They have never been able to recover lands that were gradually confiscated from 1948. Palestinians who became Israeli citizens were placed under martial law until 1966, while Jewish settlers consolidated their control and settled on confiscated lands.<sup>265</sup> Consequently 93% of the land in Israel came to be controlled by the state or by related Jewish institutions.<sup>266</sup>

The issue of the land was taken up with a series of land laws in 1960 and from which the Israeli Lands Administration (ILA) was born. State land together with the land claimed by the Jewish National Fund (JNF) was renamed as "Israel Lands", the management of which was centralized by the new state body; the ILA. This established the coordination of continued systematic discrimination in Palestinian access to ILA land.

---

<sup>262</sup> Israel's Declaration of Independence established Israel as a "Jewish state". The Basic Law: Human Dignity and Liberty (1992) reiterates this principle in section 1 noting, 'The purpose of this Basic Law is to protect human dignity and liberty, in order to establish in a Basic Law the values of the State of Israel as a Jewish and democratic state.' Quoted in Tilley, *One-State*, p. 47.

<sup>263</sup> Ibid.

<sup>264</sup> M. Qumsiyeh, *Sharing the Land of Canaan: Human Rights and the Israeli-Palestinian struggle* (London: Pluto Press, 2004), p. 91.

<sup>265</sup> Ibid. p. 92.

<sup>266</sup> Israel established itself in 1948 upon 77.3% of mandate Palestine. This represented almost 50% more than the land the UN partition plan had allotted for a Jewish state in Resolution 181 (II) of 29 November 1947. That resolution allocated 43% for an Arab state and 56.5% for a Jewish state. The rest (including Jerusalem) was to be under the mandate of the UN. After 1949 the West Bank has made up 5,572 sq. kilometres (21.3% of mandate Palestine) and the Gaza Strip 362 sq. kilometres (1.4%).

The Israel High Court offered some guidelines to the land legislation of 1960 and the role of the ILA. It stated:

[...] the goal of the legislature is to ensure that land policy, on which all future actions and transactions of the Development Authority and the JNF concerning Israeli state land in Israel will be based, will be *official, Zionist and coordinated*, based on the principles set out in these laws ... and to ensure that the implementation of such actions and transactions ... will henceforth be centralised in the hands of a single administration, which is appointed by the government and acts under the supervision of the Council [...].<sup>267</sup>

Representatives of the JNF dominate the ILA's governing council, the Israel Lands Council (ILC).<sup>268</sup> The JNF enjoys a special status under Israeli law. For example Israel signed a covenant with the JNF in 1961, declaring that all JNF lands would be administered by the ILA subject to the JNF's objectives, namely to purchase acquire on lease or in exchange land in Israel "for the purpose of settling Jews".<sup>269</sup> The JNF excludes Palestinians from leasing the land it has claimed to own – which makes up 17% of the lands administered by the ILA – and even prohibits their employment as farm workers.<sup>270</sup>

From the non-JNF land administered by the ILA, Palestinians have experienced systematic discrimination in terms of access. They are not granted the 49-year leases which come as standard in connection with the lease of land to Jewish settlements and collectives.<sup>271</sup> Shorter-term leases of land of between one to three years are on occasion made available to non-Jewish groups, but incur a host of obstacles in the application process. In 1986 just 1% of the recipients of short leases were non-Jewish. Moreover the terms of the shorter leases occasionally granted to Palestinians invoke rents that must correspond to the market value of the land as opposed to the nominal payments required from the longer leases.<sup>272</sup> In a recent example of the rampant discrimination faced by Palestinians, the ILA decided in 2003 to award a 90% discount on the price of leasing lands to discharged Israeli soldiers and individuals who completed one year of national service.<sup>273</sup> This applied specifically to listed towns and villages in the Galilee and Naqab and as a mechanism by which to Judaize areas with a high proportion of Palestinians.

The Palestinians who were not forced into exile in 1948 today make up approximately 20% of Israel's population but own 3.5% of the land, less than 1,000,000 dunums.<sup>274</sup>

---

<sup>267</sup> Hussein, *Access*, p. 173/7 (our italics).

<sup>268</sup> Ibid. p. 172.

<sup>269</sup> The Legal Centre for Arab Minority Rights in Israel (Adalah), *Briefing Paper: Palestinian Citizens* (Shafa'amr: Adalah, 2005).

<sup>270</sup> Ibid. and McKay and R. Kook, *The Logic of Democratic Exclusion: African Americans in the United States and Palestinian citizens in Israel* (Lanham, Md: Lexington Books, 2002), p. 91.

<sup>271</sup> Hussein, *Access*, p. 183 and I. Lustick, *Arabs in the Jewish State: Israel's control of a National Minority* (Austin: University of Texas Press, 1980), p.181/182.

<sup>272</sup> Lustick, *Arabs*. p. 181/2.

<sup>273</sup> Adalah, *Palestinian Citizens*, p. 7. On the whole Palestinians do not and cannot serve in the military, see section education, employment and services below.

<sup>274</sup> Kook, *Logic*, p. 91.

Moreover, despite a six-fold increase in Palestinian population since 1948, no new rural or urban areas have been created.<sup>275</sup> Palestinian municipalities have jurisdiction over only 2.5% of the total area of the state.<sup>276</sup> In the Galilee, Palestinian municipalities have jurisdiction over 16.1% of the land, while Palestinians comprise over 50% of the population.<sup>277</sup>

In challenging policies of discrimination, a handful of Palestinians have applied to live in new communities developed with the intention of housing Jews only. Several people denied permission to move into such areas took their cases to court and the High Court decision of 2000 (Qu'dan) ruled that the state could not allocate land for the establishment of settlements intended for Jews only. While hailed by some as a victory, it has not altered the continued discrimination faced by Palestinians in their struggle to access land.<sup>278</sup>

In colonial and Apartheid South Africa, 87% of the land was reserved for whites and this became enshrined by laws such as the Group Areas Act (1950), which forced physical separation between “races” by creating different residential areas. This led to forced removals of people living in “wrong” areas and maintained white ownership over South Africa’s most fertile and attractive lands. This system targeted blacks with the goal of moving them into invisibility, away from white centres of population. Most of the black population were treated not as citizens of the cities and townships where they were born, but as citizens of “homelands” that many (as well as their parents, even grandparents) had never visited, and which had been artificially carved out by the regime as designated dumping grounds for the black population.

In Israel, Palestinian communities are largely confined to a handful of areas within Galilee, the Negev and Haifa. They are subject to frequent calls for expulsion via “transfer” as cited by current and previous Israeli political parties. Moreover, today, around 100,000 Palestinians in Israel live in 54 villages which are not recognised by the state and are denied access to basic services, as well as the carrying out of renovations or construction.<sup>279</sup> They also cannot vote in municipal elections.<sup>280</sup>

The refugees, who today number in excess of 6 million, are not allowed to return despite Israel’s acceptance into the United Nations being conditional on its acceptance and implementation of Resolution 194 which affirms the right of Palestinian return as well as compensation for losses suffered.<sup>281</sup>

---

<sup>275</sup> Ibid.

<sup>276</sup> Adalah, *Palestinian Citizens*.

<sup>277</sup> Ibid.

<sup>278</sup> Hussein, *Access*, p. 9.

<sup>279</sup> ‘Unrecognised Villages’, Fact sheet produced by Union of Arab Community-Based Associations (ITTIAH), (Haifa, 2001).

<sup>280</sup> ‘Arab, Palestinian, Israel: The Israeli Arabs’, Fact sheet produced by Council for Arab-British Understanding (CAABU) and Labour Middle East Council (LMEC), (London, 2005).

<sup>281</sup> While many of the refugees in the diaspora are Palestinians (or their descendants) exiled in 1948, this figure also includes Palestinians expelled in the 1967 war as well those who have been exiled in smaller amounts every year since 1948. From 1967 to 1992 at least 1522 Palestinians were deported, none of them

Today Israel is the only “western” society to deny people, via “nationality”, the right to reside and construct property, just like the regime in South Africa did with “race”. A further similarity can be found in that South Africa’s white minority made up around 16% of the population. Similarly Jewish Israelis, despite ownership or access to nearly all the land and resources, constitute a minority compared to the Palestinians indigenous to the country.<sup>282</sup>

### Education, Employment and Services

Israel maintains separate schools – from nursery to secondary – for Palestinians and Jews on the grounds of language differences. This segregation system has been challenged and exposed as a cover for systematic state-sanctioned discrimination. The Israeli educational curriculum denies Palestinian history and identity and the state sharply monitors activity to make sure schools fulfil this role. Teachers have been denied employment or fired for “security” reasons.<sup>283</sup> In February 2002, the Israeli government revealed to the UN that investment per Palestinian pupil was approximately 60% of investment per Jewish pupil.<sup>284</sup> Independent Palestinian publications in Israel are either not permitted or circumscribed and controlled.

In South Africa, separate and unequal education systems formed a central part of the apartheid regime's strategy to teach history stressing the benefits and successes of white colonialism. The Bantu Education Act (Act No. 47 - 1953) established a Black Education Department in the Department of Native Affairs to compile a curriculum that suited the “nature and requirements of the black people.” The author of the legislation, Dr. Hendrik Verwoerd (then Minister of Native Affairs, later Prime Minister), stated that its aim was to prevent Africans receiving an education that would lead them to aspire to positions they wouldn't be allowed to hold in society. Instead blacks were to receive an education designed to indoctrinate them to the values of apartheid, and provide them with skills to use in the “homelands”, or for labouring and manual work under whites.

Throughout Israel, government social spending is proportionally lower in predominantly Arab areas than in Jewish ones.<sup>285</sup> In the 2002 budget, Israel's housing ministry spent about £14 per person in Arab communities compared with up to £1,500 per person in

---

had been charged, tried or convicted for a criminal offence, S. Goldberg, ‘Israel to deport families of militants’, *The Guardian UK*, 20 Jul. 2002, <<http://www.guardian.co.uk/israel/Story/0,2763,758660,00.html>>.

<sup>282</sup> There are just over 1.3 million Palestinians who are citizens of Israel, 180,000 Palestinians living in occupied Jerusalem, 3.7 million Palestinians in the West Bank and Gaza, and over 6 million refugees in the *diaspora*. There are approximately 6 million Jewish Israelis, the majority of whom arrived after 1948. It is of note that there is an active minority of Jewish individuals and groups who express their identity as a “Palestinian” or “Arab” rather than Israeli Jew.

<sup>283</sup> Coursen-Neff, *Second Class*.

<sup>284</sup> *Arab, Palestinian, Israel*, CAABU.

<sup>285</sup> *Ibid.*

Jewish ones. The same year, the health ministry allocated just 1.6m shekels (£200,000) to Arab communities of its 277m-shekel (£35m) budget to develop healthcare facilities.<sup>286</sup>

Constantly viewed as a “demographic threat” and as a fifth column, Palestinians with “Arab” nationality are exempt from military service and on the whole do not serve in the military or undertake national service. This is a prerequisite for a host of welfare benefits, access to land resources and a requirement for various forms of employment.\* Just as the nuances of South African apartheid held some non-white “ethnic” groups above others, in Israel, Druze and Circassians have been subject to military conscription since 1956. Bedouins and others are encouraged to volunteer for duty, although Palestinian Muslims have been traditionally barred from service.<sup>287</sup> Despite the categorization enforced by the Israeli state, this has not halted some Druze, Circassians and the majority of Bedouins as defining their national identity as Palestinian.

Palestinians are generally barred from working within the defence industry, which constitutes a major part of Israel’s economy (see appendix).<sup>288</sup> Given the other benefits accrued as a result of military service there are considerable socio-economic gaps between Palestinian and Jews, which bear testament to the systematic discrimination and institutionalisation of racism towards those with Palestinian nationality within Israel.

### Ideology and Society

Israel and South Africa have one thing above all else in common: They are both situated in a predominantly hostile world inhabited by dark peoples.

*South Africa Yearbook – 1977*<sup>289</sup>

In Israeli society, opinions that the Jews are a chosen people and have the sole right to the land of “Israel” are widespread and are normally referenced to interpretations and readings of the Torah. Racism is pervasive and views arguing Zionist exclusivity are common. For example, part of the platform which Menachem Begin was elected upon in May 1977 noted, “The Jewish people has an eternal, historic right to the Land of Israel, the inalienable inheritance of its forefathers.”<sup>290</sup> Colonization of the country is routinely presented as nothing more than reclaiming what Zionists believe to be rightfully theirs in fulfilment of biblical prophecy. President Chaim Weizmann stated that, “The Lord permitted Palestine to remain derelict [through the nearly two millennia since the destruction of the temple] until the time when the Jews of our day were prepared to return and by their work uncover the natural beauty of the land.”<sup>291</sup> Verwoerd noted that the

---

<sup>286</sup> McGreal, *Worlds Apart*.

\* The term ‘Israeli Arabs’ is generally not applied to Jewish citizens of Israel who lived in Palestine prior to 1948 or who arrived from the Middle East over the last 60 years.

<sup>287</sup> There are a handful of cases to the contrary. See Lustick. *Arabs*, p. 93/94 and online <[http://en.wikipedia.org/wiki/Israel\\_Defense\\_Forces](http://en.wikipedia.org/wiki/Israel_Defense_Forces)>. It should also be noted that Bedouins are generally regarded as Muslims but as a distinct “ethnic” group.

<sup>288</sup> *Arab, Palestinian, Israel, CAABU*.

<sup>289</sup> Republic of South Africa, *South Africa Yearbook* (Johannesburg: The Information Service of South Africa, 1977, p. 61

<sup>290</sup> Lustick. *Arabs*, p. 92.

<sup>291</sup> McDonald. *My Mission*, p. 234.

Israelis “took Israel from the Arabs after the Arabs had lived there for a thousand years” and that “Israel, like South Africa, is an apartheid state.”<sup>292</sup> A 2004 Haifa University Survey revealed that 64% of Jewish Israelis think “Israeli Arabs” should be encouraged to emigrate.<sup>293</sup>

In apartheid South Africa the Dutch Reformed Church used the Old Testament to legitimize apartheid and assert the superiority of the whites. Moreover, apartheid South Africa disseminated various racist lies and distortions, disguised as science (eugenics), which continued to maintain the dominance of whites. In Israeli academic institutions, the Palestinian has been characterized as a “demographic” threat and the Arab people as primitive, unruly or cruel. Moreover, a 1997 study of the state curriculum taught in Jewish schools undertaken by Dr Ofra Mezels of Haifa University and Dr Reoven Kal of Carmel Institute for Social Studies found that it portrays Arabs as dangerous, murderers, and thieves.<sup>294</sup>

In apartheid South Africa various laws existed to curtail freedom of speech, assembly and action, specifically towards those that challenged apartheid. The Suppression of Communism Act (Act No 44 of 1950) outlawed communism but was so broad in definition that it covered any call for radical change and gave the state the power to clamp down on any internal resistance to the regime.

The Israeli state has imposed laws that have also clamped down on democratic expression notably beginning with the Basic Law (1958), which was reinforced in 1985, 1992 (The Law of Political Parties) and in a bundle of statute amendments in May 2002. This included the ruling that:

A candidate’s list shall not participate in the elections to the Knesset if its objects or actions, expressly or by implication, include one of the following:

1. Negation of the existence of the State of Israel as a Jewish and a democratic state;
2. Incitement to racism;
3. Support for armed struggle by an enemy state or terror organisation against the State of Israel.<sup>295</sup>

An amendment to the penal code also from 2002 stated:

4. A person who makes public a call for a violent or terror action, or statements of praise, sympathy or encouragement of a violent or terror action, [or] support and identification with [a violent or terror action] (in this Clause – publication of incitement), and subject to the contents of the publication of incitement and the

<sup>292</sup> Rand Daily Mail, Nov. 23, 1961, although Verwoerd’s timescale did not reflect the length that Arabs had lived in Palestine.

<sup>293</sup> Arab, Palestinian, Israel, CAABU.

<sup>294</sup> Cited in ‘The Arab Minority in Israel’, *The Arab Association for Human Rights*, <<http://www.arabhra.org/factsheets/factsheet0.htm>>.

<sup>295</sup> U. Davis, *Apartheid Israel: Possibilities for the struggle within* (London: Zed, 2003), p. 140.

circumstances of its publication, there exists a material possibility that it will cause a violent or a terror action to be committed, shall be sentenced to five years imprisonment.<sup>296</sup>

Palestinians have been blocked from standing in Israeli elections and the limits of democratic expression within Israel, where the state defines the “terrorist”, are clear. Thus, while anti-terror legislation has had an impact on civil liberties globally in recent years, Israeli legislation specifically targets even expressions of sympathy to a people under occupation and to its resistance.

In South Africa the Separate Representation of Voters Act, (Act No. 46 of 1951), together with the 1956 amendment, led to the removal of “coloureds” from the common voters roll and thereafter ensured a democracy for whites-only. Israel claims its democratic basis on its inclusion in the franchise of Palestinians, yet it does not extend this privilege to the millions of refugees barred from returning as part of the demographic engineering of a state in which Jews are to be a majority.

Furthermore, the equation of a Jewish state with a “democracy” forms an oxymoron. Anti-Zionist sentiment, expression or action within Israel is severely curtailed and reflects Israel’s lack of commitment to democratic principle.

From July 31 2003, the Citizenship and Entry Law (temporary provision) prevented Palestinians from the WBGs joining spouses on the other side of the Green Line. That was changed on May 8 2005 to exclude males under the age of 35 and females under the age of 25. Nevertheless, successful unification of families where one spouse is a Palestinian from the WBGs is a process fraught with difficulties. Under Israeli law marriage is regulated under the personal status religious law that serves to effectively prohibit mixed marriages between non-Jews and Jews, and in which civil marriage can only be performed outside of the country.

In South Africa “inter-racial” marriages were forbidden by the Prohibition of Mixed Marriages Act (Act No. 55 of 1949), again to preserve a specific “character” of the country.

### ***Jerusalem – Another Apartheid***

Since the occupation of the eastern parts of Jerusalem from June 1967, Palestinians there are considered “permanent residents” by Israel. Occupied Palestinians were offered Israeli citizenship, on several conditions, including that they relinquish citizenship of another country, demonstrate some knowledge of Hebrew, and swear allegiance to the state.<sup>297</sup> Only a tiny fraction of Palestinians have been coerced into becoming Israeli

---

<sup>296</sup> Ibid. p. 141.

<sup>297</sup> Paragraph 5 of the Citizenship Law, (1952).

citizens. Today there are approximately 230,000 people with Jerusalem IDs forced to maintain a status of resident.<sup>298</sup>

Despite Jerusalem being the city of their birth, Palestinians are nevertheless classified as immigrants with “permanent resident” status and are denied basic rights. Since 1967 around 7000 Palestinians have had their IDs revoked and thus been expelled from the city by the occupation.<sup>299</sup> This increased in the 1990s, a result of the so-called “centre of life” policy whereby Israeli authorities determined that a temporary period of residence outside the city (even for educational reasons) was sufficient to revoke Jerusalem residency. Similarly, it was revoked when Palestinians could not prove to the occupation that Jerusalem was their centre of life.<sup>300</sup>

Palestinians with Jerusalem IDs live as second-class citizens in a city that is today surrounded by an external ring of Jewish settlements built on stolen West Bank land. By 2005 over 211,000 settlers were living illegally in and around Jerusalem, in colonies currently expanding on lands confiscated by the building of the Apartheid Wall.

