East Jerusalem after the 1967 Occupation:
Policies of Annexation and Marginal Integration Amidst Extermination and Expulsion

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Abstract

This study traces the socio-economic policies imposed by the Israeli occupation on Jerusalem, examining them across three distinct phases. The first phase, spanning from the aftermath of the 1967 war until 2001, saw the establishment and implementation of evacuation policies. During this period, what remained of East Jerusalem was annexed into Israeli institutions and economy, severing its ties with Palestinian society and economy. The occupation worked to create a society within a society, and an economy replacing another. Contrary to the claim that these policies are a recent development, the paper argues that the measures taken post-1967 were instrumental in laying the foundation for these practices. This builds on prior studies, such as those by Azm (2018, 2019) and Mahfouz (2019), which also focus on the occupation's policies in recent years.

The second phase marked a shift from evacuation and annexation to the marginal integration of East Jerusalem into the Israeli economy. This period, beginning in 2001 with the construction of the separation wall and the closure of Palestinian institutions in the city, continued the process of evacuation. The economic integration of Palestinian workers—both white and blue-collar—into lower-tier roles within the Israeli labor market and the expanding settlement economy became a key focus. The aim was to reduce the disparities between settlers living in East Jerusalem and Israelis inside Israel. At the same time, dual social policies were applied to Palestinians, including identity revocation, subjugation to Israeli institutions, and attempts to distort their national identity. There was also an effort to foster the illusion of a distinct «Jerusalemite» identity, separate from Palestinian identity, for some residents.

This second phase laid the groundwork for the third phase, characterized by two divergent strategies. The first strategy extended the socio-economic engineering of previous policies but sought to decisively shift Palestinians from mere coexistence in Jerusalem to declaring loyalty to the state and its policies. The second strategy, however, argues that earlier socio-economic measures failed to subdue Palestinians, who continued to resist Israeli rule. This approach advocates for a harsher stance, whereby Palestinians are forced to submit to Israeli authority, their national demands crushed. Those who comply would be relegated to low-status sectors in the Israeli economy, while those who resist must either leave,

declare war, or face death. This approach reflects the broader vision outlined in the Pipes and Smotrich plan, which targets all Palestinians, not just Jerusalemites. The relevance of this paper lies in its examination of the overt socio-economic policies practiced by the occupation in recent years. Finally, the paper explores Palestinian responses to these policies and offers insights into the possible future trajectories, given the ongoing developments on the ground.

Preface

The social and economic policies in East Jerusalem, shaped within the framework of the Zionist colonial settlement project, stem from the unique characteristics of this endeavor. While it shares certain traits with other colonial settlement projects worldwide, it also diverges in significant ways. In Palestine, the colonial project is marked by uprooting and replacement, punctuated by what can be described as incremental genocide. This contrasts with the near-total genocide of indigenous peoples in America or the South African model, where Black labor was exploited without the complete displacement of the native population.

Since 1967, the Israeli occupation's policies in East Jerusalem have embodied this dynamic of uprooting and replacement, manifesting in three major trends. The first is the policy of emptying, expulsion, transfer, and deportation—what is also termed ethnic cleansing, forced displacement, or spatial cleansing. The second involves the treatment of those who remain, using tactics such as physical liquidation, internal deportation, torture, degradation, and marginalization. This has isolated Palestinians from the broader Palestinian community, severed their ties with Jerusalem, and distorted their identity and sense of citizenship. These policies include the Israelization of educational curricula and institutions, the forced integration of Palestinian professionals into Israeli institutions, the expulsion of Palestinian institutions from the city, and the fostering of illusions—both of Israelization for some, and of a sanctified Jerusalem divorced from its Palestinian roots. Palestinians are forced into the lower rungs of the Israeli economy, and their communities are fragmented by settlements, which create colonial enclaves that disintegrate the coherence of Palestinian neighborhoods.

The third trend centers on the gradual replacement of the Palestinian community through the continuous expansion of settlements, shrinking the physical and economic space for Palestinians. As their land is taken, their only recourse for

survival becomes participation in the Israeli labor market. This trend highlights the tension within the colonialist approach: while complete evacuation has not been entirely successful, the policies of replacement continue to reshape East Jerusalem into an Israeli city—its society, economy, landscape, and institutions increasingly designed to serve the occupation.

The ultimate aim is the Judaization of the land, an agenda that includes the demographic engineering of the city, the imposition of Israeli institutions on the Palestinians who remain, and the expansion of Israeli control under the «Three Holy Places» project. In summary, the social and economic engineering of East Jerusalem revolves around three core elements: the uprooting of the Palestinian population, the annihilation of the local economy, and the transformation of the city into an exclusively Israeli domain.

The Three Phases:

Policies of Expulsion, Marginal Integration, and Decisiveness

When the occupation of East Jerusalem concluded at 10 a.m. on Wednesday, June 7, 1967, as Israeli forces reached the Western Wall, Israel immediately began reshaping the city and its Palestinian inhabitants. It employed a combination of overt and subtle tools of power to fortify its colonial settlement and implant settlers in Jerusalem—declaring it «the complete and unified capital of Israel, home to the Knesset, the government, and the Supreme Court» through a Basic Law passed by the Israeli Knesset on July 30, 1980 (Halabi, 2000, p. 104). This transformation involved expelling Palestinians from their land and conditioning those who remained to accept or submit to the gradual replacement of their people and culture within the city.

Israel deployed a variety of mechanisms—security, military, political, and legal—to uproot and expel Palestinians, dissolve their society, (Salem: Winter, Spring, and Summer 2022), obliterate their economy, suppress their right to self-determination, and thwart the creation of a Palestinian political entity. Simultaneously, it facilitated the influx of settlers, an agenda that encompassed the Judaization of the land, space, and institutions of East Jerusalem. This strategy sought not only to erase the Palestinian presence but to impose Israeli identity and control over every aspect of the city's landscape, diminishing the national consciousness of the remaining Palestinians.

Social and economic policies were introduced to create two societies in East Jerusalem—one colonial and dominant, the other marginalized. The plans aimed to reinforce and strengthen the colonial settler community, replacing Palestinian society with settler society, and their economy with one tied to Israel. Meanwhile, the Palestinian population was fragmented, their economy dismantled, and their ties to the broader Palestinian economy severed. Palestinians were relegated to lower-tier jobs within the Israeli labor market, while their institutions were systematically Israelized. The occupation sought to distort their national identity and cultivate a false sense of Israelization among certain sectors, creating the illusion of integration without its true realization.

