



## From Settlement to Shelf: The Economic Occupation of the Syrian Golan - A Summary

### Introduction

The conflict and unrest in the Middle East region has long been a focal point of international media coverage, to the extent that a diverse array of people possess at least a rudimentary awareness of the situation currently unfolding in the occupied Palestinian Territories. Regrettably, many of the substantive issues pertaining to Israel's occupation of the Syrian Golan, whilst equally important, have been largely neglected on the international stage, despite their considerable significance in the search for a lasting peace in the region. The occupation has had substantial repercussions for the economy and landscape of the Syrian Golan. Accordingly, this report examines the economic occupation of the Syrian Golan, focusing on the illegality of Israeli settlements, their resultant industries and the international community's continued acquiescence regarding Israel's gross violations of international law in the region.

### The Occupied Syrian Golan – A Brief Geographical Overview

The Occupied Syrian Golan is a small mountainous region in the south-western corner of Syria which has been under Israeli occupation since June 1967. Comprising of mountainous peaks and plateaus, it has long been viewed as a strategic military territory, with the imposing peak of Mt. Hermon, at 2,224 metres, providing a dominant perspective of southern Syria, southern Lebanon and much of northern Israel. Despite its relatively small size, the region has an overall landmass of 1,860 sq. km and its unique terrain is unrivalled within the state of Israel.<sup>1</sup> As such, it is coveted not only for its elevated position but also for the healthy water sources that surround Mt. Hermon and an emerging tourist industry, the potential for which cannot be found anywhere else in Israel. The picturesque scenery and natural beauty of the region, combined with its substantial water reserves and thriving vineyards, is overshadowed by a dark cloud which takes the form of strategic settlement expansion; this has resulted in exploitation of natural resources, asymmetrical water quotas and discriminatory taxes.

### The 1967 War and its Outcomes

The 1967 Arab-Israeli War had a devastating effect on the indigenous population of the Syrian Golan. Immediately after occupation, Israeli settlement building and population transfer was initiated. Prior to 1967, the Syrian population of the Syrian Golan [sic] was roughly 140,000, living in two cities (Qunaytra and Afiq), 164 villages and 146 agricultural farms. Almost all of them were uprooted and expelled during and after the war, forced to relocate to refugee camps around Damascus and whose numbers today are approaching half a million. Following Israel's conquest, the two cities, 130 villages and 112 agricultural farms were destroyed. Six villages with a total population of 7,000 remained.<sup>2</sup>