Services for Palestinians administered by occupation authorities in Jerusalem are characterized by enormous inequalities in comparison to those extended to the Jewish Israelis (in terms of both finance and provision). Similarly in apartheid Johannesburg, whites, blacks and mixed-race “coloureds” were directed to separate entrances of government offices, such as the Home Affairs Ministry, and given service according to their “race”.

East Jerusalem imposes strict territorial classifications on Palestinian residents as to who they can marry, where they can live, where they can go to school and so on. South Africa had similar classifications, based on a system of subjugation for non-whites. Israel also subjugates the remaining Syrian population of the occupied Golan Heights to a system of discrimination and racism similar to that implemented in Jerusalem.

### ***Palestinians in the West Bank and Gaza Strip***

The dynamics of the occupation have changed considerably since the WBGS was first administered by Israeli military authorities from 1967, specifically when the Oslo Accords created the Palestinian National Authority to manage services to an occupied people, and oversee pockets of the territory in preparation for a supposed future Palestinian state. As the colonization of Palestinian land continued, and development was structured around Israeli interests, the second *intifada* from September 2000 revealed the rejection of the Palestinian people to an imposed Bantu-state.

---

<sup>298</sup> As of 1 Oct. 2005. Palestinian Bureau of Statistics.

<sup>299</sup> Al Quds. Palestinian National Information Centre.  
<<http://www.pnic.gov.ps/arabic/alquds/alquds.html>>.

<sup>300</sup> I. A. Patel, *Palestine: Beginner's Guide* (Leicester: Al-Aqsa, 2005).

## Water and Energy

With the onset of the occupation of the WBGS came the integration of Palestinian energy and water resources into the Israeli network. This has led to complete occupation control of (and profit from) basic and essential services.

The occupation has determined that Palestinians in the WBGS should receive 200 million cubic meters (mcm) of water per year, a level determined in 1973 and not changed since, despite population growth. This represents just a quarter of the 750 mcm of the annually renewable groundwater resources available in the West Bank of which Israel is believed to absorb 60-70% of.<sup>301</sup>

Furthermore, the West Bank had already been stripped of access to some of its water resources in the agreement of 1949 between the “custodian” Jordan and Israel which created the “Green” or “Armistice” Line. Rich coastal plains and immensely valuable water resources were ceded in the process, as Palestinians were robbed of their resources and of the right to self-determination.<sup>302</sup>

Since then, remaining Palestinian wells have been “severely damaged and depleted due to the powerful discharging capacity of deep-bore wells drilled by neighbouring settlements.”<sup>303</sup> Approximately 85% of the water in the large aquifer below the West Bank (Cenomanian/Turonian) is used by Israeli settlers or pumped directly to the other side of the Green Line.<sup>304</sup>

In some areas, Palestinian water use falls far below the level determined by the UN as necessary to maintain minimal health standards. Palestinians are also forbidden from drilling new wells or deepening existing ones.<sup>305</sup> Meanwhile, Palestinians are forced to purchase energy resources (such as oil, electricity) from the occupying power. The dynamics of this dependence were made clear in the recent fuel shortages experienced in the WBGS, deliberately initiated by Israel in order to exact further suffering upon the Palestinian people.

## Labour and Agriculture

A history of the occupation’s policies with regard to Palestinian labour and agriculture in the WBGS can be characterized by two objectives.

---

<sup>301</sup> L. Farsakh, *Palestinian Labour Migration to Israel: Labour, land and occupation* (London: Routledge, 2005), p. 37.

<sup>302</sup> Awartani, *Agricultural*. He asserts on p. 37 that: ‘the area surrendered in this process was so rich in water resources and of such a topography that it would have increased irrigated farming in the West Bank by four times had it not been lost.’ The agreement signed at Rhodes in 1949 saw King Abdullah of Trans-Jordan cede 450 sq. kilometres to Israel which secured the rest of the West Bank being annexed to Jordan.

<sup>303</sup> Awartani, *Agricultural*, p. 55.

<sup>304</sup> *Ibid.* p. 118.

<sup>305</sup> K. Casa, ‘Water: The Real Reason Behind Israeli Occupations’, *Washington Report on Middle East Affairs* (1991), <<http://www.wrmea.com/backissues/0791/9107026.htm>>.

- Minimizing the size (demographically and geographically) of the local population by facilitating emigration and ghettoization
- Retaining structures which ensure the subordination and dependency of those who stay to the Israeli economy.

From June 1967 the occupation adopted mechanisms which opened local markets in the WBGS to free entry of Israeli goods, but with the flow of goods into Israel being extremely selective and “liable to stringent regulations”.<sup>306</sup> Concurrently, outright colonization of Palestinian land began as settlements started to develop throughout the WBGS and strip communities of access to fertile agricultural lands. A system of settler infrastructure accompanied the colonizers and began to hamper Palestinian life and movement.

Traditional agricultural labourers and farming communities immediately felt the impact of the occupation. Palestinians involved in agricultural labour dropped from around 49% in 1969 to 29.1 % in 1979.<sup>307</sup> That figure was less than 26 per cent by 1990.<sup>308</sup>

Palestinian labour in Israel and its new settlements rose dramatically as the WBGS was made dependent upon the occupation economy. Economists in Israel had already noted “a major source of job opportunities for the population of the territories (WBGS) may be employment in the Israeli economy.”<sup>309</sup> Increasingly Palestinians were left with little option than employment offered by the occupation in order to sustain their livelihoods.

In less than four years after 1967 the percentage of West Bank labourers employed in Israel climbed to around 40% of the total active labour force.<sup>310</sup> This subsequently stabilized at 32-35% throughout the 1970s but actual figures were believed to be 5-10% higher due to inadequate statistics for labourers employed without going through the Labour Exchange.<sup>311</sup> Between 1974-1990, the Israeli local market absorbed on average 40% of the Gaza Strip’s employed workforce and 32% of the West Bank’s.<sup>312</sup>

The labour drain severely stunted the production base of the WBGS where the occupation began to enforce a multitude of dictates over indigenous production and manufacturing to further stunt and subordinate the Palestinian economy. Particularly in construction and factory labour, the influx of workers produced the rapid development of the Israeli economy throughout the 1970s and 80s. Meanwhile the occupation allowed the free flow of Palestinian products through Jordan with an open bridge policy but drastically curtailed imports from Jordan under the pretext of “security” to ensure Palestinians became wholly dependent on the occupation.<sup>313</sup> Until 1978 the occupation paid generous

<sup>306</sup> Awartani, *Agricultural*, p.171/2.

<sup>307</sup> Ibid. p. 92 and citing Statistical Abstracts of Israel from 1980, (p. 696) and 1970 (p. 633).

<sup>308</sup> Farsakh, *Palestinian*, p. 40.

<sup>309</sup> H. Ben-Shachar and others, *Economic Structure and Development Prospects of the West Bank* (Santa Monica: Rand Corporation, 1971), p. 106.

<sup>310</sup> Awartani, *Agricultural*, p. 119.

<sup>311</sup> Ibid. p. 119.

<sup>312</sup> Farsakh, *Palestinian*, p. 39.

<sup>313</sup> Awartani, *Agricultural*, p. 183. With very high tariffs for what was allowed in.

subsidies on its own exports to Jordan to infiltrate its produce, disguised by a West Bank label.<sup>314</sup>

The WBGS were incorporated into a customs union by occupation authorities which imposed restrictions on the kinds of commodities that could be imported into or exported from it, protected Israeli agriculture, and imposed an external tariff structure that was determined by Israeli officials.<sup>315</sup> When the first *intifada* saw attempts to cut away the dependency upon the occupation, around 90% of the imports coming into the WBGS were from Israel.<sup>316</sup>

In South Africa, The Bantu Authorities Act, (Act No. 68, 1951), provided for the establishment of black homelands and regional authorities with the aim of creating self-administration in the homelands. Between 1960 and 1980, close to 4 million blacks were forcibly moved to remote Bantustans, which constituted part of the 13% of South Africa designated for blacks. Population relocation programs also resulted in property destruction, similar but not on the same scale as that inflicted in the WBGS against Palestinians.

In Palestine, orders from the occupation's military administrators continually stream down to the forces on the ground. Today they confiscate land on a daily basis and build upon it the apartheid infrastructure to enclose the Palestinian population into self-administered ghettos. The Wall continues the attack upon Palestinian agriculture while new immigrants from the ex-Soviet Union have taken over the role of cheap labour since the occupation began to scale down its reliance upon Palestinians.

### The Wall

The development of the Apartheid Wall project – in Gaza from 1990 and in the West Bank from June 2002 – directs the resistance today of an occupied people against the ever-tightening ghettos. In Gaza, where around 80% of the population of 1.3 million are refugees from 1948, the Wall serves as a permanent barrier to their right of return, in clear defiance of international law and convention. The Wall here is not built on the 1949 Green Line but on Gaza's lands and is bolstered by ongoing construction of a second Wall sealing the Strip's status as the world's largest open-air prison.

In the West Bank, the Wall project takes on various forms often negated in coverage and analysis of the occupation. From the daunting 8 meter-high concrete structure, to razor wire reinforced fences, to militarized settlement infrastructure and fenced-in settler-only roads, the Wall takes a myriad of forms to prevent Palestinian movement and steal Palestinian land. It facilitates settlement expansion currently being stepped up on Palestinian lands from Jerusalem to the Jordan Valley, taking a total of around 50% of the West Bank.

---

<sup>314</sup> Ibid. p. 131.

<sup>315</sup> Farsakh, *Palestinian*, p. 36.

<sup>316</sup> Ibid.

Construction by the occupation of an apartheid network of West Bank roads is ongoing, and Palestinians remain barred from using the many existing (and superior) routes reserved for Jews only. Disconnected Palestinian areas are to be linked together via a series of tunnels and bridges, creating a geographical infrastructure that ensures complete control over movement.

The Wall project thus advances the severity of the occupation to a new dimension while continuing the steady process of Palestinian land theft used for the benefit of Jewish settlers. This represents a form of racial discrimination and apartheid not seen since the engineering deployed by the regime in South Africa, when it shunted blacks into a series of disparate Bantustans.

Apartheid there reserved the best parts of the land for whites only and herded blacks into the least habitable, least desirable, and least serviced parts of the country. Similarly Israel uses the Wall project to take arable Palestinian land together with vital resources such as water.<sup>317</sup>

As Palestinians struggle today against ongoing land theft, the Wall, the expanding settlements – and in Gaza against occupation policies of starvation – many analysts have suggested that apartheid may not be a suitable term because the occupation is far worse.<sup>318</sup> Moreover, it has been argued that Israeli policies are not so much within the framework of apartheid and the subjugation of Palestinians, but as part of a mechanism designed to promote their exodus and permanent exile.

### ***Beyond Apartheid, into Exile***

“Israel is always grabbing homes and lands in areas beyond the 1967 lines – and of course, this is all at the expense of Palestinians, in order to limit them, push them into a corner and then out. In other words, their goal is to eventually dispossess them of their homeland and their capital”.  
- *Danny Rubenstein in Haaretz, (2000)*<sup>319</sup>

Detention without trial; torture in prison or arrest; judicial and extra-judicial executions; kidnap; collective punishment; house demolitions; expropriation and destruction of property, land and crops; military invasions and attacks; systematic harassment; curfews; arbitrary curtailment of movement through closures; forced removals and physical expulsion. All these characterize the experiences of black South Africans and Palestinians. Similarly many of the extra-judicial executions carried out by the military agencies of apartheid South Africa and Israel have taken place outside of their borders. Palestinians have been assassinated throughout Europe and Africa, in a similar way to

---

<sup>317</sup> Refer to <[www.stopthewall.org](http://www.stopthewall.org)>.

<sup>318</sup> Such as the President of COSATU Willie Madisha, ‘Apartheid Israel’ worse than apartheid SA, *Mail and Guardian*, 10 Jul. 2006, <[http://www.mg.co.za/articlePage.aspx?articleid=276860&area=/breaking\\_news/breaking\\_news\\_\\_national/](http://www.mg.co.za/articlePage.aspx?articleid=276860&area=/breaking_news/breaking_news__national/)>.

<sup>319</sup> Haaretz, 23 Oct. 2000.

which the agents of the white regime murdered South Africans working within the liberation movements.

However, without detracting from the South African struggle, the system of oppression used against Palestinians by Israel has exceeded all the methods deployed by the regime in Pretoria. Numerous South Africans active in the liberation struggle recognise this, and have noted their horror at the conditions of occupation that Palestinians struggle against.

Ronnie Kasrils, a former commander of the ANC's military wing stated that:

“This is much worse than apartheid ... the Israeli measures, the brutality, make apartheid look like a picnic. We never had jets attacking our townships. We never had sieges that lasted month after month. We never had tanks destroying houses. We had armoured vehicles and police using small arms to shoot people but not on this scale.”<sup>320</sup>

Willie Madisha, current President of COSATU noted that:

“As someone who lived in apartheid South Africa and who has visited Palestine I say with confidence that Israel is an apartheid state. In fact, I believe that some of the atrocities committed against the South Africans by the erstwhile apartheid regime in South Africa pale in comparison to those committed against the Palestinians.”<sup>321</sup>

Any cursory glance of maps of the West Bank over the last 40 years reveals the continual condensing of Palestinian residential areas, the confiscation of their lands and resources, and as such the concentration of Palestinians into smaller, more clearly bound spaces made into open air-prisons by the surrounding settlement infrastructure. Various mechanisms, and most notably today the Apartheid Wall project, make life unbearable in the WBGS, and are noted by the Palestinian people to be a concerted effort on behalf of the occupation to stimulate their exodus.

This goal can also be seen in Israeli policies undertaken towards the 1948 Palestinians as well as those living as “residents” in Jerusalem. Even outside the WBGS, the areas that are still populated by Palestinians have faced a wave of Judaization programmes aimed at changing the demographics of areas. The Negev and Galilee are glaring examples. Some of these projects have received enormous funding and grants from the United States – recently as rewards to Israel as part of the “disengagement” deal – and are strategically placed around Palestinian communities. They are commonly known as the *mitzpim* or “lookout” settlements and have also been used to increase pressure on the “unofficial” Palestinian villages not recognised by Israel.<sup>322</sup> Here Palestinians struggle to survive

---

<sup>320</sup> Ronnie Kasrils quoted in C. McGreal, ‘Brothers in arms - Israel's secret pact with Pretoria’, *The Guardian UK*, 7 Feb. 2006, <<http://www.guardian.co.uk/israel/Story/0,,1704037,00.html>>.

<sup>321</sup> ‘COSATU Open Letter in Support of CUPE Resolution’, *Labournet*, 7 Jun. 2006, <<http://www.labournet.net/world/0606/cosat1.html>>.

<sup>322</sup> I. Humphries, ‘From Gaza to the Galilee: Same Policy, Same Agenda’, *Miftah* (2005), <<http://www.miftah.org/Display.cfm?DocId=8698&CategoryId=5>>. Details the Judaization of the remaining Palestinian 1948 areas. Also see Qumsiyeh, *Sharing*, p. 92.

without access to the basic services, all of which come as standard in the new Jewish development projects.

In Jerusalem, the majority of Palestinian “residents” are shut out of the city by 181 kilometres of Apartheid Wall. It snakes around residential neighbourhoods, isolates communities from their lands and undermines the viability of any continuing presence of Palestinians, their culture, history and society in the city.

### *Economic similarities*

Ideologues of apartheid in South Africa wanted a strong white state with a limited amount of subjugated black citizens, surrounded by a constellation of poor, weak black Bantustans which it could easily control and exploit as a source of cheap labour. A 1963 publication by the AAM noted how British firms were collaborating with the South African regime in this goal, through official bodies such as the Industrial Development Corporation (IDC).

One of the tasks for the IDC was to develop “border” industries, which according to the AAM “play a vital part in making the Bantustan policy viable.”<sup>323</sup> They noted they could not “escape the fact that this policy draws its whole inspiration from the belief ... that the African should be organized to subserve white interests at whatever cost to him in freedom, status and opportunity.”<sup>324</sup> The report cited a former editor of the Financial Mail, and then editor of the Investor’s Chronicle on the idea of border factories in Bantustans, “The idea is that a stream of Black workers shall come out by bus from the reserves by day to work for the white man and shall return by night to tribal homes.”<sup>325</sup>

A sophisticated system of racial capital developed in apartheid South Africa, going hand in hand with the country’s industrialization and where investment, profit and growth were hinged upon cheap black labour. As a vital component of the economy, and as discussed earlier in the chapter, this reliance made the regime increasingly vulnerable, specifically in light of labour militancy and the defining role of trade unions in directing the struggle in the 1970s and 80s.

The Israeli economy no longer relies or depends upon Palestinians as a source of cheap labour. However, from 1967 and until the first *intifada*, 40% of West Bank labour power became involved in Israeli labour projects, with 70% of those employed coming from rural areas.<sup>326</sup> Before the first *intifada* about 100,000 workers commuted daily from refugee camps, villages and urban centres in the WBGs across the Green Line, most of them returning the same day.<sup>327</sup> Samara asserts that the result was, “the subordination of

<sup>323</sup> Foreword by B. Castle in Ainslie, *Collaborators*, p. 3.

<sup>324</sup> Ibid.

<sup>325</sup> Cited in Ibid. p. 10.

<sup>326</sup> A. Samara, *Industrialization in the West Bank: A Marxist Socio-Economic Analysis* (Jerusalem: Al-Mashriq Publications for Economic and Development Studies, 1992), p. 115.

<sup>327</sup> S. Tamari, ‘What the Uprising Means’, eds. Z. Lockman and J. Beinun, *Intifada: The Palestinian Uprising Against Israeli Occupation* (Boston: South End Press, 1989), p. 129.

these classes into the Israeli economic sectors,” and that, a massive migrant labour outflow to Israel, “filling the bottom steps of the employment ladder, and providing cheap labour to the backward sectors of the economy, helped Israel in its shift to high technology.”<sup>328</sup>

While Palestinians contributed significantly to the economy before the first *intifada*, today Israel has significantly distanced its economy from any reliance on Palestinian labour commuting over the Green Line (or through the Wall) from the WBGS. By 2007 it has been predicted that there will be no more permits for Palestinian workers from the WBGS.<sup>329</sup> However, this has not detracted from various tensions within Israeli policy towards Palestinian labour, contradictions from which we can discern a similar system of imposed racial capital once deployed in apartheid South Africa.

On one hand Israel continues the ghettoization that makes life increasingly unbearable in the WBGS to ferment Palestinian exile. Yet at the same time it seeks to maintain and strengthen Palestinian dependence on the Israeli economy. This includes co-operation for “border” industrial zones with the PNA, to the export of Israeli products to captive consumer markets in the WBGS, to the use of Palestinian labour in settlement industries and farms, as well as tariffs and payments exacted by occupation authorities in trade and movement of goods. This has made the occupation an extremely profitable business for Israel, and which has the potential – should the giant industrial zones come into operation – of becoming even more advantageous.

Common practices include the attacks made on local Palestinian production via the “dumping” of Israeli produce (often from West Bank settlements and subsidized by the state). Flooding markets with such goods offsets local production and attacks the ability of Palestinian agriculture and industries to meet local consumption and development needs. In the 1970s taxes were developed to target certain Palestinian crops and plantations including flowers, tomatoes, fruit trees and aubergines, again to ensure the dominance of the Israeli produce. Tariffs and charges are so high on the import of goods, especially specialized equipment that Palestinian companies, institutions and individuals are forced to buy from the Israeli economy.<sup>330</sup>

The occupation has also enforced dependency via the severing of economic links between Palestinians in the cantons of the West Bank, as well as Gaza and the 1948 Palestinians. For example, the Jordan Valley is one of the most fertile areas of the West Bank that has seen a significant rise in settler farms since Oslo, but where Palestinian farmers still harvest on limited pockets of the land. Until recently they enjoyed a fairly vibrant trade with 1948 Palestinians. This became curtailed as occupation forces imposed closures upon the area, restricting entry to the Valley to Palestinians holding West Bank IDs

---

<sup>328</sup> Samara, *Industrialization*, p. 115/117.