After the 1967 war, Israel established the fundamental pillars of its policy toward East Jerusalem. First, it sought to expel as many Palestinians as possible, initially through direct expulsion and later via the withdrawal of identity cards and residency policies. Second, it aimed to integrate those who remained into Israeli institutions and the economy, while subjecting them to isolation, encirclement, internal displacement, torture, loss of citizenship, and, in some cases, physical liquidation. Third, it worked to establish a colonial settler community in East Jerusalem, creating a temporary binational reality. This policy separated Palestinian villages and neighborhoods from each other, setting the stage for the eventual complete removal of the Palestinian community through expulsion and residency revocation.

These policies were cloaked by a façade of negotiations around a political solution for Jerusalem, which never reached a level acceptable to the Palestinians. The proposed solutions, which involved dividing East Jerusalem between Palestinians and Israelis, fell short of fully ending the occupation, leaving West Jerusalem under exclusive Israeli control. From 2001, when Ariel Sharon became prime minister, until today (except for the period under Ehud Olmert from 2006 to early 2009), East Jerusalem ceased to be discussed as a potential area for division. Under Sharon, no serious negotiations took place, and later, Netanyahu insisted, during negotiations with John Kerry in 2013-2014, that Jerusalem remain undivided under Israeli sovereignty (Salem, Autumn 2021).

This approach was reflected in the city's socio-economic policies, which increasingly aligned with the goal of fully integrating East Jerusalem into Israel. Negotiations with the Palestinian side became mere public relations exercises,

where Israel openly admitted it was simply killing time and placating its opponents. The period of integration policies (2001 onward) laid the groundwork for the current phase, beginning in 2017, which Israel calls the «decisive period.» In this final stage, Jerusalem was completely removed from any negotiation process, and two dominant currents emerged within the far-right ruling faction in Israel to shape this decisiveness.

One camp believed that the decisive goal could be achieved by continuing and intensifying socio-economic policies to force Palestinian acceptance of the city's full annexation to Israel. The other camp argued that such socio-economic efforts were futile, as Palestinians would never truly accept Israeli control, even if they appeared to comply outwardly. Echoing Jabotinsky's early 20th-century ideas, they believed that no amount of economic or social engineering could subdue Palestinian resistance.

The common thread throughout these phases is the consistent implementation of Israel's plan for Jerusalem, devised independently of any political process. This plan aims to secure Jerusalem—both its western and eastern parts—as the unified capital of Israel. It involves expanding settlements in East Jerusalem, creating a Jewish majority, expelling Palestinians, and continuously expanding at the expense of the Palestinian West Bank. The remaining Palestinian presence in the city is being systematically engineered to ensure Israeli dominance and permanence.

June 1967 and Beyond:

The Policies of Evacuation and Annexation

In the wake of the 1967 war, a rapid transformation of urban, demographic, economic, and social realities commenced. These changes served as a pretext for Israel to abandon previous negotiating frameworks, continuously proposing less favorable terms.

As detailed in a prior study (Salem, 2023), the policy of establishing facts on the ground began with amendments to the Israeli administrative and judicial systems on June 27 and 28, 1967. These amendments extended to East Jerusalem the laws enacted in 1948, including changes to the Municipalities Law. This shift dramatically expanded East Jerusalem's area from 6 square kilometers to 72 square kilometers by annexing 28 villages from the West Bank. The Law of

Preserving Holy Places was also enacted, solidifying these changes (Halabi, 2000, pp. 100-103). Although the term «annexation» was not explicitly used, these laws effectively applied it to East Jerusalem, thereby declaring it an integral part of Israel.

Consequently, immediate actions were taken to evacuate as many Palestinian Jerusalemites as possible, paving the way for colonial settlement. Concurrently, policies were instituted to reorganize and control the lives of the remaining Palestinians. This re-engineering encompassed various aspects, including religious spaces, municipal governance, residency and naturalization issues, population census data, education, utility services, financial institutions, labor unions, taxation, and the Chamber of Commerce. Restrictions were placed on the entry of newspapers and products from the West Bank and Gaza into Jerusalem.

The evacuation policies commenced swiftly after the war, beginning with the demolition of the Moroccan Quarter on June 10, 1967. This demolition aimed to unveil the «Wailing Wall» and create a large square of 10,000 square meters in front of it (Al-Jaba, 2019, p. 50). The operation resulted in the destruction of 138 buildings, displacing 650 residents, followed by the demolition of an additional 15 structures at the same site (Al-Jaba, 2019, pp. 258-260).

Once the erasure of the Moroccan Quarter was complete, another phase began on June 17, 1967. This time, 4,000 Palestinians were forcibly displaced from the Al-Sharaf Quarter, with their homes demolished to facilitate the reconstruction of the Jewish Quarter within the Old City of Jerusalem (Masalha, 2003, p. 194). It is notable that the Jewish Quarter that existed before 1948 comprised only 105 properties, representing 6% of the Old City. After the 1967 war, it was rebuilt to cover 133 dunams, equating to 15% of the area of the Old City (Al-Jaba, 2019, pp. 50-51).

Instead of resorting to internal deportations, buses were designated for transporting Palestinians to Jordan from various cities in the West Bank after the 1967 war. In Jerusalem, these buses were stationed in front of Bab al-Amud, displaying signs that read, «To Amman for free.» For two to three months, these buses operated daily, transporting 600 to 700 individuals, totaling 200,000 Palestinians, to Jordan. Haim Herzog, the Israeli military governor of the West Bank at the time, proudly boasted about this initiative (Masalha, 2003, pp. 200-205).

Following the war, the villages of Yalu, Imwas, and Beit Nuba were demolished,

resulting in the displacement of their inhabitants from the Latrun area near Jerusalem. Ultimately, the number of deportations in Jerusalem reached 49,227, with 16,000 individuals displaced within Palestine and 33,000 expelled beyond its borders (Sabella, n.d.).

From 1968 onward, land confiscation began in earnest, leading to the construction of settlements outside the Old City. Various laws were employed for this purpose, including those concerning absentee property and confiscation for public benefit. Over the subsequent years, this led to the establishment of 16 settlements within what is now referred to as "United Jerusalem," which was declared under Israeli law post-war. By the end of 2021, approximately 239,951 settlers inhabited this area, along with an additional 10 settlements classified under "Greater Jerusalem," housing 326,723 settlers, compared to a Palestinian population of 476,923 (Palestinian Central Bureau of Statistics, 2021).