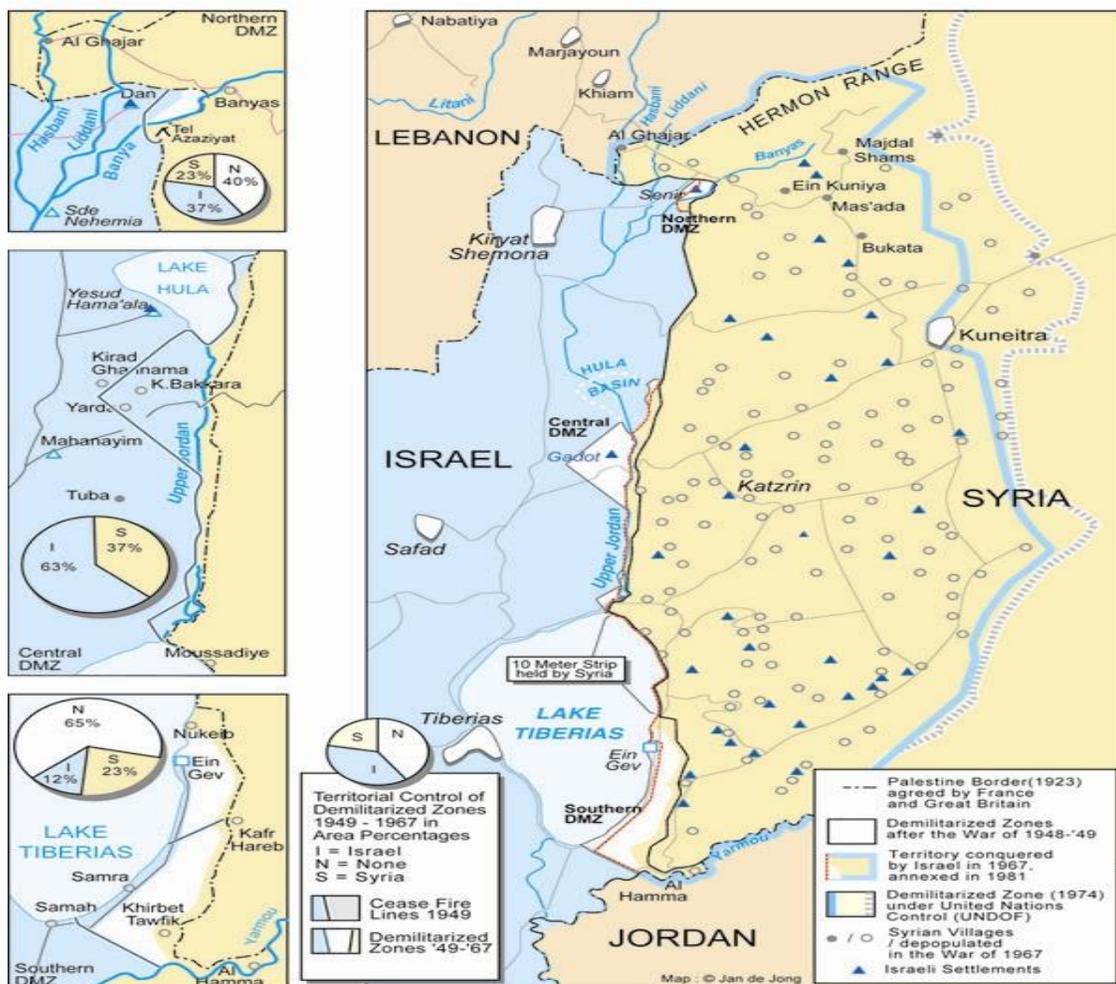
---

<sup>1</sup> Dr Ray Murphy and Declan Gannon, 'Changing the Landscape: Israel's Gross Violations of International Law in the occupied Syrian Golan' (2008) Al-Marsad, the Arab Centre for Human Rights in the occupied Golan, available: [http://golan-marsad.org/wp-content/uploads/Changing\\_The\\_Landscape.pdf](http://golan-marsad.org/wp-content/uploads/Changing_The_Landscape.pdf)

<sup>2</sup> Report of the London International Conference on the Golan (June 2007) Arab Media Watch, 'The Golan since 1967' in The Golan-Ending Occupation, Establishing Peace.

Following the end of the conflict, those expelled were not allowed to return by the Israeli government and the process of 'settlement' began almost immediately after the occupation commenced, as Israeli authorities initiated settlement projects and military orders were enforced regarding the allocation of land and water sources for the purposes of settlement. Successive Israeli governments have all created plans and projects for settlements, despite their clear contradiction of international law.

Common Israeli practice was to build on top of the ruins of destroyed villages as an effective method of hiding the evidence. To an untrained eye looking around parts of the Occupied Syrian Golan, it is almost impossible to tell that Arab villages once existed, but as the map below shows, there were dozens of villages where now only barren land and settlements remain. Aside from the imposing skeleton of the village of Qunaytra, there are very few traces left of these old villages. In many cases, stones from the destroyed village have been used to build the new settlement homes as well as the military points, in a move which physically overwhelms the foundation of the original village.<sup>3</sup>



<sup>3</sup> Golan For Development, 'The Tactic Erasure' available at <http://www.jawlan.org/english/golanheights.htm> accessed 10 November 2009.

## UN Resolutions Relating to the Settlements

The United Nations has expressed its criticism of settlement building throughout all the occupied territories, through the issuance of multiple resolutions, including but not limited to:

- **United Nations Security Council Resolution 446 (22 March 1979)** *'Determines that the policy and practices of Israel in establishing settlements in the Palestinian and other Arab territories occupied since 1967 have no legal validity and constitute a serious obstruction to achieving a comprehensive, just and lasting peace in the Middle East.'*
- **United Nations Security Council Resolution 452 (20 July 1979)** *'States that the policy of Israel in establishing settlements in the occupied Arab territories has no legal validity and constitutes a violation of the Fourth Geneva Convention relative to the Protection of Civilian Persons in Time of War of 12 August 1949.'*
- **United Nations Security Council Resolution 465 (1 March 1980)** *'Deplores the decision of the Government of Israel to officially support Israeli settlement in the Palestinian and other Arab territories occupied since 1967, [and is] deeply concerned over the practices of the Israeli authorities in implementing that settlement policy in the occupied Arab territories, including Jerusalem, and its consequences for the local Arab and Palestinian population. Calls upon all States not to provide Israel with any assistance to be used specifically in connection with settlements in the occupied territories.'*

## Economic Motivations Behind the Settlements

Strong economic motivations underpin the establishment of Israeli settlements in the Occupied Syrian Golan. The Occupied Syrian Golan is a rich volcanic plateau with extremely fertile soil.<sup>4</sup> The region is home to a huge variety of valuable natural resources, making it an ideal location for settlements and settlement industries. Since the occupation began, the Israeli authorities have aimed to implement policies which control the valuable resources in the region, in particular the land and the water.