<sup>329</sup> M. Bendel, *The Disengagement Plan and its Repercussions on the Right to Health in the Gaza Strip* (Physicians For Human Rights – Israel, 2005), p. 22.

<sup>330</sup> International Solidarity Movement, ‘Palestinian Companies Forced to Buy Israeli Products’, *ISM* (Aug. 2006)

<<http://www.palsolidarity.org/main/2006/08/21/palestinian-companies-forced-to-buy-israeli/>>.

stating their origin as from the Valley. Migrant labourers were cut off from their seasonal work in the Valley and traders were unable to access the area to purchase produce. To ensure the local production was effectively closed down, occupation forces destroyed various trading posts in the Valley used by Palestinians over many decades to conduct business. The motive of securing further dominance and profit for the occupation was exposed when it became known that Palestinian farmers were told they could only export produce to the 1948 Palestinians by having the produce inspected and sealed in the local settlements. For this privilege Palestinians would be forced to pay fees of two shekels for every box.<sup>331</sup>

The opportunity for “border” industries in the West Bank could be very lucrative to Israel, which already has similar operations with Jordan, Egypt and previously the Gaza Strip. In a confidential report from 2001, the World Bank noted how:

The initial conception of the industrial estate development program was one of fostering business clusters on the borders between Israel and the Palestinian territories (“border” estates), so as to permit employment by international and Israeli entrepreneurs of Palestinian workers free of security-related restrictions on the entry of Palestinians into Israel proper.<sup>332</sup>

Palestinians, currently being dispossessed of their lands and livelihoods, are seen by the Bank as an attractive source of “development” based upon their availability as a cheap labour force. Indeed the Bank, which since 1994 has played a central role in “development” policies in Palestine, has not been short of expressing its enthusiasm for the Apartheid Wall in that it can provide the kind of infrastructure necessary for Israeli “security” concerns around Palestinian labour.<sup>333</sup>

Today elite Israeli and Palestinian businessmen have been linked to the development of such zones.<sup>334</sup> These include sites connected into, or behind, the Apartheid Wall and if constructed will represent a form of racial capital not seen since the “border” industries of the Bantustans in South Africa.

---

<sup>331</sup> B. Fuqaha, ‘We are isolated, just as Jerusalem or Palestinians in “48”’, Stop The Wall (May 2006) <<http://stopthewall.org/communityvoices/1150.shtml>>.

<sup>332</sup> A. Samara, ‘Globalization, The Palestinian Economy and the ‘Peace Process’, <[http://www.wpb.be/icm/2001/01en/Palestine\\_Samara.htm](http://www.wpb.be/icm/2001/01en/Palestine_Samara.htm)>, and where he cites a confidential World Bank document.

<sup>333</sup> ‘Office of the Special Envoy for Disengagement’, Periodic Report (World Bank, Oct. 2005) and also World Bank, *The Palestinian Economy and the Prospects for its Recovery: Economic Monitoring Report to the Ad Hoc Liaison Committee*, Number 1, (World Bank, December 2005).

<sup>334</sup> M. Rapoport, ‘Israel: Industrial Estates Along The Wall’, *Le Monde Diplomatique* (June 2004) <<http://mondediplo.com/2004/06/05thewall>>.

## 4.4 Solidarity Work Today: Learning from the South African Struggle

“The Palestinians had a resolution before 1994 that Palestine can only be free if South Africa is free. It is overdue that we in South Africa now throw all our efforts into freeing Palestine.”

*Cited in a 2006 press release by a South African trade union*<sup>335</sup>

South African and Palestinian struggles share important similarities. Both have experienced popular *intifadas*. Both have deployed various means and mechanisms of resistance in struggle. Both have experienced exile and seen thousands killed and imprisoned. Both have shown the remarkable strength of people to remain steadfast during the worst moments of oppression. And Palestine today is beginning to capture the same kind of global attention and sympathy, which marked international solidarity for South Africa.

The pattern and dynamics of colonization, expulsion, oppression, and land confiscation and control in South Africa is unquestionably and intricately related to experiences in Palestine. Consequently, apartheid as a term cannot be restricted to the former system of South Africa. While the Apartheid Convention was drafted with South Africa in mind, it expressly states that the “crime of apartheid” includes “similar policies and practices of racial segregation and discrimination as practised in southern Africa.”<sup>336</sup> Clearly this allows for the definition of apartheid crimes in other parts of the world and which has increasingly gained currency amongst academics, campaigners and activists in descriptions of Israel.

Israel, in the absence of petty apartheid, has veiled its policies and actions from the scrutiny they deserve, allowing political Zionists to project it as the only democracy in the Middle East. Undoing the layers of discrimination can be aided by the parallel with South Africa and yield an understanding that while not identical, Israel and the South African apartheid regime share an overriding characteristic: they have deployed systems of intense discrimination, expulsion or ghettoization towards other groups along “racial” or “national” lines, as defined by the oppressors. Mutual support for each other was not coincidental but made on an understanding of the similarities in ideology between the two societies. The biggest ramification of this was the expertise and technology thought to be central to apartheid South Africa's development of its nuclear weapons.<sup>337</sup>

The apartheid reference can be a powerful tool to invoke a similar response to the calls of South Africans struggling against the white regime, and bring to life the kind of mass movement needed to provide effective support to the Palestinian people. It serves as a

---

<sup>335</sup> ‘Metal and Electrical Workers Union of South Africa Support Sanctions Against Israel statement’, Labournet (30 July, 2006), <<http://www.labournet.net/world/0608/mewusa1.html>>.

<sup>336</sup> ‘International Convention on the Suppression and Punishment of the Crime of Apartheid’, available online at <<http://www.unhchr.ch/html/menu3/b/11.htm>>.

<sup>337</sup> McGreal, *Worlds Apart*.

timely reminder of how the power of thousands of grassroots groups across the world can attain concrete victories in the pursuit of justice.

Some of the ideas and historical examples here can be used as a starting point for activists who are not old enough to remember the South African struggle as they strive to expand their campaigns. However, despite the value of experiences of the anti-apartheid campaign and South African liberation struggle, it is crucial to point to some changes over the last 20 years in the nature of solidarity and campaign work.

A quick review of the differences between the main players in the South African and Palestinian BDS campaigns reveals some of these developments. Whereas solidarity and social movements are the backbone of Palestinian solidarity, with emerging contributions from the churches, the South African campaign relied heavily on trade unions, student activists, progressive political parties and figures – none of which have yet to play a really significant role in the emerging Palestinian campaigns. The absence of trade unions and progressive parties is particularly significant and symbolizes some weakening within traditional mechanisms of popular expression or struggle. These have emerged for a variety of reasons, not least of which is the crisis of the left and its response to the increasing power of neo-liberal economics.

However, progressive unions continue to exist and the potential for them to play a greater role in replicating the support provided for South Africa has already been outlined in the UK and Canada. In Latin America unions have already helped to halt the signing of the free trade agreement between the Mercosur countries and Israel. Furthermore, union activity is increasingly linked to wider social struggles in the region. The student population, a body often criticised for increasing apathy, had an important part to play in mobilizing and contributing to the huge anti-war movements of 2003 and which in many places attached similar importance to the occupation of Palestine as to that of Iraq. Social movements have grown in the last 2 decades, seen by many as the reinvention of the left, and are indicative of the power of marginalized social groups seeking political representation to reflect their interests.

The declarations of the world social forums bring together diverse groups of peoples united in their determination to overcome injustice and reflect a unique space of support for the Palestinian struggle. Progressive political organisations, while experiencing several decades of decline, have been able to declare the type of support Palestinians are asking for in Ireland, India, the US and Norway. Pressure must be put on others parties, including those in government, to do the same. Additionally, leftist administrations in Bolivia and Venezuela have challenged the dominance of neo-liberal policies and could be symptomatic of a future transformation in the wider Latin American region which could yield strong support for the Palestinian struggle.

However, the hopes of Palestine cannot be attached to the success of a global, higher or regional “revolution”, but as the attainment of the core goals of national liberation which have at their heart the right of Palestinians to return to their lands and for their right to live without discrimination, occupation and racism. Certainly for Palestinians this entails

qualitative understandings of economic justice and an end to racial capital, but the struggle cannot depend upon wider transformations that may or may not occur in the years ahead.

From South Africa we can see the importance of unity and purpose amongst the internal movement to defeat apartheid, but also that any one group does not own the history of the struggle. Various struggle organisations co-existed in the form of political parties, to civic movements, trade unions and national fronts. Local groups aligned with certain political traditions, some joined umbrella groups such as the UDF, and others did not.

The ANC and the UDF have been credited with forging the national unity and platform of the anti-apartheid struggle and as such providing an inspiration for other struggles including that of Palestine. Such a view neglects the contribution of other struggle groups in South Africa and projects a framework, which is perhaps unrealistic given the current political realities in Palestine where the existence of social and political groups struggling against the occupation is itself an act of resistance.

Similarly, it must be noted that unity did not always shape global anti-apartheid efforts, with solidarity groups supporting different tendencies or parts of the South African struggle. Some were forthright in support for the ANC, and the UDF, others supported the PAC and some retained links with the independent black consciousness or leftist groups. An example from the UK illustrates this where the AAM supported the ANC but the breakaway group the London City Anti-Apartheid Movement remained independent. How much sectarianism hampered work depended on the extent to which groups were able to converge around central or basic principles which reflected the demands of the oppressed.

In Palestine the call for BDS is so important because it provides exactly that unified set of goals and aims, bringing together a wide range of social and political forces all over their homeland and throughout the *diaspora*. While solidarity campaigns may fashion their own perceptions, views and approaches in their work, the central goals set out in the BDS call define the nature of Palestinian relations with the rest of the world, forming a clear basis by which ties and solidarity can be renewed, strengthened and formed.

## **5: Building the BDS Movement: Where Next for Global Solidarity?**

### **5.1 The Internal Boycott**

### **5.2 A Global Boycott: Can It Work?**

### **5.3 Turning the Tide: Media and Popular Opinion**

### **5.4 Concluding Remarks for a BDS Movement**

### **5.1 The Internal Boycott**

“We will no longer be a subject people. If you order us to our camps, we will roam the countryside. Dig up our soil and bury us alive in it if you will. If you direct us to work in your factories, we will confine ourselves to our homes. Herd us into concentration camps if you will. If you instruct us to buy your produce and your products, we will grow and make our own.”

- *From the Declaration of the Palestinian people during the first intifada (1987)*

External BDS movements, initiatives and campaigns are not a substitute for the struggle and efforts of the Palestinian people to win their own liberation and freedom. Instead such campaigns form a mechanism of solidarity, which have in various historical precedents, proved to be effective in furthering the goals of oppressed people in their struggles against injustice. As noted by Abdul Minty, “victory will come through the struggle of the people of that country, and sanctions must be regarded as a complement to that struggle and not as an alternative.”<sup>338</sup> Thus, the internal moments of resistance from Palestinians are complemented by, rather than based upon, efforts from outside which seek to place pressure on Israel. In Palestine, efforts to boycott the occupation have a rich history and have embraced strikes and other economic means of pressure against the colonial regimes that have dispossessed the Palestinian people over the last century. The general strike against the British regime and its support for the Zionist movement shook colonial rule in 1936 over a period of several months, forming one of the longest strikes in history. These uprisings have been vested in a tradition of vibrant grassroots and civil society politics only matched by a handful of other freedom struggles such as in South Africa and India.

---

<sup>338</sup> Minty cited in Anti-Apartheid Movement, *Isolate*, p. 10.

These experiences are rooted within the first Palestinian *intifada*. The democratic turn of the *intifada* years signalled widespread rejection towards any cooperation with the occupation, and brought traditions of popular mobilization and organization to almost unprecedented levels. The first *intifada* is still an important model within Palestinian consciousness and across global struggles. Resistance hardened against ties, links and symbols of the occupation, occurring via a process of empowerment and expression of disenfranchised and subjugated peoples. Removing dependency upon Israel and asserting the Palestinian right to self-determination from the local level was the central feature of the *intifada*, as Palestinians sought to shake off the chains of oppression. Strikes, mass meetings, popular rallies and demonstrations shook the occupation to the core, building upon victories in the years immediately prior to the *intifada* in which the hated village leagues were overthrown.<sup>339</sup>

After the first four months of spontaneous uprising the United Leadership brought together all Palestinian political parties represented in the PLO to direct the popular struggle. Regular statements were distributed to coordinate action, analyze and react to events on the ground and ensure nationwide action could be maintained even under the severest conditions of curfew. While statements initially only called for general mobilization and for commercial strikes, 1988 saw a growing number of action days which included calls for labour strikes.

For several years workers led concerted efforts by boycotting jobs within the Israeli economy (particularly in the settlements). This action was based on the awareness that the Israeli economy was highly dependent upon cheap Palestinian labour, and that this had been a major factor in strengthening the economy over several decades. Labour strikes not only inflicted high losses on the occupation economy, but they aimed to permanently cut the dependency imposed by the occupation on Palestinian lives. Unity was expressed across social classes. For example, landlords followed calls not to collect rents from striking shopkeepers and apartment rents were lowered as labour strikes and general hardship increased. A boycott of taxes was another popular means to resist the entrenched mechanisms of the occupation and in towns like Beit Sahour, the entire population refused to pay taxes over several years. Neither the assaults on the population nor the destruction of property broke the determination of the people.

As the *intifada* became increasingly protracted, curfews were imposed for months on end while labour remained on strike. In 1988 the United Leadership moved to the call for the boycott of Israeli goods as a means to meet the immediate needs of the Palestinian people and their liberation struggle. After years of low incomes for Palestinian households, and in which the occupier had ensured the Palestinian economy was peripheral, the need to create sustainable and self-reliant livelihoods for the local population was crucial. The urge to create alternatives and the success of the labour strikes was tied into a popular discourse which held Palestinian production and local job growth at its core. Boycott of Israeli goods was coupled with widespread efforts invested in small-scale farming production and Palestinian manufacturing growth to meet local and national needs.

---

<sup>339</sup> Awartani, *Agricultural*, p. 155. The leagues were armed by the occupation as their proxy in the WBGS.

*Intifada* activists targeted shop owners to ensure their shops were emptied of Israeli products. Meanwhile, local shop owners that had already been key actors in the commercial strikes since the beginning of the uprising were ready to engage in this further strategy of resistance as consumer habits changed accordingly. Palestinian consumption became guided towards local industrial and agricultural production with Israeli produce and consumer goods rejected. In less than a couple of months this opened an enormous market for Palestinian products, especially in the food sector. At its peak, adherence to the consumer boycott is thought to have encompassed the majority of the population.

All in all, a series of popular mechanisms directed a united front of Palestinians towards self-sufficiency and the overall de-linking from the Israeli economy. Removing this dependency created an effective mechanism for activating consumption of local produce and stimulated independent internal production.<sup>340</sup> The various boycott calls involved the entire population, in a dual process with the United Leadership who developed the political and moral authority in response to the needs on the ground. Their calls thus ensured general adherence and respect of the people. Meanwhile, exposure of those found breaking the boycott helped to sharpen its effectiveness in local communities.

While public opponents to the boycott did not emerge in Palestinian ranks, debates on the feasibility of the boycotts were ongoing and helped to refine boycott strategies. The economic structures of the occupation had failed to create subservient Palestinian leaderships and bodies, resulting in the widespread commitment to the uprising and the breaking of economic relationships of dependency and profit for the sake of the national liberation struggle. Numerous Palestinian construction firms and family businesses are still carrying the burden of the fines imposed on them by the occupation in their attempts to repress the popular revolt.

The boycott of labour en masse for all Israeli businesses was largely restricted to action days. The refusal of Palestinians to work in settlements, however, was generally enforced throughout the years of the uprising. Such a strategy was based on the fact that since 1967 Israeli policy had opted for a structural integration/dependency of the WBGS; a total end to any work in the Israeli economy had to challenge 20 years of strongly entrenched economic mechanisms. Work in the settlements, however, presented not the core problem but a clear and achievable target in the struggle against Zionist oppression. Similar consideration was made regarding the boycott of Israeli products. At the time, imports from Turkey, China or other third countries were scarce and Palestinian alternatives could not always be found or created, particularly in the deteriorating conditions of the occupation. While foodstuffs, clothing and other manufacturing could be produced within the Palestinian economy; high-tech and related equipment requiring more sophisticated production processes could only be accessed from Israel. Selective strategies were thus not a question of compromise of political principle but of feasibility and effectiveness, especially given that Israel accounted for 90% of the WBGS imports.<sup>341</sup>

---

<sup>340</sup> Samara, *Industrialization*, p. 337.

<sup>341</sup> Farsakh, *Palestinian*, p. 36.

Israeli reactions to the boycotts were typically violent. Occupation forces broke into shops and houses in the case of tax refusals and ambushes were organized to arrest those alerting workers to labour strikes. Visions and practices that emerged during the first *intifada* – and which had flourished from the participation of grassroots, civic and community groups – were overcome by powerful players in the global community who used the global euphoria of the Oslo “peace process” to re-align the Palestinian economy and leadership to that of dependent upon Israel. Such visions, which held the independence of the Palestinian economy as central to the struggle of overcoming the Israeli occupation, gave way to normalization with the occupation and a new wave of colonization.

### *Economic Realities in Palestine*

Even before the Oslo process had established the Protocol on Economic Relations, signed in Paris on April 29, 1994, the World Bank had begun to fashion various development policies and plans under the rubric of “state building”. These revolved around an ideological premise that the fundamental source of conflict in the region was one of economics. Political, social and geographical factors such as the Bantustans, the refugees, and Israel’s system of oppression against its Palestinian citizens were discarded.

The biggest myth in the activities of the Bank, not just in Palestine but also throughout the “developing world”, is that it operates as a neutral force. Rather, it is a deeply politicized organization, which promotes a particular brand of neo-liberal economic ideology presented as the sole path of “development”. This development, commonly expressed in the buzzwords of good governance, fiscal transparency and accountability, is hinged upon the opening of local economies to external markets, investments and interests. At the heart of the framework was attention to firmly attach Palestine’s new (in)dependence to the Israeli economy, which for the Bank, and policy makers in Washington would lead to a “reinforcement” of the “peace process.”<sup>342</sup> Joint business ventures (JVs) were promoted as the counterpart to the political process of “peace” and negotiations, culminating in the reinforcement of economic dependency upon Israeli policy and capital. Even key services stayed under complete ownership by Israel, such as the company providing virtually all of the electricity in the WBGS - the Israel Electric Company.<sup>343</sup>

In addition, efforts of the international donor community were harnessed into supporting a variety of neo-liberal economic policies, including the infamous structural adjustment approach, all within the discourse of Palestinian “development”. This discourse became fragmented, detracted from a national vision, and unable to confront the further theft of lands and the strengthening of economic dependency upon the occupation. The PNA, itself a product of the Bank’s funds, became coerced and cajoled into acquiescence with the Bank when necessary. Conditionalities and outright blackmail ensured structural

<sup>342</sup> World Bank, *West Bank & Gaza: An Evaluation of Bank Assistance* (Washington: World Bank, 2002)

<sup>343</sup> Nablus and Jenin have a small power plant to generate electricity.

adjustment could be implemented as Bank policy makers saw fit.<sup>344</sup> However, within the ranks of the PLO and the elected PNA were many elements – albeit under external pressure – who participated in the construction of a peripheral Palestinian economy. Willingness to cooperate with international institutions came with the expectation that it would assist in the creation of an independent and viable Palestinian state.