These processes of uprooting and replacement aimed to establish an invading society intent on completely displacing the original Palestinian community in East Jerusalem. This dynamic resulted in a struggle to expand colonial control at the expense of the indigenous people, manifesting in conflicts over borders within neighborhoods and locations. The objective was to strengthen the Zionist presence by seizing homes through dubious purchases, fraudulent methods, and claims of pre-1948 Jewish ownership, often supported by contested Ottoman documents. Notably, this was evident in the case of the Sheikh Jarrah houses, with Israeli laws leveraged to facilitate these aims (Salem, Winter, 2022).

The conflict over borders, designed to create a new reality for Jerusalem, often took the form of open clashes and hit-and-run tactics, particularly in areas like Silwan, Sheikh Jarrah, and Khan al-Ahmar. However, Israeli and Western narratives contend that these border conflicts have successfully engineered a reality of coexistence through the creation of mixed neighborhoods, characterized by internal peace, notably in the French Hill area. This area includes lands formerly known as Samar, Al-Urwa Al-Wuthqa, and Karm Louis before the occupation (Shtern and Yacobi, 2018).

These arguments overlook the fact that Palestinians residing in French Hill maintain social ties with those living outside it, while their relationships with Jewish neighbors are minimal. This is also true for the Palestinians of 1948, who occupy some buildings in French Hill solely as students at Hebrew University or

business owners in East Jerusalem. Similarly, the Liftawis have managed to remain in their homes adjacent to the French Hill settlement, even as other colonies have consumed most of Lifta's lands. Bosdridge further posits that a kind of blurred separation has emerged in East Jerusalem, marked by the uneasy coexistence and ongoing conflict between Palestinians and Israelis, with both parties laying claim to the city.

While Bosdridge asserts that both Israelis and Palestinians hold rights in East Jerusalem, she neglects to acknowledge the Palestinians' rightful claims to West Jerusalem. Moreover, she overlooks the fact that Israeli «rights» in East Jerusalem are those imposed by the occupying power, rather than being inherent or original. These imposed rights are reinforced by settlement operations and accompanied by additional social policies.

Regarding religious affairs, there were contradictory actions. On one hand, the Israeli flag raised over the Dome of the Rock was promptly removed after the war, and the Israeli army's rabbi, Shlomo Goren, was prevented from continuing to organize Jewish prayers in the courtyards of the Al-Aqsa Mosque (Benziman, 1976, pp. 105-108; Gazit, no publication date, pp. 280-288). However, on August 31, 1967, Israel confiscated the key to the Mughrabi Gate from the Islamic Waqf. This allowed Jewish access to the mosque, effectively halting the Waqf's authority to regulate visits and sell entry tickets (Gazit, n. d., p. 287).

In a similar vein, the Israeli Ministry of Religious Affairs attempted to influence the content of the Friday sermon at the Al-Aqsa Mosque. Under the guise of wanting to broadcast the sermon on the Israeli Arabic-language radio station, they claimed a need to avoid «provocative» content. Due to the sensitivity of the matter, the Ministry sought a mediator, Nour al-Din Derini (Abu Jarir), an Israeli radio broadcaster for religious programs. Through him, they contacted the Islamic Waqf and preachers of the Al-Aqsa Mosque, Jamil al-Khatib and Adel al-Sharif. Abu Jarir framed the issue as merely a request to discuss the broadcasting requirements, rather than an attempt by the Ministry to control the sermon's content.

Prayers resumed at the Al-Aqsa Mosque on Wednesday, June 14, after the occupation, with the first Friday prayer held two days later. Sheikh Adel al-Sharif delivered the sermon, which had been submitted to Abu Jarir for review, according to Uzi Benziman (Benziman, 1976, p. 103). However, Benziman offers no direct or indirect evidence that Abu Jarir proposed submitting the sermon to the Israeli

Ministry of Religious Affairs for approval.

The Friday sermon was broadcast on Israeli radio, but the following week, Yaakov Yehoshua, head of the Muslim and Druze Department in the Israeli Ministry of Religious Affairs, removed part of the sermon that had been sent by Abu Jarir. In response, the mosque preachers and the Waqf ceased sending the sermon to Abu Jarir, who had been forwarding it to the Ministry for approval to air on Israeli radio. They also requested that the broadcast of the sermon be discontinued, as the cost of broadcasting required submission to Israeli censorship, which involved deleting any content deemed inflammatory (Benziman, 1976, pp. 103-104).

On July 24, 1967, the Waqf and prominent Jerusalem figures issued a statement condemning Israel's interference in the Friday sermon (Abdul Hadi, 2007, vol. II, p. 4). The statement, signed by 24 notable Jerusalemites—including Anwar al-Khatib, Governor of Jerusalem; Rawhi al-Khatib, Mayor of Jerusalem; Sheikh Abdul Hamid al-Sayeh, President of the Supreme Sharia Court; and Sheikh Saad al-Din al-Alami, Mufti of Jerusalem—was a firm rejection of the occupation's efforts to manipulate religious discourse. This marked the defeat of Israel's attempts to control the Friday sermon.

In the realm of Sharia law, the Israeli Ministry of Religious Affairs sought to bring the Sharia judiciary under its authority. However, faced with the rejection of this by Jerusalem's Sharia judges, particularly after Israel publicized the annexation of the city, the Ministry decided not to recognize the Sharia judiciary in Jerusalem. As a result, the court lost its ability to enforce rulings, forcing Palestinian Jerusalemites to submit their lawsuits and Sharia contracts to the Jaffa Sharia Court, which operated under Israeli law. While the Sharia Court in East Jerusalem continues to function with rulings recognized by Jordan, those rulings are not valid in Israel unless approved by the Jaffa Sharia Court. Should the two courts' decisions conflict, the ruling of the Jaffa court prevails. Consequently, Jerusalemites had to adapt personal status and inheritance matters to Israeli legal standards.

The Christian churches also faced hardship. In 1967, the crown of the Virgin Mary was stolen, church lands were seized, Bibles were burned, and Christian clergy were attacked and exiled, including Bishop Hilarion Capucci, who was banished in 1974 (Al-Khatib, 1990, pp. 892-894). Despite these efforts to subjugate the churches, Israel failed to bring them under its control. The «status quo» system,

established during the Ottoman era, persisted, allowing each Christian sect to continue overseeing its holy sites and parish affairs independently.