In recent times, this has manifested itself through Israel's encouragement of the establishment of industries and businesses in the region, which exploit these natural resources for commercial gain. In order to attract more settlers each year, the Israeli authorities are 'building new infrastructure and factories and creating various other economic opportunities'.<sup>5</sup> Today, the economy in the Occupied Syrian Golan is dominated by settlers whose products – such as beef, cherries, apples, wine and mineral water – provide for a significant proportion of Israel's needs. Approximately 20% of the Occupied Syrian Golan's

---

<sup>4</sup> Dr Ray Murphy and Declan Gannon, 'Changing the Landscape: Israel's Gross Violations of International Law in the occupied Syrian Golan' (2008) Al-Marsad, the Arab Centre for Human Rights in the occupied Golan

<sup>5</sup> UN General Assembly, 'Report of the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Palestinian People and Other Arabs of the occupied Territories : note / by the Secretary-General', 9 September 2009, A/64339/, para. 90.

settlement produce is exported to twenty different countries, including Canada, Australia and the United States and several in Europe.<sup>6</sup>

The natural beauty of the Golan region also lends itself to tourism, 'drawing 2.1 million visitors per year.'<sup>7</sup> The natural diversity of the area is remarkable; visitors can swim in Lake Tiberias, ski on Mount Hermon and visit hot mineral springs. The majority of the tourist industry in the Occupied Syrian Golan is controlled by the Israeli settlements, and although some of the local Arab population work within the sector, this is often because little alternative employment is available to them.

### **The Settlement Industry in the Occupied Syrian Golan**

There are three forms of corporate involvement in settlement industries in the Occupied Syrian Golan: settlement products, Israeli construction on occupied land and services to the settlements. The first category involves Israeli companies located within the settlements that make use of local land and labour, such as the Golan Heights Winery. Companies in the Occupied Syrian Golan range from small businesses which serve Israeli settlements to large factories which export their products to the global market, in particular to Europe and the United States. A number of settlements in the Occupied Syrian Golan also produce agricultural goods like flowers and fruit which are marketed both in Israel and abroad.<sup>8</sup>

The true origin of such settlement products, sold abroad is often deliberately obscured by circumvention of labelling and origin laws.

The second category concerns companies which are involved in construction of the settlements and the infrastructure which connects them to Israel proper. In the occupied territories, infrastructure and housing serves two purposes: to annex more land and resources for Israel while simultaneously excluding local residents. The construction industry in the Occupied Syrian Golan includes real estate agents, planners, contractors and suppliers of materials.<sup>9</sup> Certain Israeli settlements in the Occupied Syrian Golan, such as Neve Ativ, were constructed with the help of local building contractors from Syrian villages like Majdal Shams. Since the occupation began, Israel has instituted policies designed to exclude the indigenous population from many of their local private economies such as livestock rearing, while at the same time monopolising control over the natural resources of the region.

As in the occupied Palestinian Territories, this has resulted in the exploitation of the local population, who often have no choice but to engage in the construction of settlements and work on settlement farms due to a lack of alternative employment caused by Israel's economic policies in the region. The third category consists of companies involved in the provision of services to the settlements.<sup>10</sup> This includes services which help connect the settlements to Israel and normalise their existence, as well as services which are

---

<sup>6</sup> *Ibid.*

<sup>7</sup> Report of the London International Conference on the Golan (June 2007), Abdulkader Husrieh, 'Strategic Economic Significance of the Golan' in *The Golan – Ending Occupation and Establishing Peace*

<sup>8</sup> Who Profits? 'The Settlement Industry: Settlement Products'

[http://www.whoprofits.org/Involvements.php?id=grp\\_inv\\_settlement](http://www.whoprofits.org/Involvements.php?id=grp_inv_settlement) accessed 15 October 2009.

<sup>9</sup> *Ibid.*

<sup>10</sup> *Ibid.*

in some way discriminatory to local residents. A special water company - Mey Golan - set up exclusively for Israeli settlers in the region, is one example of this.