The use of the “development” agenda by the major international finance institutions and the most powerful governments is continually expressed as a straightforward formula awaiting application. In the case of Palestine, that economic “globalizing” effect takes place within the acceptance and normalization of the Israeli occupation. Thus, while neo-liberalism in relation to South Africa has been depicted as undermining the political structure and system of social engineering, it has in Palestine acted as a mechanism by which the occupation, for the time being, appears strengthened.

### *Political realities in Palestine*

Today, the PNA, set up as an institution to engage in negotiations, lacks any viable partners for discussions and diplomacy. Overseeing and administering Bantustans is not what Palestinians struggled for and the second *intifada* – and the recent legislative elections – clearly revealed the popular feeling on the ground rejecting further normalization with the occupation. The PNA might provide immediate relief and assistance to threatened communities. It has the potential to afford some protection to those resisting the occupation, but as an institution to negotiate a “peace” settlement, it has become redundant. Moreover, the current embargo and sanctions has curtailed its already limited role leaving representatives at the centre of the PNA and also in the PLO to question its continuing functioning.

Palestinian grassroots activism and defiance to the occupation continues, under such drastic conditions that existence in itself is an act of resistance in the WBGS. Such activity has suffered several years of intense occupation attacks, closures and assassinations – as well as the overall ghettoization from the Wall project – which severely restricts the ability of communities to organize and mobilize. Moreover, the dynamics of the immediate post-Oslo years continued the traditions of Palestinian civil society, but with the creation of more formalized social organizations. With the increase in grants and sponsors from outside Palestine, there are over 700 NGOs operating in Palestine.<sup>345</sup> Working in a cross-section of projects, many take on single-issues dealing with symptoms rather than causes of occupation. They do so in a tireless, admirable way and often driven by the best intentions. However, with so many projects and schemes to mitigate the conditions of the occupation, it can be argued that the work of NGOs has detracted from the national vision of Palestine, which bases the idea of “development” as a programme that comes after the occupation has been defeated. As Karma Nabulsi notes:

---

<sup>344</sup> Grassroots: Aid and Assistance, p. 19, outlines the conditionalities forced upon the PNA by the World Bank.

<sup>345</sup> *Directory of non-governmental organizations in the West Bank, 2006*, (Office of the United Nations Special Coordinator in cooperation with the Palestinian Commission for Human Rights and NGOs, 2006).

Donors lost touch with what Palestinians on the ground actually wanted and were working towards, and did not provide the grassroots organizations with the assistance they urgently required in order to continue to serve the needs and interests of their community ... these organizations were by their nature able to speak for and respond to the local communities' needs through the accountability that was built into their structures.<sup>346</sup>

Even under those conditions, the calls for boycott survived. The NGO sector from 1995 promoted a common effort known as *Marsad* to monitor settlement produce and called for its internal boycott. The aims of the boycott were adapted to the framework of the Oslo accords and limited to the call against settlement produce and for an end to settlement expansion in the West Bank and Gaza. The wider and structural effects of Israeli policies that reinforced Palestinian economic dependency were overlooked. Campaigns and approaches matched those of international agencies such as Oxfam that were concerned for the "peace process" in the light of the settlement growth in the WBGs and calling for restrictions on settlement trade.

The experience of the campaigning led by *Marsad* with Palestinian shopkeepers faced obstacles such as the internal conflicts within the coalition, the obstacles posed to such actions by the PNA-Israel commercial agreements and, finally, the general loss in the political credibility of the NGO sector amongst the population, mirroring that experienced by the political leadership. Both the national leadership and the NGO sector had suffered immensely from the Oslo process and struggled to offer visions and alternatives to the structures of a reinforced occupation.<sup>347</sup>

National consensus as during the years of the first *intifada* has been rendered impossible by the agreements of the Oslo process. In particular, the Paris protocols tied the PNA to cooperation and joint agreements with the occupation. The political parties and factions have lost influence in the PNA and as well the confidence of the population. The massive political and military pressure put on the Palestinian political parties by Israel and the international community has led to a stalemate. The Palestinian population is generally led to view their leadership without adequate political responses and capacities to support them in their severe economic hardship.

Thus, given the overall context, which in many ways serves to hamper or curtail an internal boycott of Israel, the response on the ground the Anti-Apartheid Wall Campaign (AAWC) received to the calls for internal boycott started in 2006 indicates renewed Palestinian determination to break dependence on the occupation.

---

<sup>346</sup> K. Nabulsi, 'The state-building project: what went wrong?', in M. Keating, A. L. More and R. Lowe (eds.), *Aid, Diplomacy and Facts on the Ground: The Case of Palestine* (London: Chatham House, 2005), p. 123

<sup>347</sup> However, one of the effective successes gained in NGO campaigning was linked to the call against fertilizers produced in the settlements which were of low quality and sometimes toxic composition. This prompted an alliance between Palestinian farmers, the NGOs promoting *Marsad* and the farmers' unions in order to protect Palestinian agriculture through a boycott of the dangerous fertilizers.

The call for boycott has been raised from many corners of the society and starts spreading slowly. Beyond the Palestinian Islamic and leftist parties that have upheld the boycott tradition even during Oslo, students of all affiliations in the universities are recreating the boycott tradition and renewing strategies of resistance. Discussions around an effective boycott of agricultural produce are paving the way for a strengthened self-consciousness and pride, and already under the most adverse conditions Palestinian-only markets are being set up. Israeli goods have been burned in popular demonstrations, a symbolic refusal to allow the occupation to continue its stranglehold upon Palestinian life and economy. Boycott trade fairs are held and recently the trade unions are starting to join the efforts. The boycott movement operates under the knowledge that Israel will lose up to four billion dollars annually if a boycott can be fully applied by the Palestinian side and that WBGS markets can be changed so that Israel is not the first beneficiary of four million Palestinian consumers.<sup>348</sup>

The Palestinian private sector has been hesitant towards the new initiatives. The years of Oslo have offered key profits with the occupation and taking a stance against the culture of JVs risks losing economic gains and necessary permits within an ever-tightening system of control and restrictions. Yet, the call for consumption of Palestinian products will also be an incentive for Palestinian businessmen. Thus, while the call to “buy Palestinian” is growing in all areas of Palestinian society, the call for boycott expands from the bottom up and is a popular initiative.

Undoubtedly, the external solidarity efforts strengthen the activities on the ground in Palestine. Yet, as already noted, the internal boycott forms its own weapon within the struggle, determined by its effectiveness in relation to time, place and circumstance. Currently, the West Bank, and even more so the Gaza Strip, have been forced into a state of dependency in which they are reliant in one way or another upon the provision of basic services by the occupation. The sanctions against the Palestinian people by Israel – and backed by the international community – have attempted to exact enormous suffering on these communities and remove any ability for Palestinians to be able to exist independently. Such conditions shape the political realities on the ground in Palestine, characterized by the most brutal system of control, and in which political and social organization are under direct attack.

### *Securing justice - Cooperation or boycott?*

In South Africa, as noted by Christian Concern for Southern Africa, there were “African leaders, including certain Bantustan leaders having to operate within the apartheid structure, who have expressed themselves in opposition to some boycotts.”<sup>349</sup> In 1980 the

---

<sup>348</sup> ‘Palestinian non-violent resistance boycotts Israeli products with projected loss in the billions’, Palestine News Network (Aug. 26, 2006),

<[http://english.pnn.ps/index.php?option=com\\_content&task=view&id=399&Itemid=29](http://english.pnn.ps/index.php?option=com_content&task=view&id=399&Itemid=29)>.

<sup>349</sup> CCSA, *Case for Economic*. <<http://www.anc.org.za/ancdocs/history/aam/abdul-7.html>>.

ANC's Oliver Tambo referred to sanctions opponent Mangosuthu Gatsha Buthelezi as a "spokesman for the regime."<sup>350</sup>

Opponents to the boycott – internal and external – such as Buthelezi proved to be an important element in the propaganda of the regime to show a multi-faceted rejection from South Africans to the boycott movement. In Palestine, the political realities on the ground, still very much in the afterglow of Oslo, have only just begun to undo the ties built up throughout the 1990s, in which the Israeli and Palestinian economies became closer and established co-operation. Consequently, the call for a boycott has grown in stature and strength across Palestinian society in the last few years and the declaration on July 9<sup>th</sup> of 2005 represented a watershed in terms of determining a platform by which activists and campaigners across the world could frame their relations with Palestine. Clearly the dynamics of Palestine in 2007 and South Africa in the early 1980s are different, however, with the failure of Oslo has come a re-assertion of the Palestinian right to win freedom and end the impasse of a "peace process" which has only brought further colonization of Palestinian land.

Solidarity work requires listening to the voices of the oppressed and recognizing that judgements are required in determining the efforts aimed at trying to assist those struggling against injustice. In the case of South Africa this meant ignoring leaders such as Buthelezi and acting upon the calls of the political parties, trade unions, civics and activists. With regard to Palestine it requires an appraisal by supporters in the rest of the world as to what strategies Palestinian groups have advocated and which will be the most effective in bringing about a just peace. That leads to a recognition that institutions set up during the Oslo years have worked within strictly defined parameters, which have been challenged by the Palestinian people in regards to assisting the goals of their struggle. It means that solidarity campaigners can consider the views of al-Quds University President Sari Nusseibeh, in the knowledge that they are acting upon the views and wishes of the majority of staff and academics in the Palestinian universities who favour the boycott.<sup>351</sup>

South Africans noted: "We reject totally the thesis which suggests that, by investing directly in our oppression, overseas investors will somehow be able to release us from the tyranny of apartheid."<sup>352</sup> In a similar way, investing today in Israel cannot be conducive to securing Palestinian rights, whereas the impact of a boycott may create the pressure necessary to bring a meaning to human rights and international law. While there are some elements in Palestine, notably from those with business interests, who persevere for cooperation and dialogue with the occupation, these voices are increasingly overshadowed by those who argue for cutting ties and links in order to secure justice. Part of that strategy is the BDS call and to strip away the complicity and mechanisms of

<sup>350</sup> O. Tambo, 'Statement at a Press Conference in Lusaka', *ANC* (July 23, 1980), <<http://www.anc.org.za/ancdocs/history/or/or80-7a.html>>. Buthelezi was chief minister of the KwaZulu Homeland.

<sup>351</sup> Khaled Amayreh, 'Outcry over boycott-breaker, Palestinian University lecturers unanimously condemn Al-Quds University President Sari Nusseibah', *Al-Ahram Weekly* (2-8 June 2005), <<http://weekly.ahram.org.eg/2005/745/re4.htm>>.

<sup>352</sup> CCSA, *Case for Economic*. <<http://www.anc.org.za/ancdocs/history/aam/abdul-7.html>>.

support for Israel, that enables it to continue to defy the rights of the Palestinians and impose upon them the most devastating system of oppression. Communities throughout the world have an obligation to consider the call and question how they can respond most effectively to countering the oppression of the Palestinian people.

## 5.2 A Global Boycott: Can It Work?

“A small economy based on innovation and strongly dependent on foreign trade.”  
- *World Trade Organization (WTO) evaluation of Israel in 2006* <sup>353</sup>

International pressure upon South Africa, the culmination of various BDS strategies, was strengthened by the country’s vulnerability in several economic areas. It was particularly dependent upon export trade (of a few key products), continual foreign investment and the import of oil. In the 1960s, it derived 35% of the national income from exports, compared with 4% in the United States and 21% in the United Kingdom.<sup>354</sup> These exports were reliant upon core trades, such as coal in which the country was believed to have approximately 64% of Africa’s known supplies.<sup>355</sup> As we have shown in some detail the BDS movement against South Africa, driven from the bottom-up, challenged the economic support to the regime. It took several decades but efforts increasingly isolated the regime and helped to undermine the sustainability of apartheid by the mid-1980s. Can the same pressure be achieved in the case of Israel, with a view to securing the pressure necessary to help facilitate the implementation of international law and the rights of the Palestinians?

At first glance, the Israeli economy is stronger than ever, having overcome the slump directly after the beginning of the second *intifada* and continuing to expand at a rate unparalleled across the wider region. Economists claim the Israeli market to be one of the largest and fastest-growing importing/exporting economies in the world, and the increase of investment and the number of companies doing business in Israel bears testament to this. Its resilience to the Palestinian *intifada* was in part characterized by the shift away from cheap Palestinian labour and to new migrant groups, particularly from the old Soviet Union. This ability to withstand pressure was also reflected by the capacity of the economy to weather several decades of concerted boycott lead by the Arab League. However, underneath this cursory economic analysis, and in a thorough exploration of the nature of the Israeli economy, a series of characteristics and potential vulnerabilities

---

<sup>353</sup> World Trade Organization (WTO), ‘Trade Policy Review’, *WTO* (February 2006), <[http://www.wto.org/English/tratop\\_e/tpr\\_e/tp258\\_crc\\_e.htm](http://www.wto.org/English/tratop_e/tpr_e/tp258_crc_e.htm)>.

<sup>354</sup> Ainslie, *Collaborators*, p. 26.

<sup>355</sup> Bailey, *Shell*, p. 14.

can be discerned, all of which hold a vital importance for those considering how today's global BDS movement can be effective.

### *Economic Overview*

Israel has a diversified modern economy with a strong entrepreneurial culture. It is reliant upon (and conducive to) significant levels of Foreign Direct Investment (FDI), and has strong export markets particularly in technology, diamonds, weapons and Research and Development (R&D) sectors. Still undergoing considerable structural changes from neo-liberal economic policies implemented from the early 1990s, previous substantial state ownership and regulations have given way to greater privatization and liberalization. Nevertheless state/private activities remain very much a dual process, with many business and economic practices integrated into Israeli "security" objectives, fuelling a system which perpetuates what we have described as a form of apartheid against Palestinians.

The illusionary participation by Israel in a "peace process" has provided the catalyst for new economic partnerships and lucrative business opportunities since the Oslo Accords. This was significant in bolstering the Israeli economy after its stagnation during the first Palestinian *intifada*, and gave fresh impetus to Israeli expansionism via the normalization of global ties and the institutionalization of the occupation. This process stimulated an unprecedented inflow of foreign investment, as companies and countries that formerly shunned the Israeli market for a variety of motives cashed in. New trade agreements and joint R&D projects took off; Israel's economy flourished and reached new heights.

Alongside the role of strong export-orientated economy is the reliance of Israel upon donor and diplomatic assistance, and its continuing relationship as a recipient of US financing. It has received approximately \$3 billion in aid per year from the US since the mid-1980s. Other benefits include military coordination and cooperation with the US and NATO, as well as strong diplomatic support from western countries in coercing other states to normalize their ties with Israel.

### *A Changing Economy*

In 1949 fruit juices and citrus fruits accounted for 67% of Israeli exports.<sup>356</sup> Almost sixty years on, Israel's economy had been totally transformed from settler based agrarian production to a high-tech and diversified economy. Today, Israel is viewed as the technological and industrial powerhouse of the Middle East, and as one of the most attractive markets for foreign investments.

Throughout the 1960s Israel ran a "closed war economy", protected by trade barriers, and bolstered by increasingly substantial volumes of economic and military assistance. It was within this context of regional conflict and US support that Israel's dominant capital was

---

<sup>356</sup> R.W. Pomfret, *Trade Policies and Industrialization in a Small Country: The Case of Israel* (Tubingen: Paul Siebeck, 1976), p. 55.

able to enjoy close to two decades of depth-driven differential accumulation.<sup>357</sup> From the early 1990s Israel began to implement policies of trade liberalization, setting the country on a trajectory of privatization which has continued until today. Business and economic activity is overseen and encouraged by the presence of a strong expansionist state, strengthening the asymmetrical relations with the WBGs and increased colonization across the West Bank. Regionally, trade agreements struck in Jordan and Egypt has led Israel into new markets.

However, undermining perceptions of Israel as a purely “statist” political economy – and in the past “socialist” – has been the increasing presence of transnational accumulation, and the integration of local capital into the global circuits of ownership.<sup>358</sup> Nitzen and Bichler note that:

Since the 1990s, Israel has emerged not only as a favourite destination for “high-tech” investors, money managers, and illegal flight capital, but also as the source of much capital outflow, with locally based capitalists acquiring assets outside their country. As a result of this cross-fertilisation, it was no longer easy to distinguish “Israeli” from “foreign” investors or for that matter to talk about “Israeli capitalism” as such. Finally, the structure of ownership, although centralised and transnational, kept changing at an unprecedented pace, with mergers and acquisitions, divestitures and asset re-shuffling keeping power forever fluid.<sup>359</sup>

In 2000, exports grew by an astonishing 23.3%, not least as a result of Israel’s high-tech boom and R&D programmes. The change in Israel’s exports over the last decade indicates the growth rate of traditional manufacturing exports has increased only slightly whereas dramatic increases can be seen in the new high-tech industries. In terms of total industrial output in the 10 years that followed 1994, low-tech production increased by 2.2% but its total share of output decreased by 8 %. Mid-tech remained constant in its share of the market while a 15.1% increase in high-tech production saw it account for 8% more of the total market.<sup>360</sup>

After the outbreak of the second *intifada* the Israeli economy struggled. Capital investors withdrew, economic activities were disrupted, and state expenditure rose due to the cost of brutally suppressing the Palestinian uprising. However, within a few years the trajectory of growth returned. Foreign direct investment, which had slumped after the outbreak of the *intifada*, boomed to \$6 billion in 2005 and forms a major component in the Israeli economy.<sup>361</sup> The current performance of Israeli GDP (about \$20,000 per person) is largely attributed to strong export sectors, and in particular the profits yielded by high-tech industries and manufacturing.

---

<sup>357</sup> Nitzen, *Global Political*, p. 27.

<sup>358</sup> *Ibid.* p. 3.

<sup>359</sup> *Ibid.* p. 16.

<sup>360</sup> Ministry of Finance, *Israel Economic Overview 2005* (Ministry of Finance, 2005)

<sup>361</sup> OECD, *International Investment Perspectives: 2006 edition* (OECD, 2006)

Israel's GDP in 2004 reached \$145 billion, an increase of 4.3% on the previous year while figures suggest that GDP increased by 5.1% in 2005. Israeli companies have enjoyed considerable success raising money on Wall Street and other world financial markets; Israel now ranks second among foreign countries in the number of its companies listed on Wall Street. Over 20 Israeli companies are traded on the London Stock Exchange and Israel is ranked second after Canada in the number of foreign companies traded on the American Technology Stock Exchange.<sup>362</sup>

Exports, US aid and high levels of foreign investment form the engine of Israeli growth and production. In 2004, the export sector's share in the total of GDP growth was about 60%, making it the main contributor of GDP growth.<sup>363</sup> Figures also revealed that the diamond market makes up a massive 28% of Israeli exports (9% rough diamonds and 19% polished).<sup>364</sup> Agriculture, which used to be the main crux of the economy, is now responsible for just 3% of export sales with industrial production (particularly in high-technology fields) responsible for the remaining 69% of exports. The major fields within this are communication technology, computer software, chemicals, biotechnology, weapons and control (military) systems. Foreign trade has continued to play a vital role in Israel. Merchandise trade (exports and imports) is the equivalent of about half of GDP and there is significant trade in commercial services. Israel exports close to \$10 billion of services a year as well as more than \$22 billion of goods.<sup>365</sup>

Israel has increasingly integrated into global markets and businesses. Its Export and International Cooperation Institute reported in 2006 that the participation of Israeli companies in international projects grew in 2005 by 150%, rising to \$1.5 billion from \$600 million in 2004. They noted that Israeli participation in international projects included \$500 million in the export of professional services, and \$1 billion in products. A report noted that 12 international tenders worth over \$50 million were won by Israeli companies in 2005, for projects financed by international banks, in developing countries; Turkey, Romania, Ethiopia, Bosnia, Nigeria, Cyprus.<sup>366</sup>

Excluding diamonds (which tend to be shipped on to the USA or Belgium), Israeli exports markets are predominantly dependent upon the EU and the USA (33% and 28% respectively). However, emerging markets in Asia and the Middle East have meant that trade with these areas has steadily increased over the last decade. Poor in many natural resources, Israel is dependent upon imports of petroleum, coal, food, raw materials and military equipment. In terms of imports, figures show (excluding diamonds) that 56.5% of imports come from the EU or USA which means (particularly in light of the African diamond market) that Israel is dependent upon a significant proportion of imports from

---

<sup>362</sup> Ministry of Finance, *Israel*.