The West Jerusalem Municipality began extending its services to East Jerusalem on June 7, 1967, soon after the war (Benziman 1976, p. 37). This move was followed by the dissolution of the Arab Municipal Council—known as the Jerusalem Secretariat—on June 28, 1967. Subsequently, the Secretary of Jerusalem, Ruhi al-Khatib, was deported to Jordan on March 7, 1968. After the dissolution, members of the Secretariat were invited on July 20, 1967, to meet individually with Yaakov Farhi, assistant to the administrative governor of Jerusalem. Farhi aimed to convince them to join the Israeli Jerusalem Municipal Council. The members, however, refused this offer, sending a letter to Farhi on July 23, 1967, in which they rejected the annexation of East Jerusalem and the dissolution of its municipal council. They cited UN General Assembly Resolutions 2253 and 2254, passed on July 4 and 14, 1967, which declared Israel's actions in Jerusalem illegal (Halabi, 2000, pp. 43-44).

Despite this resistance, Israel succeeded in incorporating some employees of the Jerusalem Secretariat into its municipal framework shortly after the council's dissolution. This step marked the formal restructuring of municipal governance in what Israel termed "united Jerusalem." However, this transformation was not followed by significant Palestinian participation in municipal elections. Voter turnout fell drastically—from 11-12% in 1969 to a mere 1.6% in 2013 (Blake et al., 2018, p. XI). Additionally, the Israeli municipality did not provide equal services to East Jerusalem compared to West Jerusalem. For example, in 2003, only 11.72% of services were directed toward East Jerusalem, despite it comprising 35% of the city's population (Margalit, 2006), a figure that dropped to just 7% by 2009 (ACRI, 2009).

The municipality's planning efforts have been geared toward expanding Jewish spaces in East Jerusalem while restricting Palestinian areas (Margalit, 2011, p. 53). This is accomplished through various affiliated organizations, including the Jerusalem Development Authority, established in 1988; the Western Wall Foundation, which reports directly to the Prime Minister's Office; and the East Jerusalem Development Company, founded in 1966 in cooperation with the Ministry of Tourism. The Jewish Quarter Reconstruction and Development Company, also in collaboration with the Ministry of Tourism, and Moriah, created

in 1987 to develop Jerusalem's infrastructure, are other examples (Margalit, 2011, pp. 55-58). The municipality also collaborates on projects with the Ministry of Jerusalem and Heritage, which was established in 1990.

A process of demographic engineering unfolded through the manipulation of census data, residency rights, and naturalization policies. The first Israeli census in East Jerusalem was conducted under curfew on June 26, 1967. In early July, the Israeli Ministry of Interior extended the census period by ten days. Three months later, another census by the municipality revealed a discrepancy of 10,000 people between the two counts. Despite this, the Ministry of Interior refused to address the issue (Benziman, 1976, pp. 134-135).

According to the census results, anyone outside Jerusalem at the time—whether in the West Bank or abroad—was classified as absent and denied Jerusalem residency. Those counted were granted only the status of «residents of the Land of Israel,» a designation that effectively rendered the city's original inhabitants as foreigners in their own land. They were labeled as «Jordanian citizens residing in the Land of Israel» and were offered the chance to apply for Israeli citizenship. However, the process was laden with complex requirements, such as fluency in Hebrew and a «clean security record.»

As a result, by early 2022, only 18,982 Palestinians had been naturalized as Israeli citizens—less than 5% of the over 360,000 Palestinian residents of East Jerusalem. This figure was cited by former Interior Minister Ayelet Shaked during a Knesset inquiry posed by Moshe Raz of the Meretz party in February 2022 (Salem, Summer 2022, pp. 260-261).

Economically, after the 1967 war, Israel dismantled the existing Jerusalemite economy, severing its connections with the broader Palestinian economy. This effectively uprooted the Palestinian economic fabric of the city, replacing it with the Israeli economy. The shift forced the majority of Jerusalemites to work within the Israeli economic system, becoming reliant on it to sustain their livelihoods and maintain their presence in the city (UNCTAD, 2013).

From the outset, restrictions were imposed on Palestinian economic institutions in Jerusalem, aiming to bring them under Israeli control. The Jerusalem District Electricity Company was forcibly re-registered in Israel on June 26, 1967, against its will. It was required to include Israeli representatives from the Jerusalem Municipality on its board, supply electricity to the settlements in East Jerusalem,

sign contracts with the Israeli national company, and remove the word «Jordan» from its letterhead.

Before the 1967 war, six Palestinian banks and two British ones operated in the city, but they were all shut down immediately after the conflict. These banks were told they could only reopen if they fully complied with the newly imposed Israeli laws (Benziman, 1976, p. 187). Additionally, businesses and professionals were forced to re-register under Israeli law. Workers in sectors like law, engineering, medicine, and pharmacy had to reluctantly join Israeli professional unions to continue working in Jerusalem. Without joining these unions, they were barred from practicing in the city. Similarly, associations previously registered in Jerusalem had to re-register under Israeli law to maintain their operations, and the same applied to any new organizations formed under the occupation.

East Jerusalem was fully integrated into Israel's tax systems, both at the government and municipal levels. To cement economic control, the Israeli Ministry of Agriculture blocked agricultural products from the West Bank and Gaza Strip from entering Jerusalem. Customs barriers were set up between Jerusalem and the West Bank. The Chamber of Commerce in Jerusalem, which once symbolized the city's centrality to Palestine, was gradually severed from its counterparts in the West Bank. The head of the Jerusalem Chamber had also led the Federation of Chambers of Commerce in the West Bank. Over time, however, the headquarters of various chambers, labor unions, and professional associations moved to Ramallah, diminishing Jerusalem's role as their hub.

In education, the occupation authorities attempted to impose the Israeli curriculum, already enforced on Palestinians within Israel, on East Jerusalem schools. This directive was met with a general strike by school administrators and teachers in the city. In response, Israel restricted the curriculum change to government schools in East Jerusalem, allowing Waqf, UNRWA, and private schools to continue using the pre-1967 Jordanian curriculum. However, due to declining interest in government schools, the Jordanian curriculum was gradually reintroduced alongside the Israeli one during the 1970s. This coexistence persisted until 2015, when Israel embarked on a full-scale effort to «Israelize» the education system in East Jerusalem.

These «soft» measures were accompanied by the establishment of Jewish-Zionist communities near every neighborhood, town, and village in East Jerusalem, creating a community within a community. This dynamic shifted significantly

after 1977, when the Likud party first took power, and again during its rule from 1996 to 2000. During these periods, the colonial settlement process intensified, expanding into Greater Jerusalem, and giving rise to the Greater Jerusalem Metropolitan Project.

Following the signing of the Palestinian-Israeli Declaration of Principles in 1993, Palestinian National Authority institutions were barred from operating in Jerusalem. Israeli negotiator Uri Sapir notes that a letter from Israeli Foreign Minister Shimon Peres to his Norwegian counterpart in 1993, which pledged to preserve Palestinian institutions in the city, did not extend to those affiliated with the Palestine Liberation Organization. Sapir remarked, "This was a secret letter, and the Israeli side signed it on the understanding that only non-PLO-related institutions would remain open in Jerusalem" (Sapir, 1998, p. 97).