There exist a variety of incentives provided by the Israeli government to encourage settlement production. These include special tax incentives, low rents, lax enforcement of labour and environmental laws and extra governmental support.<sup>11</sup> Many Israelis have developed businesses and established homes in the Occupied Syrian Golan due to the encouragement and incentives offered by the government.<sup>12</sup> By setting up businesses and factories in an occupied territory like the Occupied Syrian Golan, the authorities have bolstered the view of many Israelis that the Occupied Syrian Golan is 'an inherent, inseparable part of their sovereign territory'.<sup>13</sup> Moti Bar, owner of a microbrewery in the settlement Katzrin, illustrated this attitude when he stated that, 'We're living our life as if we'll be here forever.'<sup>14</sup> Such assured investment serves to both encourage and sustain the continuing occupation of the Syrian Golan.

### **Economic Sanctions and Restrictions Imposed on the Local Population**

The success of the settlement industry in the Occupied Syrian Golan must be viewed against the wider backdrop of the multiple discriminatory economic practices Israel has instituted against the region's protected Arab population since the occupation began. The thriving economy of the settlements only exists because of policies and practices which remove competition and distribute vital resources in an inequitable manner, stunting the growth of the local Arab economy. In the years since the occupation, the Israeli authorities have instituted numerous policies aimed at curtailing and restricting the economic practices of the native population.

Prior to the 1967 War, the inhabitants of the Occupied Syrian Golan had an economy based primarily on agriculture and livestock, with 62% of the workforce engaged in this sector. The industrial sector was less developed, accounting for 20% of workers. Many of the Arab residents in the Occupied Syrian Golan lost up to half their agricultural land following the occupation, which was the backbone of the local economy.<sup>15</sup> As a result of this land expropriation, the production of field crops and dairy products was irrevocably damaged and in effect, disappeared completely. The Arab population of the Occupied Syrian Golan was then forced to depend on Israeli agricultural products and settlement products (in particular for dairy products).<sup>16</sup>

Native Syrian inhabitants were forbidden from accessing or utilising the water for agricultural purposes, which had a devastating impact on the primarily agricultural economy. In contrast, unlimited amounts of water were provided to the settlements at a low cost.<sup>17</sup> Currently, the Israeli authorities provide settlers

---

<sup>11</sup> *Ibid.*

<sup>12</sup> Elliot M. Repko, 'The Israeli-Syrian Conflict: Prospects for a Resolution' (2007) 7 *The Journal of International Policy Solutions* 25 – 31.

<sup>13</sup> *Ibid.*

<sup>14</sup> Scott Wilson, 'Golan Heights Land, Lifestyle Lures Settlers' *Washington Post*, 30 October 2006.

<sup>15</sup> 'The occupied Syrian Golan: Background' Al-Marsad, the Arab Centre for Human Rights in the occupied Syrian Golan (2005).

<sup>16</sup> *Ibid.*

<sup>17</sup> Al Marsad Report, 'The occupied Syrian Golan' (2005) Al-Marsad the Arab Centre for Human Rights in the occupied Golan.



with five times the amount of water allocated to Arab farmers, with the former receiving 450 m<sup>3</sup> per dunum<sup>18</sup> of land while the latter are limited to 90 m<sup>3</sup> per dunum. Blatant discrimination exists with regard to both water quotas and costs for the Arab inhabitants of the Occupied Syrian Golan.

Several self-supporting community projects have been initiated by the indigenous inhabitants of the Occupied Syrian Golan over the years. As in the other occupied territories, the Israeli authorities have failed to equip the Arab towns and villages of the region with basic infrastructure and services, despite the taxes paid by the inhabitants. The existence of essential facilities, such as schools, is often dependent on the initiative of the local Arab community rather than being provided by the state authorities as one would expect.

The Israeli authorities fail to provide even the most basic infrastructure for the Occupied Syrian Golan's Arab inhabitants. The local population are forced to decide which infrastructure is most urgent, organise a system of donations from the townspeople and oversee the completion of the project; in this case, the building of roads or clinics.

This plethora of economic restrictions and discriminatory policies imposed by the state of Israel severely curtails the ability of the people of the Occupied Syrian Golan to develop a strong and independent local economy. Such restrictions contrast starkly with the incentives and financial support provided to businesses and industry in the Israeli settlements of the Occupied Syrian Golan, where settlement production flourishes.