<sup>363</sup> Ibid.

<sup>364</sup> Ibid. and from 2004.

<sup>365</sup> Export of services refers to a multitude of sectors in the Israeli economy when they work in conjunction with foreign companies, individuals and institutions in providing assistance or support. Traditionally this includes the spheres of commerce, banking, insurance, management, computer software and hardware, the military, information and technology systems, agriculture and construction.

<sup>366</sup> 'Participation in international projects up 150% in 2005', *Port2Port* (Mar. 6, 2006),

<<http://www.port2port.com/Index.asp?ArticleID=796&CategoryID=46&Year=2006&Month=3&Page=1>>.

the rest of the world. Israel's energy imports (various types of crude oil) have risen by 42% over the past four years, from \$3.1 to \$4.5 billion, of which Russia accounted for a third.<sup>367</sup>

### *International Aid*

"Israel's dependence on the United States is far greater than suggested by the sum of \$3 billion. Israel's physical existence depends on the Americans in both military and political terms. Without the US, we would not be equipped with the latest fighter planes and other advanced weapons. Without the American veto, we would have long since been expelled from every international organization, not to speak of the UN, which would have imposed sanctions on us that would have totally paralyzed Israel's international trade, since we cannot exist without importing raw material." - *Nehemia Stessler writing in Haaretz (1989)*<sup>368</sup>

Historically, Israel has not been economically self-sufficient. In the initial decades cash injections helped to balance deficits. Nitzen and Bichler assert that, "Zionism and business went hand in hand" and investors, "viewed their donations as investments, a sort of down payment for future certificates, rights, grants, subsidies, tax exemptions, and even physical protection."<sup>369</sup> This began to change in the 1970s as US aid and loans played a larger role – along with West German reparations – and borrowed capital.<sup>370</sup> Since 1985, the United States has provided approximately \$3 billion in annual grants to Israel. Since 1976, Israel has been the largest annual recipient of US foreign assistance, and is the largest cumulative recipient since World War II. In addition to US government assistance, it is estimated that Israel receives about \$1 billion annually through "philanthropy", an equal amount through short and long-term commercial loans, and around \$1 billion in Israel Bonds proceeds bought by supporters or by institutions and trust funds.<sup>371</sup>

After decades of borrowing money and dependency on foreign aid, Israel became a lending market in 2002 and has remained one since.<sup>372</sup> Aid has dropped slightly in recent years – even with the vast sums given to the occupation as a reward for the "disengagement" from Gaza – with the void filled by unprecedented levels of investment in the country, mostly engaged with high-tech firms and production.<sup>373</sup>

---

<sup>367</sup> 'Israel's Trade with Russia Reaches \$550 Million', *ATID-EDI* (4 May, 2005), <<http://www.atid-edi.com/fnarchive/bw20050504.htm#2.1>>.

<sup>368</sup> N. Stessler, *Haaretz*, 12 May 1989.

<sup>369</sup> Nitzen, *Global Political*, p. 279.

<sup>370</sup> C. R. Mark, 'Israel: US Foreign Assistance', *Congressional Research Service* <<http://www.adc.org/IB85066.pdf>>. p. 4.

<sup>371</sup> *Ibid.* Summary.

<sup>372</sup> Hever, *Economy*, p. 9.

<sup>373</sup> *Ibid.* p. 16, with a table of US aid over recent years.

### *Technology and Industry*

"Israel enjoys the highest concentration of high-tech companies outside of the Silicon Valley."  
- Robert Greifeld President & CEO NASDAQ 2004<sup>374</sup>

The high-tech sector currently accounts for 33% of Israel's total exports. Over the last two decades, a significant transformation has shifted the emphasis of business activity into the field of computers, software and electronics; communications; biotechnology; medical, agricultural and scientific equipment; and advanced weapon and "defence" systems. Technology plays a significant part in production across nearly all sectors of the economy.

Israel's Ministry of Finance has suggested that after Sweden, it spends more on R&D than any other country.<sup>375</sup> However the government keeps secret aspects of its R&D programmes, specifically the military sector. This has been estimated in the order of 2% of GDP, putting Israel's overall R&D at 4.3% of GDP (85% above the OECD average, and 30% more than Sweden).<sup>376</sup> It has various measures in place to boost the R&D sector, which itself was a product of the Oslo agreements, and as an enticement from the global community for engaging in a "peace process".

The Law for the Encouragement of Industrial R&D supports the projects of Israeli companies by offering conditional grants from 20%-50%. Israel is a participant in the Sixth Framework Programme for R&D of the European Union, the only non-European Associated State fully participating in the programme.<sup>377</sup> The Global Enterprise R&D Cooperation Framework encourages cooperation in industrial R&D between Israel and multi-national companies. To qualify for these programmes the company must be internationally competitive. The Law for the Encouragement of Capital Investments offers investors both investment grants and tax benefits. In terms of a grants programme, investment grants of 24% are approved for programmes determined to be high priority and 10% for slightly lower prioritized areas, together with corporate tax benefits for foreign investors at a rate of 10%. Automatic Tax Benefits Programmes offer foreign investors a complete tax exemption when investing in high priority areas for a 10-year period, or alternatively a 10% corporate tax rate when not located in a priority area.<sup>378</sup> Just as apartheid South Africa offered a range of incentives to prospective investors, so Israel has shaped a highly attractive market for global capital, forming a major motor of the overall economy.

Whereas in recent years the OECD governments financed on average 6.9% of private R&D, in Israel the comparable figure was 25.8%.<sup>379</sup> Israeli tax authorities have been especially lenient with high-tech companies, which typically enjoy long tax holidays, extendable indefinitely for rapidly growing firms. The result has been an effective tax

---

<sup>374</sup> Ministry of Finance, *Israel*.

<sup>375</sup> Ministry of Finance, *Israel*.

<sup>376</sup> Nitzen, *Global Political*, p. 346.

<sup>377</sup> Ministry of Finance, *Israel*, citing the Ministry of Industry Trade and Labor

<sup>378</sup> *Ibid*.

<sup>379</sup> *Ibid*. p. 347.

rate of around 15%, compared to 30-45% in the United States and Europe.<sup>380</sup> Two thirds of the “civilian” R&D is carried out by the private sector, with the remaining undertaken at universities, government organizations and other non-profit institutions. However, the defence establishment is responsible for part of the R&D activity that is utilised for the development of “civilian” applications. A considerable number of Israeli companies, one notable example being Check Point, develop services (in this case software) on the basis of knowledge and experience directly acquired from military applications.<sup>381</sup> Other scientific developments have come directly from defence innovations, such as a miniature capsule, produced by Given Imaging that is swallowed and transmits a picture of the patient's small intestine. The idea for what is considered to be a life-saving device was triggered by a missile scientist who took part in the development of the 3,000-pound Popeye missile, designed to pinpoint a target, within the size of a window, from stand-off ranges of up to 100 kilometres.<sup>382</sup>

Most of Israel's successful high-tech companies are intimately linked to the military with the most established, such as Tadiran, ECI, Elbit and Elron, owing their initial success to IDF procurement.<sup>383</sup> Meanwhile Check Point, Comverse, DSPC and Libit, “were founded by veterans of IDF communication, intelligence and computer units.”<sup>384</sup> Israel has the highest proportion of engineers and scientists among its population, 135 per 10,000 residents. In terms of university education meeting the “needs economy”, and hence the needs of the occupation, Israel is ranked second in the world. Israel ranks fourth in a list of Core Technology-Innovating Economies, only eclipsed by USA, Taiwan and Japan. The share of Israel's information communication technology exports as a percentage of exports of services is substantially high. In 1997, this share (20.1 %) was second only to Japan (24 %), and much higher than the OECD average, which was 12.5 %. This illustrates Israel's advantage in the Information and Communications Technology (ICT) industries.<sup>385</sup>

### ***Military***

Israel is one of the world's major exporters of military equipment. By the 1980s Israel joined the elite top ten countries of the world in military production and by 2000 officially recorded exports reached a new high of over \$2.49bn.<sup>386</sup> In 2001, according to the Israeli defence ministry, Israel supplied 10% of total world military exports. However, secret and clandestine deals mean this figure is likely to be considerably higher.

---

<sup>380</sup> Ibid.

<sup>381</sup> ‘Israel: Summary Report 1999-2000’, *European Survey of Information Society Projects and Actions*, <<http://www.eu-esis.org/esis2prom/ILprom7.htm>>.

<sup>382</sup> G. Shalgi, Israel's Defence Industry as a Key Component of Israel's Qualitative Military Edge, Jerusalem Centre for Public Affairs (14 March, 2005) <<http://www.jcpa.org/brief/brief004-20.htm>>.

<sup>383</sup> Nitzen, *Global Political*, p. 346

<sup>384</sup> Ibid.

<sup>385</sup> ‘Israeli economy at a glance’, *Israeli Ministry of Finance*, <[http://www.mof.gov.il/beinle/ie/israe\\_1.htm](http://www.mof.gov.il/beinle/ie/israe_1.htm)>.

<sup>386</sup> M. Turner, *Campaign Against the Arms Trade*.

Only around a quarter of current Israeli production in the military sector is produced for the internal market. Indeed, there are large gaps given the enormous domestic demands for military equipment used on Palestinians (and in the summer of 2006, Lebanese), which sustains the dependence of Israel upon the United States and a handful of NATO countries to grant it access to the most sophisticated military technology. Moreover, Israel is often allocated grants or access to military hardware at a reduced cost from the US and Germany.

Consequently, Israel, contrary to the norm of large arms producing countries (such as the US), gears production towards external markets, bringing in vital investment for the economy. As such, Israel has traditionally taken on the mantle as a major subcontractor and broker for American arms to the developing world.<sup>387</sup> Israel trades not just its own military exports, but also serves as a middleman for other states, selling military goods to a range of juntas, factions involved in civil wars and governments well known for their systematic human rights abuses.

Israel has actively supported some of the worst violators of human rights, arming a variety of regimes and movements across Africa, Asia and Latin America. It has also sold weaponry to NATO countries for use in the invasions and occupations of Afghanistan and Iraq. Such support is not solely motivated by the injection of cash into the Israeli economy, but by increased prestige and influence as well as ideology. Israel's support for apartheid South Africa, which went as far as nuclear cooperation during the years of mandatory UNSC military sanctions, was based on such an ideological parity between Zionism and South African apartheid. Annual two-way sales were worth more than \$500m and Israel was apartheid South Africa's leading arms supplier in violation of the arms embargo. Israel helped South Africa produce the light-weight Scorpion helicopter and the Cheetah jet fighter. They also assisted in ventures to produce Uzi submachine guns, Galil rifles, Reshef missile-firing boats, the 850-ton guided missile Corvette vessel and Scorpion missiles.<sup>388</sup> Israel also supplied the regime with at least 4 specially converted Boeing 707 aircraft fitted with sophisticated electronic warfare platforms.<sup>389</sup>

Moreover, there is consensus that Israel worked jointly with apartheid South Africa in developing nuclear weapons. By 1980 Israel was reported to be in receipt of South African uranium and to be providing nuclear power development assistance in return.<sup>390</sup> In the previous year, South Africa and Israel are believed to have conducted a nuclear test in the south Atlantic. Information was reportedly picked up by US Vela satellite equipment, designed to detect nuclear explosions and the CIA tracked a small-specialized fleet of the South African navy to the area of the explosion.<sup>391</sup>

---

<sup>387</sup> J. Halper and J. Elmer, 'Israel and the Empire', Z-Mag (Sep. 23, 2003), <http://www.zmag.org/content/showarticle.cfm?ItemID=4238>

<sup>388</sup> Sparks. *Arming*. p. 4, and Adams. *Unnatural*, p. 118/123.

<sup>389</sup> J. Hunter, *Undercutting Sanctions: Israel, the US and South Africa*. revised edition (Washington: Washington Middle East Associates, 1987), p. 1.

<sup>390</sup> *Ibid.* p. 15.

<sup>391</sup> *Ibid.* p. 19.

The Naval Research Laboratory (NRL) – which had put together a specialized research team of 75 at the request of the Carter administration – submitted a paper on 30 June 1980 which concluded there had been a nuclear explosion somewhere near the Prince Edward Islands in the Indian Ocean.<sup>392</sup> The CIA, in a classified report submitted to the National Security Council on 20 June 1980, suggested that the blast had indeed taken place, and was a direct result of co-operation between Israel and South Africa.<sup>393</sup> Adams has concluded that the South African bomb had “been done with the help of Israeli scientists and Israeli technology”.<sup>394</sup> Meanwhile, Mordechai Vanunu is said to have attested to a continuing presence at Dimona of South African scientists, metallurgists and technicians.<sup>395</sup>

Major customers in Latin America during the 1970s and 80s included the Galtieri regime in Argentina, the Pinochet regime in Chile, Bolivia, El Salvador, Haiti, Nicaragua under Somoza, Noriega's Panama, Guatemala, and drug barons in Colombia and Sri Lanka, all of which were notorious for gross human rights violations. Israel provided various means of support to Portugal during their effort to maintain colonial rule over Angola, Mozambique, and Guinea-Bissau in Africa.<sup>396</sup>

In fact, selling arms to countries or groups shunned by other arms exporters has helped Israel become a leader in the global market. This 1981 proposal from the chief economic coordinator in the Israeli cabinet, Yacov Meridor, underlines the nature of Israeli policy to aggressively promote what has become a vital aspect of its export trade:

We are going to say to the Americans, “Don't compete with us in South Africa, don't compete with us in the Caribbean or in any other country where you can't operate in the open.” Let us do it. I even use the expression, “You sell the ammunition and equipment by proxy. Israel will be your proxy,” and this would be worked out with a certain agreement with the United States where we will have certain markets ... which will be left for us.<sup>397</sup>

David Ivri, an adviser to the Israeli defence ministry who was instrumental in bringing about the Israeli-Turkish accord, when asked by the Jerusalem Post in 1997 whether Israel considers human rights when it sells arms to other countries, said: “Israel to this day has a policy of not intervening in the internal matters of any country in the world. We don't like it when others interfere in our internal matters. For this reason, our policy doesn't touch on such matters.”<sup>398</sup>

---

<sup>392</sup> Adams. *Unnatural*, p. 193.

<sup>393</sup> *Ibid.* p. 195.

<sup>394</sup> *Ibid.*

<sup>395</sup> Hunter. *Undercutting*. p. 20

<sup>396</sup> B. Beit-Hallahmi, *Israeli Connection*, p. 43.

<sup>397</sup> Quoted in J. Hunter, *No Simple Proxy: Israel in Central America*, eds. J. Power and J. Zogby (Washington: Washington Middle East Associates, 1987), p. iii.

<sup>398</sup> M. Turner, ‘Arming the Occupation: Israel and the Arms Trade’, Campaign Against the Arms Trade (2002), <<http://www.caat.org.uk/publications/countries/israel-1002.php>>.

As a result Israel has fuelled a series of arms races and conflicts across the world. In 2004, official figures showed Israel's sale of armaments to developing countries amounted to US \$1.2 billion, falling below only the US, Russia and the UK.<sup>399</sup> In reality, sales are likely to be even higher from unofficial and unreported deals and given the presence of Israeli traders in West Africa. These exports have not only played a crucial role in offsetting Israel's trade imbalance but have also performed a key role in furthering its stake as a powerful global player. An EU study from 2003 showed that 59% of citizens from across 15 countries saw Israel as the greatest threat to world peace.<sup>400</sup>

Israeli products are marketed on the basis that they are tried and tested on the Palestinians and then exported to the rest of the world as a proven product. As the ex-CEO of Rafael stated: "One of Israel's advantages is the very close teamwork between the defence industry and the end user in the IDF. Engineers and users have to understand one another, and work as a close team in order to bring innovative solutions to the field."<sup>401</sup> These "innovative" solutions have resulted in Israel developing the hardware necessary to sustain the most brutal military occupation, and then made available for export to the rest of the world.

The sale of arms and technology has become one of the most effective techniques to further Israeli influence, evident from the enormous military cooperation and sales in place with China, India and Turkey.<sup>402</sup> All three, particularly India, have abandoned previous solidarity with the Palestinian struggle, and deployed rhetoric clearly in line with Zionist "security" concerns.

Israel's military sector is made up of more than 200 public and private companies, but production is dominated by four companies: Israel Aircraft Industries (public), Israel Military Industries (slated for privatization), Rafael (Armaments Development Authority, previously private but currently government owned) and Elbit Systems Ltd (ESL – private). Together they produce 69% of Israel's \$3.6bn annual military revenue.<sup>403</sup>

Trends in globalization have culminated in Israeli military companies increasingly turning to joint agreements and alliances with defence companies in other parts of the world. Israel's Defence Ministry actively encourages such "strategic alliances with leading defence companies abroad to share risks, investments, and markets."<sup>404</sup> Nowhere has this been more evident than in the former Eastern Bloc where Israeli companies have entered into joint agreements with national (or previously national) defence companies, especially as many of them privatize. It has also entered into strategic alliances with

---

<sup>399</sup> Hever, *Economy*, p. 12.

<sup>400</sup> 'EU Poll Names Israel Greatest Threat to World Peace', *Deutsche Welle* (Nov. 4, 2003) <<http://www.dw-world.de/dw/article/0,,1022127,00.html>>.

<sup>401</sup> Shalgi, *Israel's*.

<sup>402</sup> D. Isenberg, 'Israel's role in China's new warplane', *Asia Times* (Dec. 4, 2002), <<http://atimes.com/atimes/China/DL04Ad01.html>>.

<sup>403</sup> Turner, *Arming*.