Under Likud leadership, restrictions tightened further. The Orient House, which functioned as the de facto headquarters of the PLO in Jerusalem, was closed in August 2001. Prior to this, the Chamber of Commerce was shuttered in July, followed by the closure of the Fine Arts Association and the Clubs Union in September of the same year. The complete closure between Jerusalem, the West Bank, and Gaza, initiated in March 1993, and the construction of the separation wall after 2000, forced many Jerusalem institutions to relocate to Ramallah, despite Israeli restrictions on their activities. As a result, Jerusalem lost its role as the heart of Palestinian national organizations, including labor and professional unions, writers' and journalists' associations, and the Sharia judiciary.

The restrictions on Jerusalem hospitals, coupled with the difficulties Palestinians faced in accessing them, diminished their central role in the Palestinian health sector. After achieving full monopolization of Jerusalem, having severed it from its Palestinian surroundings, Israel embarked on a new spatial strategy. In 2004, as part of this second phase, the government introduced Plan No. 2000. This plan was driven by concerns that by 2040, Palestinians could comprise 55 percent of the city's population. To counter this, the Israeli government, along with 40 planners and 31 representatives from the Jerusalem Municipality, devised a strategy to ensure a Jewish majority in the city until 2020. This involved encouraging Jewish immigration, expanding Jewish construction in East Jerusalem, and capping the Palestinian population at 38 percent by limiting building permits and reducing the number of housing units for Palestinians (Tafkji, 2018, pp. 115-118). In 2009, the

plan was extended until 2030.

In this first phase, the socio-economic impact was profound. Jerusalem's ties to the West Bank and Gaza were severed, diminishing its role as the economic heart of Palestine. The once-integrated units of Jerusalem's community were fractured, cutting off the West Bank workforce from the city's economic sectors and institutions. Palestinian institutions in Jerusalem were shuttered, its economy weakened, and its separation from the broader Palestinian economy was solidified. Over time, the city became almost entirely annexed into Israel's economic structure.

The Second Phase:

From Annexation to Marginal Integration and Enforced Coexistence (2001–2017)

Israel's economic and social policies in Jerusalem continued to evolve in isolation from ongoing negotiations. The proposals offered by Israel during this time fell far short of Palestinian demands, particularly regarding Jerusalem and the refugee issue. In the 2000 negotiations led by Prime Minister Ehud Barak, Israel proposed "sovereignty for neighborhoods outside the wall, self-rule for surrounding villages, and a special regime for the neighborhoods within the wall" (Abbas, 2011, p. 22). Additionally, Israel claimed sovereignty over the so-called Holy Basin, which includes Al-Aqsa Mosque, parts of Silwan and Ras al-Amud, as well as the space beneath the Haram, arguing it housed Solomon's Temple. Israel also demanded control over the Armenian Quarter and the Buraq Wall (Qurai', 2011, p. 36; Salem Kharif, 2021, p. 129).

The negotiations at Camp David in 2000 extended into the Taba talks in 2001, where Israel persisted in its refusal to address any Palestinian claims to West Jerusalem while advocating for the division of East Jerusalem between the two sides. A new round of discussions with Prime Minister Ehud Olmert in 2008-2009, following the Annapolis Summit, saw an agreement to use the 1967 borders as the basis for negotiations, including East Jerusalem (Erekat, 2009, pp. 3-4). However, these talks were cut short when Israel launched its war on Gaza at the end of 2008.

Under Prime Minister Benjamin Netanyahu's leadership, starting with his second term, Israel became even more rigid. By 2013, during negotiations with the

Palestinians and later with the Americans in 2014 and 2015 (without Palestinian representation), Netanyahu remained steadfast, refusing to concede any part of Jerusalem or acknowledge it as the capital of Palestine (Salem, Autumn 2021, p. 132).

In 2017, the United States moved its embassy from Tel Aviv to Jerusalem, cementing the city's status under full Israeli sovereignty. The 2020 Deal of the Century proposed a Palestinian capital in Kafr Aqab and the Shuafat camp, excising them from Jerusalem, while leaving the rest of the city under complete Israeli control.

At this stage, Jerusalem's first spatial plan was introduced in 2004, as previously mentioned, aligning with the Israeli economy's growing focus on high technology. This shift deepened the government's efforts to integrate middle-class Jerusalemites into the Israeli labor market, often in lower positions with reduced wages, mirroring the treatment of other workers. Responding to the Israeli economy's demands, the inclusion of East Jerusalem Palestinians in the middle-tier business sector—such as medicine, pharmacy, and engineering—intensified. Many were employed in lower-level roles within the high-tech industry. Technological incubators subcontracted with Israeli firms were established in East Jerusalem, alongside branches of Israeli companies and training centers, particularly in business. Admissions to the Hebrew University and Israeli colleges were expanded, and the teaching of Hebrew became more widespread.

Israeli plans for East Jerusalem, including the Merom Plan (Jerusalem Economic Development Decision No. 3238) launched in 2011, focused on reinforcing Jerusalem's status as a global tourist destination and a hub for research, development, and economic growth. The plan received 290 million shekels from the government, supplemented by 75 million shekels from the Ministry of Tourism and 41.5 million from the Jerusalem Municipality (Badawi, 2021, p. 18). This was followed in 2014 by a further 300 million shekels allocated to economic and social development initiatives. Both plans prioritized reducing violence in East Jerusalem through programs initiated by the Ministries of Internal Security, Welfare, Housing, and Education. These initiatives aimed to promote vocational and higher education, facilitate labor market integration, improve infrastructure, and support youth programs (Badawi, 2021, p. 20).

In 2014, the "Increasing Personal Security and Socio-Economic Development in

Jerusalem" plan was introduced, with a budget of 200 million shekels over five years, running until 2018. This initiative focused on reducing violence and crime, echoing the goals of the earlier Merom Plan, though it placed less emphasis on tourism. The following year saw the release of another economic development plan for 2015–2020, concentrating on enhancing artistic, cultural, and entertainment institutions. In the same year, an additional 205 million shekels were allocated to further develop the Merom Plan, targeting small and medium-sized businesses, boosting tourism, and strengthening higher education. The Jubilee Plan, which succeeded the Merom Plan for 2016–2021, was approved with a budget of 625 million shekels (Badawi, 2021, pp. 20-28).