### **Corporate Complicity**

Under international law, an occupying power is entitled to utilise the economic resources of the territory it occupies, but it must do so in compliance with the rules of usufruct as stated in Article 55 of the Hague Regulations 1907.<sup>19</sup> The occupying power is prohibited from exploiting the economic resources and capital of the occupied territory for the benefit of its own domestic requirements. Accordingly, 'it is required to keep the occupied territory separate, politically as well as economically'.<sup>20</sup>

Notwithstanding Israel's continued contravention of international humanitarian and human rights law, many multinational corporations are keenly involved in or linked to illegal settlement activities in the Occupied Syrian Golan and Palestinian territories. As a corollary, these corporations are either involved in or indirectly facilitating activities that result in the violation of fundamental human rights.

### **Case Study 1: Eden Springs Ltd**

Eden Springs Ltd. (also known as Mey Eden, Mayanot Eden and Mey Golan) is an Israeli water company which began its activities in the Occupied Syrian Golan in 1982. Eden Springs extracts water from the

---

<sup>18</sup> International Labour Organization 'The situation of workers in the occupied Arab territories' (International Labour Office, Geneva 2008) para. 84. These quotas were recently reduced from the original 750 m<sup>3</sup> allocated to settlers and 150 m<sup>3</sup> allocated to Arab farmers.

<sup>19</sup> For more information see T. McCormack and Avril McDonald (eds) Yearbook of International Humanitarian Law: 2003 (T.M.C Asser Press, The Hague 2006).

<sup>20</sup> Jan Willem van Gelder and Hassel Kroes, 'UK Economic Links with Israeli Settlements in occupied Palestinian Territory' Research Paper (10 February 2009) 4 available at : accessed 28 November 2009.



Sloka spring in the Occupied Syrian Golan. The Israeli settlement of Sloka was built on the ruins of an Arab village called Sluqey destroyed as a result of the 1967 War. Eden Springs then bottles this water in Katzrin (also spelt Qatzrin), an illegal settlement in the same region. The company profits directly from its illegal exploitation of the water resources in the Occupied Syrian Golan. Articles 28 and 47 of the Hague Regulations 1907 declare that 'pillage is formally forbidden', prohibiting the use of natural resources in the Occupied Syrian Golan for commercial gain. In addition, Article 55 of the Hague Regulations places limits on the rights of an Occupying Power to make use of the water sources of an occupied territory, of which privatisation is a breach. As Eden Springs Ltd bottles, markets and distributes water from the illegally Occupied Syrian Golan, the company is in violation of international law and also complicit in Israel's illegal occupation of the Syrian Golan.

Interestingly, Eden Springs' corporate social responsibility (CSR) policy asserts that 'water is one of our planet's most precious resources, and as our principle product, we are acutely aware of the importance of protecting our environment and using its resources responsibly.'<sup>21</sup> The company places importance on 'community care' and states that 'we encourage our markets to support and help locally in the best way in order to build relationships of trust with the local players.'<sup>22</sup>

The continued occupation of the Syrian Golan, the Israeli settlements in the region and the subsequent settlement industry – including the Eden Springs water company - are illegal under international law. Therefore Eden Springs Ltd is in direct violation of international law and complicit in the state of Israel's illegal occupation of the Syrian Golan. Furthermore, non-Israeli companies with links to Eden Springs Ltd are also complicit in these violations.

### **Case Study 2: Wineries in the Occupied Syrian Golan**

The establishment of wineries by settlers in the Occupied Syrian Golan represents yet another example of how Israel continues to profit economically from an illegal occupation. Although 'settlements are usually thought of as residential communities...what is often overlooked...is the business side of Israel's settlement enterprise...'<sup>23</sup> Owing to its high altitude, rich soil and agreeable climate conditions, the Occupied Syrian Golan has played host to the emergence of an array of vineyards such as Golan Heights Winery, Chateau Golan and Bazlet Ha Golan. Golan Heights Winery Ltd. is a subsidiary of Galilee and Golan Heights Vineyards, Inc. and was founded in 1983, shortly after Israel's unlawful annexation of the Occupied Syrian Golan. Located in the industrial area of Katzrin, the winery is one of the largest operating in the Golan region and is jointly owned by a combination of nearby kibbutzim and agricultural settlements.

---

<sup>21</sup> Eden Springs 'Corporate Social Responsibility: Sustainability' <http://www.edensprings.com/environment,1,6.html> accessed 20 November 2009.

<sup>22</sup> Eden Springs 'Corporate Social Responsibility: Community care' <http://www.edensprings.com/community-care,1,19.html> accessed 20 November 2009.