<sup>404</sup> Shalgi, *Israel's*.

companies from other countries, such as the US and UK, which along with Israel's numerous military dealings are documented online.<sup>405</sup>

In 2006 a senior source in the Israel Air Force (IAF) noted that the seclusion policy is "no longer relevant" reflecting the co-operation of Israel's military with a host of other countries and groups such as NATO.<sup>406</sup> In 2005 the IAF undertook a record number of overseas deployments, conducting exercises with more than a dozen foreign air forces. This included the first ever participation in Canada's Maple Flag exercises, which focused on low intensity warfare. Ten IAF-F16C/Ds and a Boeing 707 tanker took part. Later in the year Israel took part in NATO exercises in the Mediterranean and the Red Sea.<sup>407</sup>

Military exports are interwoven with the very highest levels of government and political power. Amongst Ariel Sharon's closest associates were top arms dealers Markus Katz and Ya'akov Nimrodi. Sharon was personally responsible for sealing numerous arms deals throughout the 1980s. During Shimon Peres' tenure as foreign minister he was accompanied abroad by top arms dealers.<sup>408</sup>

### ***Chemicals and Biotechnology***

Israel's \$6.5 billion industrial chemicals market is stimulated by developments in Israel's leading industries, including the chemical, pharmaceutical, cosmetic, food, electronics and metalworking industries. Total imports of organic and inorganic chemicals into Israel grew by 26% since 2003, reaching \$1.3 billion in 2005. Total imports of plastic in primary form grew by 35% reaching \$952 million in 2005. The US share accounts for \$500 million. Europe is Israel's main source for industrial chemicals with an annual share of 70%.

Exports of speciality chemicals, especially fertilizers, are strong in India and China where Israel Chemicals Ltd. (ICL) is achieving record growth.<sup>409</sup> ICL produces approximately 35% of the world's bromine and 10% of its potash. ICL is a leading supplier of fertilizers in Europe and has become the world's leading provider of pure phosphoric acid and a major specialty phosphate player.<sup>410</sup> Production is concentrated in the Dead Sea area, from which Palestinians have been cut off.

Israel maintains illegal chemical factories in the West Bank where companies can extricate themselves from tougher Israeli laws over pollution and waste. Israel is also a major player in the global biotechnology industry. Sales from the biotech sector generated \$1.8-\$2.3 billion in 2004 and Israel's share in global biotechnology sales is

<sup>405</sup> See [www.boycottmovement.net](http://www.boycottmovement.net).

<sup>406</sup> 'Israeli Air Force to Develop Coalition skills', *JDW* (Mar. 8, 2006), p. 17.

<sup>407</sup> *Ibid.*

<sup>408</sup> Nitzen, *Global Political*, p. 290. Specifically Saul Eisenberg.

<sup>409</sup> Israel Chemical Group Reports with Record Sales in 2nd Quarter, [magnesium.com](http://www.magnesium.com), 23 Aug. 2006, <[http://www.magnesium.com/w3/news-room/news\\_open.php?news=2376](http://www.magnesium.com/w3/news-room/news_open.php?news=2376)>.

<sup>410</sup> *Ibid.*

about 2.5%.<sup>411</sup> This encompasses the Israeli medical industry including medical equipment, electronics and generic drugs.

### *Diamonds*

"I really don't know. We get them all from Israel . . . But actually, where the diamonds come from really nobody knows, to be very honest with you . . . We can't tell."

*Independent jeweler in Washington, DC*<sup>412</sup>

Israel's biggest trading partners overall are the USA and Belgium. Along with Israel they make up the world's major diamond markets. That these two countries rank highest in levels of trade with Israel is testament to the enormous contribution and role of the diamond trade to the Israeli export economy. Diamonds make up a massive 28% of exports and Tel Aviv is the hub of a trade with extensive moral and ethical implications.

The Financial Mail noted in 1979 that Israel had imported in excess of \$1 billion worth of diamonds for its industry in 1978 "and the bulk of them originate in South Africa."<sup>413</sup> The majority of unpolished diamonds that go through Israel come from sub-Saharan Africa, exported from heavily unstable societies often wracked by years of civil war and conflict (and in some cases still in conflict). Koyame has noted how Israeli interests took advantage of the withdrawal of the De Beers mining corporation from conflict areas and today has a well-organized network including Dan Gertler in the Democratic Republic of Congo (DRC), Lev Leviev in Angola and Shmuel Shnitzer in Sierra Leone.<sup>414</sup> Network operations have been linked to the exchange of conflict diamonds for money, weapons and military training, all provided by Israeli businesses and individuals, many of whom with links that go to the top of the military establishment. Exchanged diamonds have even been sent on to Tel Aviv using special airplanes flown by former Israeli Air Force pilots.<sup>415</sup>

Israel has been the subject of intense criticism for its historical role in the diamond trade, and more generally for having perpetuated conflict in Africa through the arming of militias across the continent. A report published by Tel Aviv University tried to extricate Israel, attaching the blame instead on unscrupulous individuals:

Private security companies and arms dealers have come to replace government-to-government military cooperation, selling their services and wares to the highest bidder in such countries as Liberia, Sierra Leone, the Democratic Republic of Congo, Angola, Cote d'Ivoire, and Cameroon. Some have embroiled themselves (and, by extension, Israel) in particularly ugly local conflicts, against the better

---

<sup>411</sup> Ministry of Finance, *Israel*.

<sup>412</sup> Global Witness, *Broken Vows: Exposing the "Loupe" Holes in the Diamond Industry's Efforts to Prevent the Trade in Conflict Diamonds* (Washington: Global Witness Publishing, 2004), p. 26.

<sup>413</sup> Joseph, *Besieged Bedfellows*, p. 33.

<sup>414</sup> M. Koyame, 'United Nations Resolutions and the Struggle to Curb the Illicit Trade in Conflict Diamonds in Sub-Saharan Africa', *African Journal of Legal Studies*, 2 (2005).

<sup>415</sup> *Ibid.*

interests of all involved. Their operations often do not reflect Israeli policy; the Israeli government has no ability to monitor their activities, and too often they have damaged Israeli interests on the continent.<sup>416</sup>

However, in reality Israel chooses to turn a blind eye to the operations of its citizens in Africa, and Tel Aviv has been a source for laundered and embargoed diamonds.<sup>417</sup> In recent years Israel was criticized for breaking UNSC sanctions, which were in place from 1998 until 2002 regarding Angola. Amongst a number of measures, the sanctions prohibited the direct or indirect export of unofficial Angolan diamonds, defined as those not accompanied by a Certificate of Origin issued by Government of Unity and National Reconciliation (GURN).<sup>418</sup> Diamond trading centres in Belgium, South Africa and Israel were still readily accepting illegal diamonds from Angola, including from rebel group UNITA.\* UNITA had consistently relied upon hard cash and weapons it could procure from conflict diamonds in order to maintain its role in Angola's civil war. From 1992 until the end of the decade UNITA controlled around 60-70% of Angola's diamond production, generating in excess of US \$3.7 billion in revenue.<sup>419</sup>

Israeli business interests in the DRC are most prominently represented by Dan Gertler who heads International Diamond Industries (IDI), part of the DGI (Dan Gertler International) empire. IDI was awarded an 18-month monopoly on diamond exports from the DRC in July 2000 through the company's subsidiary IDI-Congo, to take effect 30 days after signature. In a lawsuit launched after the deal was signed, accusations were made by a former officer in the Israel Police Border Guard Anti-Terrorism Unit that that the deal was to include training for Laurent Kabila's army.<sup>420</sup>

Meanwhile Nkere Ntanda Nkingi, special investments adviser of Laurent Kabila, and one of the signatories of the first agreement, mentioned a possible venture with Israeli military specialists working in the DRC as part of the deal for the IDI-Congo contract. He alluded that the Israeli army would assist with training the police anti-smuggling unit and that this deal was one of the reasons why the company was chosen.<sup>421</sup> This was denied by IDI-Congo, the Israeli Defence Ministry and the DRC government, with Nkingi later

---

<sup>416</sup> The Africa Institute of the American Jewish Committee and The Harold Hartog School of Tel Aviv University, 'Israel and Africa: Assessing the past' (2006), available online, <<http://spirit.tau.ac.il/government/downloads/IsraelAfrica.pdf>>. p. 12.

<sup>417</sup> Koyame, *United Nations*.

<sup>418</sup> June 24th 1998, with Resolution 1176 activating UNSC Resolution 1173.

\* União Nacional para a Independência total de Angola - (National Union for the Total Independence of Angola).

<sup>419</sup> Global Witness, *A Rough Trade: The Role of Companies and Governments in the Angolan Conflict*, (London: Global Witness Ltd., Dec. 1998).

<sup>420</sup> See D. Barouski, 'Update on The Congo', *Znet* (July 25, 2006)

<<http://www.zmag.org/content/showarticle.cfm?ItemID=10638>> and Y. Danon, 'Israel: Lawsuit claims corruption in Congo diamonds for arms deal', (*Globes*, 18 Feb. 2004), cited on *Mines and Communities*, <<http://www.minesandcommunities.org/Action/press269.htm>>.

<sup>421</sup> C. Dietrich, 'Blood Diamonds: Effective African-based Monopolies?', *African Security Review*, 10/3 (2001).

reportedly jailed for unspecified reasons. Chorev, IDI-Congo's spokesperson, noted that IDI-Congo was "not directly involved in any military operation."<sup>422</sup>

The contract was repealed in April 2001 but IDI was to succeed in signing a new agreement in 2003. This has also sparked controversy. According to Newsweek, the former minister of mines considered it to be "terrible".<sup>423</sup> Congo is the world's third-largest exporter of diamonds. Exports of mostly industrial-quality diamonds accounted for about 70% of the Central African nation's total export revenues in 1999.<sup>424</sup>

Gertler has other ties to trading in the continent. In September 1999, it was noted in the media that he was linked to Dov Katz and Yair Klein in a programme of diamond purchases in exchange for military training and arms deliveries in Liberia and Sierra Leone in 1997.<sup>425</sup> Katz was reportedly the link between Gertler, providing financing, and Klein, providing the training. The operation allegedly failed due to convoluted military and political developments in Sierra Leone that led to the lengthy imprisonment of Klein in Freetown under suspicion of arming the rebels. Klein has been reported for involvement in training the Medellin drug cartel in Colombia in the 1980s.<sup>426</sup> He was convicted in Israel of illegally exporting military equipment and has evaded a warrant for his arrest in the US for his activities in Colombia.<sup>427</sup> IDI-Congo currently has a buying operation in Sierra Leone.<sup>428</sup>

Israel exports approximately half of its diamonds to the USA. In 1999 it exported more polished diamonds, by value, than India and Belgium combined. This was worth a total of \$4.2 billion, which is 46.5% of the USA import market.<sup>429</sup> India was the second largest exporter with \$2.2 billion, which formed 24.9% of the USA import market and Belgium was the third largest with \$1.8 billion of exports forming 20% of the import market.<sup>430</sup>

In 2005 Israel's diamond industry ended the year with growth in all areas of activity, maintaining its position as a major world manufacturing and trading centre for polished and rough diamonds. Diamond exports broke, for the first time ever, the \$10 billion threshold. Net polished exports in 2005 rose 5.8% to reach an all time high of \$6.707 billion, compared to \$6.337 billion in 2004. Rough diamond exports from Israel rose 20.5% in 2005 to reach \$3.517 billion, up from \$2.920 billion in 2004.<sup>431</sup> There are an

---

<sup>422</sup> Ibid.

<sup>423</sup> Y. Melman and A. Carmel, Diamond in the rough, *Haaretz Friday Magazine* (Mar. 25, 2005).

<sup>424</sup> E. Knickmeyer, 'Congo Cancels Israeli-Diamond Supply', *Associated Press* (21 April, 2001), accessed from <<http://www.globalpolicy.org/security/issues/congo/2001/0421diam.htm>>.

<sup>425</sup> Dietrich, *Blood*.

<sup>426</sup> Ibid.

<sup>427</sup> Ibid.

<sup>428</sup> Ibid.

<sup>429</sup> Global Witness, *Conflict Diamonds: Possibilities for the Identification, Certification and Control of Diamonds* (London: Global Witness Ltd., 2000).

<sup>430</sup> Ibid.

<sup>431</sup> Israel's diamond exports in 2005 broke the \$10 billion threshold', *port2port*, 16 Jan. 2006, <<http://www.port2port.com/Index.asp?ArticleID=731&CategoryID=46&Year=2006&Month=1&Page=1>>.

estimated 2,000 official workers employed by Israeli diamond companies overseas, in countries with substantially lower labour costs.<sup>432</sup> Israel processes about 75% of the annual production of higher-value gem diamonds, and so is very significant in terms of the overall control of the trade.<sup>433</sup>

### ***Tourism***

Tourism has an important role in the Israeli economy. Aside from bringing in foreign currency it is both a major sector of employment and also enables the financing of Zionist tourist amenities and facilities built (and currently expanding) on Palestinian land. By the mid 1980s it was an established money earner with over a million tourists visiting Israel annually.<sup>434</sup> While figures have fluctuated, especially during the two *intifadas*, Israeli tourism has returned in recent years to the levels reached during the mid 1990s. War with Lebanon may have offset the recovery, but tourism is expected to pick up in coming months and continue to shape a significant aspect of the economy.

The number of tourists arriving in Israel on group tours rose from 57,000 in the first quarter of 2004 to 95,000 in the first quarter of 2005, a 65% increase. The Israel Incoming Tour Operators Association has predicted that one million tourists will visit Israel on group tours alone in 2007. The Israeli Ministry of Tourism has stated such an increase means an additional \$120 million injected into the economy.<sup>435</sup> However, tourist figures may not be precise given that many visitors to Palestine will enter as official tourists to Israel. Apart from the Allenby Crossing from Jordan and the Rafah crossing from Egypt (both not under Palestinian control), the only entrances into the WBGS are through Israel and the control of the occupation.

The number of nights stayed at Israeli hotels was up 8% in the first quarter of 2005 from the previous year, to a total of 3.3 million. The number of foreign tourist hotel nights soared by 38% to 1.3 million in the quarter, representing some 40% of the total hotel stays. While still down from the record number of 2000, immediately prior to the *intifada*, a strong Israeli economy is sustained by the valuable contribution of the tourist sector.

### ***Agriculture***

Agriculture's share in the economy has continued to decline steadily since the 1960s. Farming today accounts for less than 2% of GDP, just 3% of total exports, and employs around 3% of the labour force. While Israel's agricultural production has increased twelve-fold over the past 40 years, it has been significantly overtaken by other industries

---

<sup>432</sup> Global Witness, *Conflict* (2000).

<sup>433</sup> Ibid.

<sup>434</sup> Sarna, *Boycott*, p. 71.

<sup>435</sup> 'Passover Tourist Numbers Up 40%', *ATID-EDI*, 4 May 2005, <<http://www.atid-edi.com/fnarchive/bw20050504.htm#section-10>>.

in economic production as a whole.<sup>436</sup> Israel is self-sufficient in some agricultural products (such as foodstuffs), and competes successfully in export markets for cash crop items such as cotton, avocados, tomatoes, dates, cut flowers and citrus fruits. Agricultural production in Israel today is valued at over \$2 billion, of which 70% is exported.<sup>437</sup> With most of its production destined for export markets, the sector contributed to about 6% of merchandise exports in 1997.

The use of agricultural research and development programmes and activities have been a core part of Israeli diplomatic activities in the rest of the world, through the MASHAV centre for international co-operation. Established in 1958, MASHAV is part of the wider Israeli mission to strengthen its ties and standing in the developing world and it currently has projects in more than 140 countries. MASHAV holds classes in various countries as well as distance learning and seminars in Israeli universities. It claims that its projects focus on training for professionals from all over the world in “agriculture, dairy farming, desert ecology, early childhood education, emergency and disaster medicine, refugee absorption and water management,” with over 200,000 participants in MASHAV-sponsored courses to date. It is of the utmost irony that Israel declares to speak with authority to the developing world on “refugee absorption” while it is the perpetrator of the largest and longest standing refugee tragedy in the world today.<sup>438</sup> Zionist ideology, dressed up as “aid” and “humanitarianism”, belies the slogans of sustainable development; capacity building and supporting “emerging nations”, an attempt by Israel to distance itself from the destruction and havoc it reaps upon Palestinians on a daily basis.<sup>439</sup>

MASHAV also state their agricultural programme “is based on our belief that Israel’s agricultural miracle can be replicated in other countries facing severe food security challenges today.” This includes “Israel’s own tested solutions for problems such as water, capital and land shortages” that “can help the countries of the developing world transform their agriculture from traditional subsistence to sophisticated market-oriented production.”<sup>440</sup> Whether strategies such as robbing water supplies from a captive people, forcing them into structures of cheap labour to fund Israeli growth (akin to apartheid South Africa’s system of racial capital), and stealing land for new settlements to deal with land shortages are featured in MASHAV programmes is unlikely. Its role as an institution disseminating myths regarding Israeli growth and development is extremely important as a propaganda exercise for Israel whose agricultural production has been based upon the expulsion of Palestinian people from their lands.

---

<sup>436</sup> MASHAV, ‘What We Do: Agriculture and Related Disciplines’, *MASHAV*, <<http://mashav.mfa.gov.il/mfm/web/main/document.asp?DocumentID=31763&MissionID=16210>>.

<sup>437</sup> J. Fedler, ‘Israeli Agriculture: Coping With Growth’, *Jerusalem Post*, 18 May 2001.

<sup>438</sup> G. Becker, ‘The Essence of Colonialism’, *Al-Ahram*, Jun. 2006, <<http://weekly.ahram.org.eg/2006/798/feature.htm>>.

<sup>439</sup> *Ibid.*

<sup>440</sup> MASHAV, *What We Do*.

### ***Potential strengths for a BDS campaign***

Israel's integration into world markets, and increasingly regional ones; the systemic trends of neo-liberal economics; the diversification of capital investment and its strong private sector, combine to make its economy appear significantly more stable than that of apartheid South Africa during the 1970s and 1980s. Analysts have claimed that the application of boycott, particularly the secondary and tertiary levels, "is all but impossible in the age of globalization" and that, "in the field of technology, in particular, insisting on a boycott policy is not only not enforceable but is self-defeating."<sup>441</sup> Israeli exports, in the form of services, components, weapons and general production related to technology are of course extremely difficult for consumers and businesses to trace and thus boycott. The nature of today's markets make products difficult to source, and are in many cases purchases of goods and services by governments, and businesses are based upon efficiency, cost and quality and in which decision making processes are far removed from the public. Thus BDS campaigns not to unload Israeli produce may appeal to dockers and their unions but they may be ineffective given that Israeli technology and components are used in a host of products and goods which may not be apparent on goods arriving in ports across the world.

Furthermore, produce obviously Israeli, such as agricultural exports, make a far easier target for boycott but contribute much less to the economy today than in previous years. Thus, even if dockers and supermarket workers begin to implement the boycott call in the coming years, they may well be limited in the scope of produce which can be targeted unless ways can be devised to isolate and depict the various uses of Israeli technology. This would need to run alongside a strong campaign to encourage companies to source technology and components for goods and services from elsewhere and would also require challenging the role of international participation for R&D projects with Israel, detailed within internet and outreach resources.

In terms of divestment, the integration of Israel into global markets means that almost every multi-national company can be linked to Israel in some way via its financial activities, holdings and subsidiaries. Israeli technology and components are utilized in thousands of products and services and Israel is a financial centre for capital investment that has consistently yielded strong returns. This makes targeting suitable companies for divestment far harder than in South Africa, when there were a handful of companies central in their importance to the apartheid regime. Those that sustained apartheid, from the oil companies, the banks such as Barclays, to mining groups, fruit and coal exporters and so on became far more vulnerable to lowering confidence in South African markets than if those risks had been spread out in a far more diverse mixture of trade and markets. Moreover, the research that has been carried out in preparation for divestment, including that by churches and progressive NGOs, has focused upon companies with clear links to the occupation of the WBGS. That strategy, while necessary for a BDS campaign, is unlikely in itself to build the kind of pressure necessary to exact social and political change. Given the presence of Palestinians not just in the WBGS, but also as citizens of

---

<sup>441</sup> Raphaeli, *Arab*.