Among the most notable projects was the Ministry of Jerusalem, Heritage, and Economy's initiative, carried out through the Jubilee Plan, to support emerging high-tech companies with a five-year investment of 15 million shekels (Badawi, 2021, p. 30). Additionally, the "Development of the Old City Basin in East Jerusalem" plan was unveiled in 2017, covering the period from 2018 to 2024. It received an initial budget of 50 million shekels, aimed at launching projects on the Mount of Olives and promoting cultural events in the Old City (Badawi, 2021, p. 33).

These plans primarily served the settlers in East Jerusalem, aiming to reduce the gap between their infrastructure and that of West Jerusalem and the rest of Israel. For Palestinians in East Jerusalem, the focus was on improving living conditions to mitigate security risks, while also training and integrating them into the Israeli economy, which was transitioning to a high-tech phase. Additionally, these efforts aimed to distance Palestinians from their national identity, fostering a distinct «Jerusalemite» identity. This was done by linking them to services provided by Israeli ministries and institutions across East Jerusalem, such as the Social Affairs and Welfare Department, the National Insurance Institute, health funds, the Histadrut, professional unions, and community centers offering services to women, youth, children, and the elderly. Government-supported projects, including small businesses, tech incubators, cultural institutions, and joint Israeli-Palestinian initiatives, were also part of this plan. These programs replaced Palestinian cultural and entertainment events historically organized around Bab al-Jadid and Bab al-Khalil, leading to the Old City. Schools were encouraged to adopt the Israeli curriculum, with generous grants offered as incentives.

The creation of a separate Jerusalemite identity was further bolstered by promoting the city's uniqueness and the special status of its residents (Cohen, 2011). The rise of a «coexisting» middle class (Stern and Ya'akov, 2011) also supported this narrative, as did claims of Jews and Arabs living in a state of «conflictual coexistence» (Bosdridge, 2014). Nir Barkat, the former mayor of Jerusalem, echoed this sentiment, stating that Jerusalemites simply desire success, good upbringing for their children, and better job opportunities (Mahfouz, 2019, p. 63). In the «Deal of the Century,» it was reported that many Jerusalemites expressed a desire for an identity distinct from both Palestine and Israel, one that would allow them to take pride in their unique history (Peace for Prosperity, 2020).

The government commissioned the Jerusalem Institute for Policy Research to track and evaluate these efforts to detach Jerusalemites from their Palestinian identity. This was reinforced through various educational policies, especially after Naftali Bennett assumed leadership of the Ministry of Education in 2015. Under his guidance, the ministry began phasing out the Palestinian curriculum, expanding Israeli curriculum education in public schools, and bringing private schools under the Israeli Ministry of Education's control. UNRWA schools faced restrictions, and in 2019, the Palestinian Education Office in East Jerusalem was closed.

These aggressive policies, especially concerning education, marked a shift to a more coercive approach, sparking resistance among Jerusalem's Palestinian population. This resistance was intensified by the expansion of colonial settlements, which encroached on neighborhoods like Sheikh Jarrah, Silwan, and the Old City. Further tensions arose from the declaration of intentions to impose sovereignty over Al-Aqsa Mosque and attempts to divide it both spatially and temporally, under the pretext that only the Al-Qibli Mosque was significant to Muslims, while other parts of the sanctuary were considered holy to all religions. Ultimately, the policies of settlement expansion, control over Al-Aqsa, and the complete Israelization of education led to the failure of Israeli efforts to socially and economically re-engineer Jerusalem's Palestinian population. These dynamics became particularly apparent during the decisive phase.

The Third Phase:
Pursuing a Decisive Resolution (2017–Present)

In this phase, Smotrich's «Decisive Resolution Plan» was unveiled, a strategy developed by Daniel Pipes since 2014 and backed by coalitions in both Congress and the Knesset. The plan, addressing Palestine and Jerusalem, operates on the assumption that the economic and social engineering efforts of previous Israeli governments have become ineffective, not only for Jerusalem but for all of Palestine. A decisive resolution, according to this vision, requires Palestinians to abandon all their demands and accept living under Israeli rule, thus ensuring «a complete victory for Israel.» Only those who submit would see improvements in their living conditions (Pipes, 2017). Others would be left with two options: leave the country or choose resistance, which would lead to their demise (Smotrich, 2017).

In contrast, the Likud party maintained that socio-economic engineering remained essential but required a new phase. This phase demanded not just coexistence, but loyalty to the state and its laws, as articulated in the 2018 Nationality Law, which declared that Palestine is the «Land of Israel,» belonging solely to the «People of Israel.» By this stage, Lik ud's approach—crystallized in the 2020 «Deal of the Century»—aimed to eliminate the economic distinctions between Jerusalem and the West Bank. Likud moved towards annexing both territories, either in one step or gradually, while proposing that the settlements serve as economic hubs where Palestinians could work as laborers and professionals to fuel this expansion.

The joint «Judea and Samaria Chamber of Commerce» was established, comprising Palestinian businessmen who accepted annexation. Its headquarters were set in the Ariel settlement, and development projects for the settlements were proposed (Azm Spring-Summer 2019, and Azm, Autumn 2018-Winter 2019). Nir Barkat, working alongside a professor from Harvard University, proposed creating 12 industrial zones within the settlements. This would increase the number of Palestinian workers in these areas from 26,000 in 2019 to 250,000, spanning roles from manual labor to high-tech sectors. These zones would also contribute to developing 24 biblical sites, positioning them to welcome Evangelical pilgrims from around the world, a community of 800 million people. This plan was aligned with the goal of boosting the settler population to two million.

Barkat described this initiative as a «win-win» project, benefiting not only Palestinians facing economic hardship but also Jews and Americans. He further stated that the Palestinian Authority would not be necessary for the plan's

implementation, as it could proceed without its involvement (Horovitz, 2019).

In alignment with these initiatives, the "Jerusalem 2050" project, outlined in Plan 5800, was proposed. The plan is named after the Hebrew year corresponding to 2050. Australian technologist and investor Kevin Burmeister published it in 2016, with the aim of shifting Israel's center from the Gush Dan region (Tel Aviv and its surroundings) to a newly expanded Greater Jerusalem metropolitan area. This expanded Jerusalem would stretch to the Dead Sea in the east, Hebron in the south, and the Shiloh settlement halfway to Nablus in the north, transforming it into Israel's industrial, technological, and tourist hub.