<sup>23</sup> PLO Negotiations Affairs Department 'The Business of Colonization' Background Brief (October 2008) 1 available at : [http://www.nad-plo.org/news-updates/NSU%20Policy%20Paper%20Business%20Colonization%20FINAL%20\(Oct%202008\).pdf](http://www.nad-plo.org/news-updates/NSU%20Policy%20Paper%20Business%20Colonization%20FINAL%20(Oct%202008).pdf) accessed 28 November 2009.

With a formidable domestic market share of 18%, Golan Heights Winery is considered to be one of Israel's top three vineyards and its products further comprise approximately 38% of Israel's wine exports, which corresponded to approximately 26.7 million dollars in 2008.<sup>24</sup> The wine industry has therefore proved to be a highly lucrative one for settlements in the Occupied Syrian Golan. However, as the following map illustrates, the expansion of the settlement wine industry in the Occupied Syrian Golan has come at a high price for local Syrian inhabitants, with the vast majority of Israeli settlement vineyards located on or near destroyed Arab villages and farms.

Israeli vineyards located on/near destroyed Arab villages/farms

| Destroyed Arab Village/Farm                 | Israeli Vineyard |
|---------------------------------------------|------------------|
| 1- Tal Al-Ahmar                             | Odem             |
| 2- Eun Al-Hor                               | Elrom            |
| 3- Qarahta                                  | Sha'al           |
| 4- En Al-Zewan                              | Ein Zivan        |
| 5- Al-Dalwa                                 | Ortal            |
| 6- Na'aran/Al Dahsha/Ein Alsumsum           | Kidmat Tzvi      |
| 7- Jwezey-Ein Aeshy                         | Alonei Habashan  |
| 8- Al Mansura/Njell/Deir Mfaddil/Tanuriya   | Yonatan          |
| 9- Butmiya/Alslela/Aljawkhadar              | Tal Fares        |
| 10- Om-Aldananeer                           | Ramat Magshimim  |
| 11- Mazraat Ez Al-Den                       | Mevo Hama        |
| 12- Nab                                     | Nov              |
| 13- Al-Adeysa                               | Gshur            |
| 14- Shqeif/Um Althahab/Ein Al Eed (Al Doka) | Ramot            |
| 15- Qesrin/Alahmadiya                       | Katzrin          |
| 16- Bab Al-Hawa                             | Merom Golan      |



Location of Golan Heights Winery



Unofficial map developed by Al-Marsad

Designed By 

<sup>24</sup> Karen Kozek, 'Israel Boutique Wineries make the Grade' (11 October 2006) available at : [http://www.israel21c.org/index.php?option=com\\_content&view=article&id=14.893%Alsraili+boutique+wineries+make+the+grade&Itemid=109](http://www.israel21c.org/index.php?option=com_content&view=article&id=14.893%Alsraili+boutique+wineries+make+the+grade&Itemid=109) accessed 28 November 2009.



Despite the inherent illegality of settlement production, the international community has done little to reproach or reprimand the marketing and distribution of wines imported from Israeli wineries in the Golan. In selling settlement products, companies are watering down their respective corporate social responsibility commitments to nothing more than empty rhetoric. As UN Special Representative, John Ruggie, has observed, 'company claims that they respect human rights are all well and good. But the Special Representative has asked whether companies have systems in place enabling them to demonstrate the claim with any degree of confidence. He has found that relatively few do.'<sup>25</sup>

## **Conclusion**

Israel's ongoing occupation of the Syrian Golan continues to violate international humanitarian and human rights law. While the international community has been vociferous in its objections, actions speak louder than words and in this respect, organisations such as the UN have repeatedly failed the people of Occupied Syrian Golan. This report has illustrated that Israel's policy of settlement expansion continues unabated, to the extent that the number of illegal Israeli settlers in the Occupied Syrian Golan will soon surpass that of the local Arab inhabitants. The settlement industry has had severe economic repercussions for the local Syrian population. Discriminatory policies and practices have adversely affected the lives of the indigenous people and stifled their ability to develop a prosperous and vibrant economy.

With no foreseeable end to the occupation in sight, at a minimum: Israel's policy of settlement expansion in the Occupied Syrian Golan must be halted immediately; discriminatory policies and practices enforced by the Israeli authorities against the local Syrian population must be brought to a resolute end; and Israel's exploitation of the Occupied Syrian Golan's natural resources must cease.

---

<sup>25</sup> Human Rights Council Eleventh Session 'Business and Human Rights: Towards Operationalizing the 'Protect, Respect and Remedy' Framework' 22 April 2009, UN Doc A/HRC/1113/ para. 49.