Israel and as refugees in the *diaspora*, it is clear that BDS activities must extend into the range of campaigns outlined in the history of the anti-apartheid movement against South Africa.

But does this spell doom for BDS campaigns, or are there openings and opportunities for future impact and pressure upon Israel? What Israel does have in common with apartheid South Africa's economy is the dependence upon export markets, constant sources of foreign investment and financing. Israel also maintains core identifiable trades that may be targeted. Moreover, it relies on support from countries whose public has the potential to sympathize with the Palestinian cause and recognise the BDS call. Israel also relies upon key imports, notably raw materials, energy resources and unpolished diamonds. Raw-material imports accounted for 71% of total imports in 2003, 72% in 2004 and 74% in 2005 (as of September).<sup>442</sup>

Surplus produced by the Israeli economy for export depends on imported raw materials. Slowing or hindering the flow of raw materials to Israel could produce an immediate effect on Israel's strongest and wealthiest industries. Trade sanctions of any kind on Israel will have a simultaneous effect on imports and exports. Moreover, Israel's imports come from a far wider group of countries than those that supplied the apartheid South African regime. South Africa relied predominantly on the UK and US, suggesting that there is far more scope for BDS initiatives such as embargos and sanctions to come from diverse parts of the world (particularly from people who have good reason to sympathize with the Palestine struggle in light of their own histories of struggle against colonial oppression).

With Israel it is clear that with capital investment sanctions, a drop in foreign direct investment, or a climate in which investor confidence is lowered, that the structures which sustain growth and production will weaken. Whereas Israel was previously characterized by its isolation during the 1960s and 1970s, and relied upon German reparation and US aid to manage deficits, it has today a highly globalized economy susceptible to similar challenges that South Africa faced in the mid 1980s from a global mass movement promoting the BDS call. That a Belgium company recently refused to export Israeli technology because of what it termed "Israel's war crimes and apartheid regime" highlights a potential for the most powerful sector of the Israeli economy to become isolated.<sup>443</sup> In addition, Israeli R&D programmes and ventures are frequently entwined with higher education institutions, which have already been targets of successful BDS campaigns in the UK.

Vital within any global movement will be the promotion of symbolic boycott practices raising public awareness and consciousness to the Palestinian struggle and helping to overcome the dominance of pro-Zionist perspectives in the media and institutions (such as schools and universities). Campaigns in some cases can directly challenge some of the worst excesses of Israeli occupation such as the operations of the Agrexco company in

---

<sup>442</sup> Hever, *Economy*.

<sup>443</sup> E. Kenan, 'High-tech firm boycotts Israel over "war crimes"', *Y Net*, 27 Sep. 2006, <<http://www.ynetnews.com/articles/0,7340,L-3308579,00.html>>.

the Jordan Valley and the Gaza Strip, which distributes agricultural produce grown on stolen Palestinian farming lands (in the Valley's case) and ships to European food stores and markets within 24 hours of harvesting. They can also challenge the presence of Israeli sport and culture, particularly in societies where a trade boycott of Israel is limited in the impact it can have due to minimal levels of business.

BDS initiatives cannot be treated as single and separate campaigns, but must be linked to a common discourse that can build the kind of global anti-apartheid movement witnessed in the 1970s and 80s. Moreover, it is not just about having an economic impact through BDS movements, but creating social and political consensus, forging a just discourse and developing a vision of transformation across groups sharing common goals. Forging unity and establishing greater coordination does not require constructing an elaborate administrative structure or a hierarchy of decision-making. Rather, it requires various worldwide solidarity campaigns to express their activities within the framework of BDS activism, especially where smaller groups of campaigners feel isolated and/or ineffective. The synergy gained from a global solidarity movement can bring tangible benefits; the sharing of ideas, resources and the projection of an international image rather than that of a local, disparate initiative. Acronyms such as Global Palestine Solidarity (GPS) or BDS Movement can serve to be useful here.

### **5.3 Turning the tide: Media and popular opinion**

"We South Africans faced apartheid and exploitation, bullets and prison, not with bouquets of flowers, but with resistance. This is the history of all oppressed people. Why should it be different for Palestinians?"

*- From Statement by the Palestine Solidarity Committee of South Africa (2001)*

Turning the tide within popular discourse and the media – building an acknowledgment of Palestinian rights – is a core objective of the campaign and goes hand-in-hand with activities on the ground attempting to implement the BDS appeal. The South African anti-apartheid struggle gradually instilled within the media a duty and obligation to distinguish the rights of those struggling for liberation against oppression. The National Union of Journalists (UK and Ireland) distributed leaflets to members advising them not to write articles with unchallenged statements by the South African government, and to ensure that if a report from the region was censored that this be stated. It is vital to develop a far greater rigour and accuracy in today's media in reporting on the Palestinian struggle and in overcoming the endless accounts of "conflict" and "peace processes" which dominate headlines and broadcasts, and which have consistently ensured that the context of the struggle is removed from public consciousness and opinion.

Undoing the double-speak will need a far greater appreciation of the historical legacy of dispossession and exile of the Palestinian people, an acceptance of the context of a

freedom struggle and will need to afford Palestinians the same kind of objective reporting that marked coverage of South Africa during the 1970s and 80s. For example, representatives of the white regime were often denied legitimacy and an opportunity to promote a racist platform. This was not corruption or bias but an objective appreciation that an occupied people had the right to struggle and had the right to win their freedom. This needs to be built into the media today, especially those directly responsible to the public, and to ensure that representatives of the Israeli government are dealt with as the symbols of an illegal occupation and as representatives of a state which has committed war crimes. If its propagandists are to be afforded television and radio airtime, the minimum BDS movements can demand is that occupation representatives are challenged by Palestinians or by their supporters in the solidarity movements. They should be provided with at least the same amount of airtime and there may come a point in which campaigns can call for a ban on propagandists or representatives of the occupation from receiving publicity for their views.

Enormous strides have been made in the US in recent years in challenging the dominance and decades-long acceptance of Zionist discourse and history. In the Green Party, on University campuses, in the churches and in local communities such as Somerville, Mass., grassroots activism is beginning to pay off and give the Zionist lobbies such as American Israel Public Affairs Committee (AIPAC) a genuine cause for worry. Realizing the rights of the refugees, the Palestinians subjugated as second-class citizens by Israel and those under occupation in the WBGS will be aided when the Palestinian struggle is presented in its historical context. The BDS movement can be an instrumental factor in bringing about this shift, in its own media, outreach and public activities. In 1965, Anti-Apartheid News was launched and served as a vital tool in South African solidarity work. Today, websites and magazines are growing. Some such as the PSC magazine in the UK, and the publications by students in South Africa and the US, serve as an example of what other groups might aspire to. Independent media and activity is the beginning of a challenge to mainstream media and coverage of Palestine to end their negation of failing to place the occupation in its context, denying the struggle of the Palestinian refugees, and negating the rights of Palestinian to resist their oppressors.

The Director of the UN Centre against Apartheid noted that:

We have a list of people who have performed in South Africa because of ignorance of the situation or the lure of money or unconcern over racism. They need to be persuaded to stop entertaining apartheid, to stop profiting from apartheid money and to stop serving the propaganda purposes of the apartheid regime. We also have lists of artists whom we are approaching for co-operation in educating public opinion about apartheid and in organizing performances for the benefit of the oppressed people of South Africa.<sup>444</sup>

It is vital in turning public opinion that such efforts by solidarity campaigns play a central role. The Palestinian Campaign for the Academic and Cultural Boycott of Israel (PACBI) has already engaged in continuous lobbying of artists. Campaigns need to be widened

---

<sup>444</sup> Reddy, *Cultural Boycott*.

amongst the countries where popular artists and performers are based and who come to perform in Israel. Further, artists can once again be lobbied to support the call for BDS. The initiative of the Coalition against Israeli Apartheid (Canada), that has presented an international call for artists and designers to create a database of BDS and anti-apartheid posters, is a step towards a global meeting point and campaign.

Campaigns can also benefit by extending discourse from international law and convention (Israel's defiance of being oft cited in solidarity work) to the previous divestment legislation enacted against South Africa, revitalizing the UN institutions against apartheid and building from laws and legislation which outlaw business with those who promote discrimination. For example in Ontario (Canada) – where a vibrant boycott campaign is already underway – the anti-boycott legislation of the late 1970s could well be turned on its head and used as a mechanism by which to target Israel. That legislation outlawed: “The refusal to engage in business with a second person where the refusal, is on account of an attribute being race, creed, colour, nationality, ancestry, place of origin, sex or geographical location of the person [...]”<sup>445</sup> Israel's discrimination against Palestinians – which is documented in numerous books and studies – can provide the information necessary to extend such laws to ensure business is not carried out with those conducting the discrimination. Similarly the London Council of Lambeth, which cancelled its account with Barclays in support of the divestment movement under local race relations regulations, revealed the various measures BDS campaigns have at their disposal in their campaigns for Palestine.

### ***Pressure: from local to global***

“There is a danger that we will be exposed to an international boycott as was the case before the fall of the regime in South Africa.”

- *Justice Minister Tommy Lapid (2004)* <sup>446</sup>

To some extent all BDS initiatives are driven towards the goal of attaining overall sanctions and an international boycott against Israel. Given the dubious record of powerful actors such as governments and global institutions in maintaining human rights and international law, calls upon such groups to act are done with some reservations by solidarity movements. Recognising the limitations of the work does not diminish its importance and ensures that a campaign driven from below can maintain the presence of a strong social movement which in its own time comes to exert its own influence. While ending international complicity with the occupation and its war crimes will score obvious benefits for the Palestinian struggle, it will not come about as a result of a sudden concern from powerful actors of the need to secure human rights. Solidarity campaigns need to become elevated to the point where people begin to influence policy and in which actions begin to rollercoaster. Thus, a public blockade could halt an arms shipment to Israel, dockers could refuse Israeli produce to unload and shop workers could decline to place

<sup>445</sup> Bill cited in Sarna, *Boycott*. p. 223.

<sup>446</sup> Quoted in ‘Israel faces SA-style boycott’, *News 24*, 4 Jan. 2004, <[http://www.news24.com/News24/World/News/0,,2-10-1462\\_1465421.00.html](http://www.news24.com/News24/World/News/0,,2-10-1462_1465421.00.html)>.

Israeli goods on shelves. Thus, the most vital component of external solidarity is the creation of an anti-apartheid movement of people where popular opinion and discourse is transformed to reflect the root causes of the Palestinian struggle.

Working towards such a shift brings into question whether BDS needs to be judged by economic efficacy, or rather the role initiatives play in alerting people to the ties that exist between their every day existence and Israeli apartheid and occupation. Moreover, whether there is an overriding value to BDS work for bringing Palestinian rights to the fore through outreach activities. For example the CUPE resolution in Canada was the target of a counterattack that brought the resolution to the front pages of mainstream newspapers, spurring radio interviews and TV coverage. Questions such as the right of return were openly brought before millions of people leading activists to see one achievement of the resolution as the educational role it could play.

Moves by city councils and municipalities were of great importance in the movement against South African apartheid, whether it was in their declarations as “apartheid free” zones or as sites of divestment from companies linked to the regime. That helped to expose citizens to the issues and present a structure that encouraged active participation from communities in the campaign against apartheid. Similarly, solidarity work was reinforced when structures of the UN were given over to research, coordination, support of activists and so on. Reinvigorating the global organs used against South African apartheid such as the Special Committee against Apartheid and the Centre against Apartheid should be made a priority for progressive forces within the UN. Today the UN has the Committee on the Exercise of the Inalienable Rights of the Palestinian People, but this needs to be supported by institutions directly concerned with the support of solidarity initiatives that exert real pressure on Israel to abide by international law. These agencies, along with NGOs and the solidarity movements themselves, published regular and thorough reports on the economic links of the regime to assist BDS campaigns. Only a handful of such reports have carried out this kind of work in relation to Palestine and this report hopes to stimulate the kind of further investigative work that urgently needs to be carried out and disseminated.

As we have noted, it is possible to define aspects of Israeli laws, policies and occupation under the Apartheid Convention and this can be extended to areas such as sports, culture, academia and so on. The International convention against Apartheid in Sports stipulates that:

The expression “apartheid” shall mean a system of institutionalized racial segregation and discrimination for the purpose of establishing and maintaining domination by one racial group of persons over another racial group of persons and systematically oppressing them, such as that pursued by South Africa.<sup>447</sup>

Clearly, apartheid is not unique to South Africa and Israeli apartheid needs to be fully exposed and challenged. At a time when the UN is brought into focus as an effective

---

<sup>447</sup> ‘The International Convention against Apartheid in Sports’ available online, <<http://www.unhchr.ch/html/menu3/b/12.htm>>.

institution, progressive forces in the General Assembly need to be pressured by a mass movement to pool together and end the years of complicity and inaction regarding Palestinian rights. Anything less and the UN will become increasingly irrelevant and reinforce the argument that the institution is purely an extension of the most powerful countries in the Security Council for strengthening their own aims.

### ***In Conclusion: Building a global movement***

BDS initiatives against Israel are in their infancy and need both insulation and support in the coming years to deflect Zionist attacks and in winning over those sympathetic to the Palestinian cause but unwilling or unable to fully support the BDS call. That brings into question the most effective nature of coalitions that can be made in solidarity work, the degree of cohesion and coordination that would ideally exist among BDS groups and how they can expand and begin to win concrete victories.

However, coalitions need to operate with the awareness that Palestine cannot be tied into other revolutions, reforms or transformations, even if other global social and political developments assist or increase levels of solidarity with Palestine or challenge the dynamics of the current US hegemony. The movements gaining in strength in Latin America, and already shaping alternatives in Bolivia and Venezuela, and the continuous struggle in Palestine may be of mutual support in the years to come.

However, if the Palestinian struggle is inter-woven into a discourse where the masses throughout the region must throw off the shackles of their own oppression – as some perspectives suggest – the goals of the Palestinian liberation movement (in essence a national struggle for identity and equality) are unlikely to be realized in the near future. The BDS call in itself provides the central points and goals that can forge unity amongst different social and political groups, who can use that as basis by which to campaign upon and a means by which to limit sectarianism. Organizations unable to present a stronger platform at this time can, via interaction with solidarity movements, gain exposure to the arguments and reasons for making the BDS campaigns central to any work for Palestine.

One political implication of the BDS movement is that it can provide the conditions by which an anti-Zionist movement takes root within Israeli society, supportive of Palestinian rights. While anti-boycotters have suggested that isolating Israel will harden the resolve of Zionists, we can point to the predictions once made that South Africa would “retreat into the laager” in front of an effective boycott campaign.<sup>448</sup> While there was white intransigence to political change, and it did harden extreme attitudes within some factions, it also created the internal space to openly challenge the regime. When apartheid no longer paid off, its ideological backing started to show cracks. A BDS campaign for Palestinians has the potential to work in a similar way.

---

<sup>448</sup> G. Ball, ‘Asking for Trouble in South Africa’, *Atlantic Monthly* (Oct. 1977)

### *Defining the BDS campaign*

The current impact of the occupation in the WBGS has resulted in bringing services, communities, farming, movement and society generally to the point of breakdown. The Apartheid Wall project ensures around 50% of the West Bank is taken for settlement expansion, leaving Palestinians ghettoized and barred from their lands. In the Gaza Strip the occupation attempts to starve the population into submission in what is the world's largest open-air prison. Nevertheless, despite the drastic nature of the situation, solidarity movements need to ensure that the BDS movement does not bring further harm to Palestinians.

We have already drawn out some of these issues and noted that an effective economic boycott of Israeli goods would hurt the Palestinian export market (or what is left of it). Additionally, Israeli retaliations against Palestinians for a boycott would be likely and some markets (especially agricultural) that can only be exported as "Israeli" goods via Israeli companies might be closed. This is likely to be viewed by most as a necessary sacrifice to achieve the broader goals of a struggle. However, there are other aspects of the boycott which can provide protection and assistance to Palestinians, while trying to prevent further destruction to communities. This will involve ensuring access to educational resources; leisure and cultural facilities, and retention of basic services, all of which due to the dependence of the WBGS would be threatened in light of an effective boycott campaign on Israel. Neville Alexander wrote, in regard to South Africa that, "it is necessary that any cultural boycott be complemented to help the oppressed, to equip them with the skills and resources that will enable them to survive and to structure the transition."<sup>449</sup> The same applies today in Palestine to limit the attacks made by the occupation in light of proactive moves to implement boycotts.

Accusations of anti-Semitism remain merely a diversion, but have surfaced in the media and amongst the anti-boycotters. Emphasizing BDS overall and the secondary boycott as anti-Zionist, anti-colonial and anti-racist measures, particularly within a united front of boycotters, can break the myth of anti-Semitism occasionally deployed against campaigners. As Davis has noted, the Dutch Reform Church in South Africa claimed to its supporters and to the rest of the world that to be opposed the political programme of apartheid, to be anti-apartheid, was somehow tantamount to being either anti-Christian or pro-communist. Similarly, Zionist and Israeli educational and information establishments have claimed that to oppose the political programme of Zionism, to be anti-Zionist, is somehow tantamount to being anti-Jewish, and anti-Semitic or even pro-Nazi.<sup>450</sup> A host of work deconstructing Zionism is available for further reading and it goes without saying that acts or statements of anti-Semitism repulse genuine solidarity campaigns.

---

<sup>449</sup> Alexander, *Education*, p. 89.

<sup>450</sup> Davis, *Apartheid*, p. 4.

## **5.4 Concluding Remarks for a Boycott, Divestment and Sanctions movement**

“Which day of the week are you going to do civil disobedience at the consulate nearest you?”  
- *David Wildman, United Methodist Board of Global Ministries (2005)*<sup>451</sup>

“Finally four people in the North-West were reported to have pushed their car over a mile rather than use Shell petrol.”  
- *Boycott Shell Campaign Update (1987)*<sup>452</sup>

The effectiveness of any programme of sanctions aimed at a country’s foreign trade will depend upon the degree of dependence of its economy on trade with the rest of the world. Israel, like apartheid South Africa, has a vulnerable and volatile economy that could feel the impact of coordinated BDS campaigns. If we count the Palestinians living throughout mandate Palestine, they already form just under half of the population under Israel’s control. The vast support that the call for sanctions generated among Palestinian civil society organizations demonstrates that there is indeed a very stable basis of support for an international BDS movement coming from within the targeted area. If we add the refugees in the diaspora this becomes even more obvious and reveals further similarities to the South African BDS campaign undertaken for the rights of the oppressed people.

Israel’s high tech production market is directly linked to the occupation, the example of Given Imaging showing just how inter-related Israeli production is with the military industry. Building a movement that will create effective pressure and impact must take in the isolation of the Israeli economy as a whole. While campaigns that directly undermine the worst excesses of the occupation such as Agrexco are necessary, they must come as part of a broader movement of various initiatives. BDS campaigners should not be sucked into a discourse only emphasizing the occupation of the 1967 areas. To do so negates the rights of the refugees and the Palestinians subjugated to discrimination since 1948.

Amongst pariah and rogue states in the world, and within some of the appalling crimes committed against people in recent years, there could be an argument for dozens of countries to be subject to boycotts and sanctions. Indeed many BDS activists are committed to ideals of social and political justice and work on a number of issues. However, Israel is threatening the expulsion of indigenous peoples from their lands via a system that South Africans have branded far worse than their own experiences under apartheid. Moreover, in this process Israel has been singled out for unprecedented backing and support from parts of the international community.