To achieve this, the plan includes the construction of vast hotels, tourist resorts, an international airport near Jericho, advanced tech facilities, and high-speed train lines. The result would be a metropolis of five million people, creating between 75,000 and 85,000 new jobs to support its growth (for details, see Salem, Winter 2022, p. 244, and Tafakji, 2018, pp. 118-120). These initiatives seek to integrate Palestinian labor—both skilled and unskilled—into a framework that promises "improved economic living conditions while also serving the Israeli economy" (Azm, Autumn 2018-Winter 2019, p. 34).

The socio-economic initiatives for Jerusalem included "Resolution 3790: Reducing Social and Economic Disparities in East Jerusalem" for the years 2018 to 2023, with a substantial budget of 2.3 billion shekels—the largest ever allocated for such a plan in the city. This initiative aimed to address the vast inequalities between East and West Jerusalem in sectors like education, training, employment, trade, healthcare, transportation, and real estate registration (Badawi 2021, pp. 34-38; Jerusalem Institute; Ir Amim). The plan is set to continue with an even larger budget of 3.2 billion shekels for 2024-2028.

Originally scheduled for release in May 2023, the next phase was delayed by Finance Minister Bezalel Smotrich, who refused to allocate 200 million shekels meant to aid young Jerusalemites' enrollment in Israeli universities and colleges. Smotrich cited concerns over the rise of «national extremism» among the city's youth. On August 7, 2023, Smotrich announced his decision to freeze the entire plan, cutting its budget to 2.5 billion shekels (around $680 million). He declared that the «dismantling of Islamist cells in Israeli universities and colleges» must occur before any funds are released.

To that end, Smotrich appointed a multi-ministerial committee tasked with

developing «highly productive businesses for Jerusalemites» that would also curtail nationalist extremism among Arab students in Israeli institutions (Times of Israel, 2023). Under this new directive, suppressing Islamic and nationalist sentiments became a prerequisite for continuing grants for the preparatory year in Israeli universities. Until the committee presents its recommendations, Smotrich has halted the entire plan, not just its educational component.

It's worth noting, as Haaretz reported, that halting the plan does not affect the financial support for settler organizations in East Jerusalem. The Elad settlement organization will still receive tens of millions of shekels, and the Western Wall Heritage Foundation will be granted 60 million shekels, among other allocations (Haaretz, 2023).

Ultimately, Smotrich's decisions led to a temporary freeze on funds earmarked for Palestinians in East Jerusalem, imposing stricter conditions for their release. On August 20, 2023, the Israeli government reinstated the plan but, in accordance with Smotrich's demands, removed the 200 million shekels allocated for facilitating Palestinian Jerusalemites' admission to Israeli universities. This sum was redirected towards programs designed to encourage «highly productive labor» through specialized training initiatives.

In essence, the revised plan steered Palestinian Jerusalemites toward participation in Israel's labor market, rather than higher education, which Smotrich claimed fueled nationalist extremism. The plan also allocated 800 million shekels to promote education in East Jerusalem according to the Israeli curriculum and 459 million shekels for higher education in the West Bank. Between 783 and 833 million shekels were dedicated to improving infrastructure in East Jerusalem, aiming to bring it to the level of West Jerusalem, alongside 120 million shekels for legal planning and public building designs. This included the licensing of 2,000 housing units annually for Palestinian Jerusalemites, though this number pales in comparison to the volume of housing built for Jewish settlers in East Jerusalem and does little to address the severe housing shortage among Palestinians.

The plan also earmarked 900.5 million shekels to enhance public spaces, social welfare services, and security. This included boosting the number of police stations in East Jerusalem, upgrading health services, improving waste management, and developing cultural and entertainment initiatives. Israeli ministries, in collaboration with the Jerusalem Municipality, were tasked with implementing

the plan and preparing detailed executive proposals for each sector within 90 days (Al-Bousla, 2023).

This ambitious initiative, with substantial funding, was a clear step in the Judaization of East Jerusalem. Concurrently, Israel sought to position Jerusalem as a global tourism hub. As part of this effort, the state even presented itself as the ideal organizer for Arab and Islamic pilgrims visiting holy sites in East Jerusalem. This was unsurprising, considering that in 2019, 4.8 million tourists entered Israel, with 77.5% visiting Jerusalem—a small fraction of whom were from Islamic countries (Salem, Spring, 2021, p. 19).

The effects and consequences of social and economic policies in East Jerusalem, and the Palestinian responses: An overall assessment.

Over time, the colonial policies of social and economic engineering in East Jerusalem have oscillated between two approaches: expulsion and evacuation, and keeping Palestinians to work in service of the ruling power. This duality reflects a tension between uprooting and replacement, or retaining the population while enforcing racial discrimination and apartheid. However, these two approaches are not entirely contradictory. They converge on the issue of internal displacement, which continues unabated, whether for the expansion of colonial settlements—such as in Khan al-Ahmar, Sheikh Jarrah, and Silwan—or for demographic control aimed at preserving a Jewish majority. This is achieved by revoking residency IDs for Palestinians in Jerusalem, or through deterritorialization, such as excluding areas like Qalandia, Kafr Aqab, and the Shuafat camp from the boundaries of Jerusalem with the separation wall.

Both trends ultimately agree on deportation and evacuation as the end goal but differ on the means to achieve it. The apartheid approach believes that by suffocating Palestinians in every aspect of life, and leveraging Israeli laws to control land and people, it can induce a slow, voluntary migration out of the country. Advocates of this view argue that even when Palestinians are granted limited improvements in living conditions, such as easier travel to Jordan or other nations, the lure of a better life abroad will encourage youth to leave voluntarily in pursuit of greater opportunities.

Conversely, the more radical deportation faction sees little benefit in policies aimed at improving Palestinian lives. They seek direct, immediate deportation

without concessions, except for those Palestinians who fully submit to Israeli rule. This faction pushes for legal amendments to explicitly support forced deportation, advocating intensified repression, killings, raids, and impunity for Israelis who kill Palestinians. They encourage arming civilians to perform security tasks, establishing nationalist militias, and fostering settler violence—all measures designed to hasten the expulsion of Palestinians.

The Palestinian responses to these policies in Jerusalem unfolded through distinct phases of resistance. It began with the "stage of establishing presence" from 1967 to 1974, followed by the "stage of strengthening steadfastness" between 1974 and 1987. The "national struggle" then took center stage during the Intifada from 1987 to 1993. This was succeeded by an effort to "build an official Palestinian presence" in Jerusalem, epitomized by the establishment of the Orient House from 1993 to 2001. Afterward, a shift occurred towards "self-reliance within local Jerusalem communities", a phase that continues to this day (Salem, Autumn 2019, pp. 156-261).

Hillel Cohen adds that by the 1980s, East Jerusalem had become the de facto capital of Palestine. It housed major Palestinian newspapers, unions, writers, journalists, the national theater, and the political leadership. The city received 38 percent of the funds dedicated to supporting steadfastness, with 160 million Jordanian Dinars spent by the Jordanian-Palestinian Joint Committee. In 1979, the Arab Studies Association was established there, giving rise to the Orient House, while the first Intifada was led by a unified leadership centered in Jerusalem. Despite the growing isolation from the West Bank, particularly after the closure began in 1991, Jerusalem remained a political hub. It was from here that the Madrid and Washington negotiations were coordinated in 1992 and 1993, in tandem with the Palestinian leadership in Tunisia. However, by 2001, most Palestinian institutions in Jerusalem had been shut down, leading to the city's loss of its central role for Palestine, as Israel tightened its grip over the city (Cohen, 2011, pp. 10-27, 68-69). Cohen argues that these closures enabled the Israeli government to fragment the West Bank, Gaza, and East Jerusalem into distinct, disconnected units. He suggests that, within Jerusalem, this has given rise to a unique and hybrid identity among Palestinian Jerusalemites. This identity blends "Palestinianization" with a more localized sanctity, where Palestinians engage with the Palestinian Authority on certain issues, while handling others as Jerusalemites outside of its control. In

doing so, a special «Jerusalemite identity» emerged (Cohen, 2011, pp. 129-131). Cohen concludes that Israel's policies have succeeded in subjugating the Palestinian population of Jerusalem, reshaping their aspirations and dreams to conform to, and submit to, the Israeli system of dominance.

The reality diverges sharply from the notion that Israelization of Jerusalemites is achievable. In truth, Israel does not seek to fully integrate them for demographic and racial reasons. Likewise, voluntary Israelization is an impossibility. Even the minority who obtain Israeli citizenship largely retain their Palestinian identity, shaped by the daily experience of persecution and oppression. The use of force alone suffices to undermine Israel's ongoing efforts at social and cultural engineering. Additionally, a growing awareness of identity and belonging is flourishing among Jerusalemites, particularly the youth who have been at the forefront of annual uprisings since 2014. These revolts are not signs of submission but rather evidence of a "Palestinianization" that resists the occupation's efforts to contain it.

Despite relentless deportation policies, the people of Jerusalem remain steadfast in their homeland. In the Old City, Palestinians still represent nine-tenths of the population, and they continue to form the majority in East Jerusalem, despite the settler encroachments. They reject the institutions of the occupation, boycott Israeli municipal elections, and safeguard their sacred spaces, both Islamic and Christian, particularly Al-Aqsa. Key Palestinian institutions, such as the Arab Electricity Company and hospitals, remain intact, as do the religious endowments that hold cultural and historical significance. Resistance to deportation procedures persists, and the efforts to reshape their minds and behavior under occupation control appear to have failed. On the horizon, this trend of "Palestinianization" strengthens, with hopes of restoring institutional ties to the broader homeland. The vision includes building resilient Palestinian communities in Jerusalem and fostering a network of community committees that could potentially revive the Jerusalem Secretariat (the Arab Jerusalem Municipality) to rejoin the Union of Palestinian Municipalities.

At present, in this decisive phase, the scope of Israelizing education is expanding. Private schools are increasingly being pressured, as seen when the Rosary Sisters School was coerced into raising the Israeli flag during a school activity attended by municipal officials in May 2023. Schools are also enticed to adopt the Israeli

curriculum with promises of financial support, in stark contrast to the private schools struggling under the weight of high tuition costs. The goal is to better prepare students for entry into the Israeli labor market. Some private schools have succumbed to these pressures, while others, such as the Arab Orphan School, face mounting pressure. Meanwhile, six schools are under siege for refusing to teach the Palestinian curriculum, which has been distorted by the occupation.

Efforts to further entrench the Israelization and Judaization of the Old City and its surroundings have intensified. In recent years, a particular focus has been placed on transforming these areas. A 100-square-meter technology incubator was established on the sixth floor of Dar Mall, located in the heart of Salah al-Din Street, and was inaugurated by the Israeli Minister of Jerusalem Affairs and the city's mayor in July 2023. During the opening, they announced plans to establish a settlement in the Salah al-Din Post Office at the street's entrance. Additionally, the Silicon Valley of Joz project is set to begin, fundamentally altering the Musrara neighborhood and renaming Bab al-Amud as «Hadar and Hadas.» Israeli cultural celebrations, music festivals at Bab al-Jadeed, and the opening of Israeli company branches and brands around the Old City accompany this transformation, alongside the proliferation of Israeli banks and health centers across East Jerusalem.

These initiatives are coupled with normalization efforts, such as events in the Citadel of David and meetings between police leadership and Christian leaders under the guise of promoting peace and coexistence. In August 2023, further steps were taken to integrate East Jerusalem workers into the Israeli Histadrut and professional unions. Simultaneously, young Palestinians are now being encouraged to pursue Israeli citizenship following a Supreme Court ruling. The overarching goal is to distort the Palestinian identity and sever the Jerusalemite community from its nationalist and political roots.

The underlying message is clear: political ambitions are mere slogans that offer no sustenance, while Jerusalem is systematically isolated from the rest of Palestine by the separation wall, and settlement projects, property seizures, excavations, and tunnels continue unabated, particularly in East Jerusalem.

These developments highlight a multifaceted campaign using both soft and hard power to dominate Jerusalem and subdue its people. Despite this, only a small group has succumbed to the belief that the national struggle is futile, concluding that the path forward for Palestinian Jerusalemites is to pursue their interests

by engaging with the Israeli system. This includes participating in the Israeli municipal elections, set for October 2023, where lawyer Walid Abu Tayeh, a Palestinian from the interior, is running for office. This reflects a lingering divide, one born from the forced institutional separation of Jerusalem from Palestine after Oslo. One consequence of this divide is the exclusion of Jerusalem from Palestinian municipal elections in any meaningful way. Many Jerusalemites feel disconnected from Palestinian elections, doubting that the elected Legislative Council can meet their needs. This disengagement is evident in the fact that fewer than six thousand Jerusalemites participated in the last Palestinian elections.

Israeli academics interpret this as the emergence of a distinct Jerusalemite identity, separate from its Palestinian roots. However, this perceived identity shift is merely the result of institutional separation—a gap that can and must be bridged through creative solutions. Meanwhile, the vast majority of Jerusalemites continue to resist, save for a small elite who have abandoned national aspirations in favor of integrating into the Israeli system, under the illusion that their demands can be met through such assimilation.

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