---

<sup>451</sup> David Wildman, From the talk ‘Churches & Divestment: A Third-party Intervention’, (Palestine Center 2005 annual conference, 18 Nov. 2005).

<sup>452</sup> Embargo, Newsletter 5, Autumn 1987, p. 4.

If foreign collaboration with the crime of Israeli apartheid was limited to exploitation for profit, it would reinforce parallels to apartheid South Africa's systems of racialized capital. But today it goes further and threatens to bring a major catastrophe upon the Palestinian people in the WBGS, cementing their ghettoization and prompting their exile. In this situation businesses have been compliant partners by supporting the Israeli economy and providing the state the means by which to carry out its activities. Richard Powell, Director-General of the Institute of Directors, visited South Africa in 1962, and concluded:

You have political and economic stability here – whether we approve of your politics or not. These are two things to which the investor looks. Trade overrides ideological values, and economic links are very strong. We must disregard the politicians.<sup>453</sup>

Business does not prioritize ethics and the BDS campaign must be undertaken with real determination to push for an end to the various mechanisms of support for the attacks upon the Palestinian people. Israel has shown that it has no desire to settle, not even within the 78% of mandate Palestine, or to acknowledge the rights of the Palestinian refugees. It has continually colonized the remaining Palestinian land and made it clear any “settlement” is to include the Jewish-only colonies expanding throughout the West Bank. The failure of Oslo and the absence of any viable two state solution bring the solidarity movements to refocus their attention upon Zionism, and in securing the rights of all Palestinians in any future settlement. Increasingly the secular one-state, where the rights of all are respected and maintained, is brought to attention. But the most critical point that needs to be addressed within solidarity work as a whole is promoting all three groups of Palestinians; those as citizens of Israel; those in the diaspora and those in the WBGS and ensuring that upholding their rights is the first priority of solidarity work.

The key to strong support for a global BDS campaign will be a mass movement which can reinvigorate ties with groups and movements that have common understanding and sympathy for Palestine's anti-colonial struggle, as well as recreate the sense of unity and purpose which shaped the anti-apartheid struggle in the 1980s. A worldwide anti-colonial, anti-racist struggle with the longest standing refugee population requires a receptive solidarity movement, to shape at local, national and international levels the kind of pressure which can offer concrete and real support to Palestinians struggling for their freedom.

---

<sup>453</sup> Quoted in Ainslie, *Collaborators*, p. 16/17.

## **APPENDIX**

### **Rhodesia/Zimbabwe Case Study:**

On 11 November 1965, white supremacists led by Ian Smith made a Unilateral Declaration of Independence (UDI) in the British colony of Rhodesia. They hastily assembled a fresh constitution for the country and declared independence from Britain, which had been pursuing moderate decolonization reforms in the country.

Two weeks later the UN Security Council called for voluntary sanctions. Then in December 1966 it imposed partial mandatory sanctions, which covered 60% of Rhodesian exports and 15% of imports.<sup>454</sup> As the white regime proved intransigent to both external and internal demands for change, the Security Council imposed comprehensive mandatory sanctions in May 1968. This included all imports, exports, air links and diplomatic links.<sup>455</sup>

While the isolation brought about an immediate impact, the regime was able to consolidate its position through a series of state interventionist economic policies. A period of recovery suggested the regime could weather the sanctions. The economy, based on the exploitation of black labour, began to show signs of growth and sustainability in many areas of domestic production.

By the early 1970s, it was widely believed that sanctions had failed and that Rhodesia had achieved an “economic miracle.”<sup>456</sup> Yet the regime was reliant upon sanctions busting support from the white regimes in Mozambique and South Africa. In part this support countered the measures taken by the wider international community, which appeared to be failing in its attempts to bring about change in the country.

However, by the mid-1970s Rhodesia faced a dual set of problems. Economically, it began to run out of easy import substitutions, while surplus industrial capacity became used up. Industrial growth reached a plateau and the impact of external pressure began to show upon the economy. Moreover, the liberation movement of Angola ousted the colonial regime and cut off an important sanctions busting route. Rhodesia’s main ally, apartheid South Africa, withdrew much of the vital economic and diplomatic support as a result of international pressure.

Zimbabwe’s own liberation movements, ZAPU and ZANU, formed the other challenge to the regime and by 1979 fighting the internal resistance was costing R\$1 million a day.<sup>457</sup>

---

<sup>454</sup> J. Hanlon & R. Omond, *The Sanctions Handbook* (Hammondsworth: Penguin, 1987), p. 204

<sup>455</sup> Ibid.

<sup>456</sup> Ibid. p. 207.

<sup>457</sup> Ibid. p. 208. Roughly the equivalent to just under £1 million per day.

However, the long-term impact of sanctions was considered to be a significant factor in bringing about the end of the regime. Eddie Cross, chief economist for the Rhodesian Agricultural Marketing Authority from 1975 until 1980 estimated that during the 15 years of sanctions the economy lost 38% of potential exports, worth R\$3,600 million.<sup>458</sup> The consensus within the international community that Rhodesia was a rogue state, which needed to be isolated, played a key role in the demise of regime.

This reveals the potential of a protracted sanctions campaign for bringing about social and political change when there is a sense of unity and purpose within the global community for tackling injustice. While it was governments and the UN that had a significant role to play in isolating Rhodesia, other BDS campaigns have made an impact through grassroots action and lobbying.

### **Nestlé Case Study**

The long-standing boycott against Nestlé for its marketing of baby milk products has achieved some victories via the concerted energy and effort of dedicated human rights campaigners.<sup>459</sup> The boycott of Nestlé began in 1977, to protest the company's marketing of breast milk substitutes which were reportedly contributing to unnecessary deaths in the developing world. One major issue was the distribution of free powdered formula samples to new mothers. Campaigners highlighted that a dependency was created upon the formula which led to a number of problems.

Firstly, malnutrition occurred when mothers over-diluted the product or in worst-case scenarios simply failed to purchase the formula, often as a result of financial restraints. Secondly, without satisfactory access to clean water, the formula might be mixed with contaminated water which could lead to diarrhea and possible death. Thirdly, milk formula has been widely acknowledged to be less suitable for an infant than breast milk in the overwhelming majority of cases.

As the boycott spread, Nestlé was hit with significant negative publicity and various institutions such as councils and unions signed on to the boycott. The pressure was instrumental in bringing about International Code of Marketing of Breast milk Substitutes, adopted by the World Health Assembly (WHA) in 1981. The Assembly is the world's highest health policy setting body, consisting of health ministers from across the globe. The Code set out how breast milk substitutes should be marketed in an effort to protect breastfeeding and to ensure that breast milk substitutes are used safely when necessary.<sup>460</sup>

Nestlé did not comply with the code so pressure from the boycott continued until October 1984 when the company promised boycott coordinators it would abide by the code.

---

<sup>458</sup> Ibid. p. 207.

<sup>459</sup> In recent years other boycotts have focused on Nestlé's coffee and cocoa trading practices.

<sup>460</sup> See articles and resources available from <[www.babymilkaction.org](http://www.babymilkaction.org)>. Also see C. N. Smith, *Consumer Boycotts and Consumer Sovereignty*, Working Paper SWP 44/87 (Bedford: Cranfield School of Management, 1987).

However, it was cited as subsequently breaking this promise and the boycott was re-launched in 1988.

Babymilk Action, an advocate of the boycott from the UK, states how the campaign has helped to “wring some changes from Nestlé.”<sup>461</sup> They have noted that this came about not “because Nestlé is ethical, but because it was publicly shamed and given no choice.”<sup>462</sup> These changes were a testament to the determination of dedicated activists.

However, even today the World Health Organization (WHO) estimates that 1.5 million infants around the world die every year because they are not breastfed.<sup>463</sup> Nestlé is still singled out for boycott action because of its marketing of babymilk formula. Independent monitoring conducted by the International Baby Food Action Network (IBFAN) found it to be the largest single source of violations of the WHO and UNICEF's International Code of Marketing of Breast-milk Substitutes and subsequent, relevant WHA Resolutions.<sup>464</sup> Moreover, Nestlé has come under pressure from fair-trade campaigners as a result of the derisory prices paid for cash-crop products such as coffee in southern producer countries.

In the United Kingdom 73 student unions, 12 trade unions, 18 local authorities, numerous shops, businesses and faith groups currently comply with the boycott. This success is replicated elsewhere in the world but on a smaller scale. The campaign against Nestlé raised consumer awareness significantly; led to a greater debate and awareness over issues; attracted the attention of various global institutions and forced Nestlé to engage in changes. This was achieved despite Nestlé's huge turnover and power, including the bankrolling of a PR department and a team of legal advisors. The boycott continues to function with continuing resonance in various communities, revealing some of the core characteristics that make up a BDS campaign.

### **Coca-Cola Case Study:**

In 1966, Coca-Cola refused to grant a franchise to an Israeli bottler in what some considered a sign of acquiescence to the Arab League boycott. The company had suggested that the application had failed Coca-Cola's criteria for issuing such franchises. However, it appeared that such criteria had been overlooked in other cases, such as a franchise granted the previous year in El Salvador.<sup>465</sup>

The news made headlines, and within a week some Israeli supporters in the US called for a boycott against Coke. Manhattan's Mount Sinai Hospital stopped serving Coke, and Nathan's Famous Hot Dog emporium on Coney Island were reported to be threatening

---

<sup>461</sup> See Baby Milk Action Briefings, <<http://www.babymilkaction.org/resources/briefings/debate1104.html>>.

<sup>462</sup> Ibid.

<sup>463</sup> According to the World Health Organization (WHO) and frequently cited in Baby Milk Action outreach resources available online.

<sup>464</sup> Ibid. Refer to <<http://www.babymilkaction.org/pdfs/nprmeprint05.pdf>>.

<sup>465</sup> D. S. Chill, *The Arab boycott of Israel: Economic Aggression and World Reaction* (New York: Praeger Publishers, 1976), p. 18/19.

similar action. In Chicago and Los Angeles protestors reportedly threw Coke coolers out of second-story windows as the boycott gathered pace.<sup>466</sup>

Eight days after the news broke Coca-Cola announced that it had granted Israel's first franchise in Tel Aviv. Six months later, the Arab League moved to ban Coca-Cola products, and the company was added to the blacklist despite Coca-Cola's efforts to convince the League that the company was not actively investing in Israel (the business was a franchise, not a subsidiary).<sup>467</sup>

By the end of 1966, the Arab League states decided to allow plants to package and/or assemble and sell existing stocks of Coca-Cola, (as well as Ford Automobiles and RCA appliances which were to be boycotted) for a period of nine months in order to minimize the disruptive effects of the blacklisting on League members. They also stressed the fact that blacklisting was "not formally binding on the participating nations."<sup>468</sup> However, Coca-Cola products were generally shunned in League countries until the boycott weakened in the 1980s.

### **Panalpina, Inc. Case Study:**

On March 2, 2000, the US Commerce Department imposed a \$20,000 civil penalty on Panalpina, Inc., a freight forwarder, to settle allegations that the company had violated the anti-boycott provisions of the Export Administration Regulations. Panalpina reportedly violated the principles on ten occasions in 1996 by furnishing, to persons in Saudi Arabia, information concerning other persons' business relationships with Israel. The Department alleged that Panalpina had stated: "We certify that the goods shipped are neither of Israeli origin nor do they contain any Israeli materials." The Department alleged that Panalpina issued these statements in connection with transactions involving supplies shipped from the United States to Japan, assembled in Japan to be transported to Saudi Arabia.<sup>469</sup>

### **Chase Manhattan Case Study:**

On July 10, 1964, Chase was targeted by the CBO after it became known that the bank was a transfer agent for Israel bonds. Chase was given a 6-month period to terminate its affairs in Israel. The same period of time was granted to League countries to settle their own financial relations with the bank. During those six months it was uncertain whether the boycott would be carried through, with opposition reportedly coming from Egypt, a recipient of \$10 million in credit from Chase.

---

<sup>466</sup> P.B. Hutt, *The Image and Politics of Coca-Cola: From the Early Years to the Present*, <<http://leda.law.harvard.edu/leda/data/398/ALOfhman.html>> Apr. 16 2001.

<sup>467</sup> Ibid.

<sup>468</sup> Chill, *Boycott*, p. 21, citing a New York Times story from 14 Dec. 1966.

<sup>469</sup> Boycott Case Histories (2000), Jewish Virtual Library, <<http://www.jewishvirtuallibrary.org/jsourc/Histoy/boycase2000.html>>.

The boycott committee reportedly yielded to pressure from some of its members and, on January 4, 1965, announced that the ultimatum had been cancelled because “certified documents” emphasized that the bank’s relations with Israel were of a “purely banking nature.”<sup>470</sup> Yet, the Israeli government obtained capital for its industrialization program through the Chase bonds.

### **Japan Case Study:**

Direct trade links between Israel and Japan did not flourish until Oslo, a result of the refusal of the conglomerate Japanese trading companies and other large independent firms to develop ties and risk antagonizing customers and suppliers in the League states.<sup>471</sup>

The large *soga shosha* (general trading companies), which controlled 60% of Japan’s exports and imports, did not trade with Israel. Independent and smaller enterprises avoided direct business dealings with Israel opting for shipments via foreign intermediaries or via dummy corporations to avoid possible reprisals from the CBO.<sup>472</sup> However, the majority of Japanese businesses did not wait to be asked, they boycotted Israel voluntarily and as a precautionary measure to avoid possible blacklisting.<sup>473</sup>

In the years preceding Oslo, Japan and Israel signed no economic agreements, Japanese banks refused to provide long-term credit for financing exports to Israel, Japan Airlines did not land in Israel and Japanese ships did not anchor at Israeli ports. Direct investments, joint industrial projects and the exchange of research and development information were virtually non-existent.<sup>474</sup> By 1990 Lerman asserts that there was not a single major Japanese company which agreed to sell its products in open direct trade with Israel.<sup>475</sup>

### **Nestlé Case Study 2:**

As the biggest food company in the world, with a \$67 billion turnover and thousands of brands, Nestlé is a major player in the foods and drinks market.<sup>476</sup> Nestlé was added to the Arab League list of companies to be boycotted during the meeting of the CBO in May of 2006, in response to its links to and support for the Israeli economy.

Syrian representative Mohammad Ajami stated Nestlé was given a one-year delay to “regulate its situation” by ceasing operations in Israel and also confirmed that Syria

---

<sup>470</sup> Chill, *Boycott*, p. 32.

<sup>471</sup> A. J. Sarna, *Boycott and Blacklist: a history of Arab economic warfare against Israel* (New Jersey: Rowman and Littlefield, 1986), p. 26.

<sup>472</sup> *Ibid.* p. 169.

<sup>473</sup> A. Lerman, Japanese Compliance with the Arab Boycott of Israel, *Institute of Jewish Affairs*, Research Report (1991), p. 9.

<sup>474</sup> *Ibid.* p. 11

<sup>475</sup> *Ibid.* p. 13

<sup>476</sup> The Nestlé Public Relations Machine Exposed, *BabyMilk Action*, <<http://www.babymilkaction.org/pdfs/nprmeprint05.pdf>>.

would comply with the CBO decision. However, other Arab League member states – where Nestlé maintains a presence – were reported as unlikely to implement the boycott.<sup>477</sup>

Nestlé made an investment in 1995, buying 10% of Israeli food maker Osem Investments, allowing Nestlé to sell its products in Israel, including Nescafe, Perrier, Carnation, Smarties and KitKat. In 1998, Nestlé increased its stake in Osem to 47%, and signed a products know-how, technology and R&D sharing agreement. Under this agreement, Nestlé opened an R&D centre in Israel. In 2000, Nestlé increased its stake in Osem to 50.1% under a joint management agreement.<sup>478</sup>

A January 2002 agreement between the Swiss and Israeli governments to avoid double taxation for Swiss companies that produce in Israel and sell in Europe led Nestlé to announce in September 2002 a vast expansion programme that would pour \$80m into the Israeli economy. Today the corporation owns 53% of Osem, and is a leading manufacturer of processed food in Israel.<sup>479</sup> At this time Nestlé Israel exports its products to the United States, France, Britain, and South Africa, amongst other countries.<sup>480</sup>

### **Case Study - Mecca Cola - The *buycott***

Mecca-Cola came onto the market in November 2002. An invention of a French entrepreneur, it became a practical means by which consumers could boycott other cola products since companies such as Coca-Cola and Pepsi have been singled out for boycott for various reasons.

Ten percent of the profit on every bottle of Mecca Cola is donated to a Palestinian children's fund, with a further ten percent going to a local charity. Coca-Cola acknowledges that the boycott has had an impact upon the company. Singling out North and West Africa, most notably Morocco and Egypt, the president of Coca-Cola Africa, Alexander B. Cummings Jr., has stated, "our business in these countries has been hurt by the boycotting of American brands."<sup>481</sup> Another company executive, asked about Mecca-Cola, stated: "We are aware of Mecca [cola], and we have felt the impact of the boycott of American goods."<sup>482</sup>

The *buycott* gives consumers a pragmatic means to boycott companies targeted by campaigns.

---

<sup>477</sup> Arab League members ignore Nestlé Boycott, *The Daily Star* (July 5, 2006), <[http://www.dailystar.com.lb/article.asp?edition\\_id=10&categ\\_id=3&article\\_id=73700](http://www.dailystar.com.lb/article.asp?edition_id=10&categ_id=3&article_id=73700)>.

<sup>478</sup> News: Nestlé Israel, *Israel Valley* (July 10, 2006), <<http://www.israelvalley.com/news/2006/07/10/3021/israel-food-Nestlé-has-continued-to-gradually-increase-its-holdings-in-israel-Nestlé-no-intention-of-capitulating-to-the-arab-boycott>>.

<sup>479</sup> Israel: Nestlé increases stake in Osem, *Just-food* (29 June, 2004), <<http://www.just-food.com/article.aspx?ID=81979&lk=np>>.

<sup>480</sup> Swiss to Enjoy Nestlé Israel Ice Cream, *Ynet News* (August 22, 2006), <<http://www.ynetnews.com/articles/0,7340,L-3294538,00.html>>.

<sup>481</sup> J. Tagliabue, *They Choke on Coke, but Savor Mecca-Cola*, *The New York Times* (December 31, 2002).

<sup>482</sup> *Ibid.*

### **Case Study - Veolia**

Veolia is a transnational corporation which has acquired various businesses in the areas of water, waste management, energy and transportation.<sup>483</sup> The corporation is an international investor in the Citypass consortium, which will build and run a light rail project that incorporates a number of settlements on stolen Palestinian land around East Jerusalem. The scheme ensures the contiguity of the colonies with the central areas of the city. The light rail plays a key role in sustaining the settlements and ensuring they become a permanent fixture on Palestinian land.

When Veolia's involvement in the project became exposed appeals were made from Palestine (consistent with the overall BDS call) for an immediate halt in the complicity of a foreign company in the activities of the occupation. Solidarity movements immediately picked up on these calls and have scored two notable victories in pressuring on Veolia to relinquish its involvement in the project. Following protests by Irish trade unions and the Irish Palestine Solidarity Committee, Veolia Transport Ireland called off its plans to train the Israeli personnel who were to operate the tramline in Jerusalem. And then in November 2006, the Dutch ASN Bank moved to divest from Veolia because of its involvement in settlement activity.<sup>484</sup>

---

<sup>483</sup> A. Nieuwhof, The Israel Veolia "Connexion", 13 Sep. 2006, <<http://electronicintifada.net/v2/article5723.shtml>>

<sup>484</sup> Refer to articles and letter on <http://www.labournet.net/world/0612/veolia1.html>>