Entrepreneurs without Borders
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Entrepreneurs without Borders: Policies of Closure and Border Economy between the Southern West Bank and the Northern Negev, 2000-2005

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About RAMSES2: RAMSES2 is a Network of Excellence on Mediterranean Studies funded by the European Commission under the 6th Framework Programme. Oxford's contribution to RAMSES2 is a collaborative endeavour of the European Studies Centre and the Middle East Centre, which is run by SEESOX. Launched and coordinated by the Maison Méditerranéenne de Sciences de l'Homme in Aix-en-Provence, RAMSES2 involves 36 academic institutions from Western Europe, the Balkans and the Middle East researching the history, societies and current politics of the wider Mediterranean area. Its ambition is to create a new field of Mediterranean studies by bringing together the hitherto disparate scholarship on the different littoral subregions and countries. Through its activities, the network seeks to supplement the efforts of the European Union to bolster cross-Mediterranean integration via the Barcelona Process, the newly-instituted Neighbourhood Policy as well as the enlargement framework covering now the Balkans and Turkey. RAMSES2 investigates the Mediterranean as a geo-historical space marked by various patterns of exchange and cross-fertilisation in order to transcend the socio-political, economic and cultural fractures characterising it at present.

Within RAMSES2, St Antony's coordinates a work package dealing with borders, conflicts and memories in the Mediterranean. It examines, from a comparative perspective, the experience of wider South East Europe (the Balkans, Turkey and Cyprus), the Middle East and North Africa. The research will focus on three main axes:

- The (de)legitimising discourses on borders in South East Europe and the wider Mediterranean;
- The impact of imperial legacies and memories on border conflicts;
- The transformation and resolution of border conflicts.

The RAMSES2 sub-project run by St Antony's brings together a group of scholars from the European Studies Centre, the Middle East Centre, Maison Française and the Department of Politics and International Relations. The steering committee includes Kalypso Nicolaides (Chair), Othon Anastasakis, Richard Caplan, Philip Robins and Michael Willis.
Israeli control policies implemented in the Occupied Palestinian Territories (OPT) during the second Intifada (2000-2005) have been documented widely. NGOs, international agencies, and scholars have provided detailed and elaborate analyses of these policies and their devastating effects on Palestinian society and its economy. Yet, by predominantly focusing on the effective separation between Israeli and Palestinian spaces, researchers overlook the persisting exchanges and current relations between Palestinians and Israeli Arabs and Jews on the other side of the Green Line. It is as if such contacts belong to the past. However, as of May 2006, separation has not yet been achieved: only 42% of the planned Fence has been completed. Moreover, a significant number of West Bank Palestinians still come into Israel to work legally or clandestinely.

In this paper, I analyse the implications of this ongoing mobility and exchanges of people between the West Bank and Israel. This study is based on successive periods of fieldwork carried out between 1996 and 2006 in the region between the Northern Negev (Israel) and the Hebron Foothills (Southern West Bank). The ethnographic analysis of everyday adaptations of people to circumvent Israeli closure policies allows for a unique perspective on the economy of the border that has been developing in this area. I claim that this border economy perpetuates the relations of economic and social interdependency created between the 1970s and the 1990s among the local populations. Waiting for the Fence, the Israeli closure policies have not stopped these exchanges. However, they have generated a new framework that has deeply modified their content as well as the relations between local populations. First, the emergence of new hierarchies,
new relations of exploitation, and of new “entrepreneurs of borders”, can reveal the concretisation of a local form of wild capitalism. Second, the specific collaborations between these entrepreneurs of the borders and local State authorities can lead us to rethink the extent of Israel’s control over its borders and its margins. In all, studying the significance of the economy of borders provides a better contextualisation to evaluate the future consequences of separation both at the Palestinian and Israeli levels.

In order to better understand the conditions of the emergence and the specificity of the economy of the border that has developed throughout the second Intifada (2000-2005), I will first present the social and economic exchanges that have taken place over the last fifty years in the region between the southern West Bank (in the Occupied Palestinian Territories) and the Northern Negev (in Israel proper).

**SMUGGLERS NEED BORDERS**

From the point of view of observers located in the main population centres of the Occupied West Bank and of Israel such as Ram Allah, Jerusalem or Tel-Aviv, the Northern Negev and the Hebron Foothills are considered to be remote margins, ends of territories or even borderlands. Yet, once scrutinized from a closer perspective, it appears that over the last 50 years, movement and exchanges between local populations have given rise to strong socio-economic networks and interdependencies between these two regions. In this context, the implementation of the first limitation of movements by the Israeli authorities from the beginning of the 1990s has not stopped these exchanges. Rather, Israeli closure policies have condemned these exchanges to clandestinity, giving rise to different kinds of illegal traffic.

**Marginal populations**

At the beginning of the 21st century, the Negev is inhabited by both Jews and Arabs. Jews represent the majority of the population (around 75%). They reside in the main city of Beer Sheva and its suburbs, in the poor development towns built in the 1950s, and in small kibbutzim and moshavim. The Arabs inhabiting the Negev live separated from the Jews. They constitute a poorly qualified proletariat residing mainly in dormitory suburbs and slums at the periphery of Beer Sheva.
The Arabs in the Negev are the descendants of the 11,000 Bedouin who remained in the limits of the Beer Sheva district after the creation of the State of Israel in 1948. Most Bedouin fled or were expelled *manu militari* to the West Bank, the Gaza Strip, Jordan and Egypt (Marx 1967, Parizot 2004). Those remaining in Israel obtained Israeli citizenship at the beginning of the 1950s. Yet, at the same period, they were displaced towards the North East of the Negev to an enclosed zone submitted to military administration until 1966. Excluded from Beer Sheva and from the labour market, the Bedouins remaining in the Negev had no choice but to withdraw to agriculture and livestock rearing (Marx 2000). In the mid 1960s, upon the abolition of the military administration, the Israeli authorities decided to urbanize the Bedouins in seven planned townships: Tell as-Saba’, Rahat, ‘Ar‘ara, Shgîb as-Salâm, Lagiyya and Hûra. At the beginning the 21st century, the 140,000 Bedouin living in the Negev area constitute a semi-urban proletariat. Half of them living in these planned townships and the other half residing in slums scattered around the main road axis unrecognized by the authorities (Meir 1997). The lack of economic and commercial activities in the townships and the slums as well as low qualification of the manpower render them highly vulnerable to economic fluctuations (Abu Rabia 2000, Jakubowska2000). In recent times, the economic stagnation provoked by the second Intifada together with the cut on child allowances aggravated their economic situation even more.

From the point of view of Palestinians living in the Center or Northern West Bank, the south Hebron Mountains, called Jebel al-Khalîl, also constitute a marginal territory. It is the limit before the desert where the Bedouins live. This Bedouin population is often considered by Palestinians as “traditional” and “brutal”, with little loyalty to the national cause (Parizot 2001). Far from the main axis and urban centres, the Jebel al-Khalîl is hardly visited by Northern West bankers. In 2005, on the Palestinian side, north of the Green Line, the four main towns (Dhahriyya, Sammu’, Yatta and Dûra), the hamlets (*kharab*, plur. of *khirbet*) and the two Bedouin villages (Ar-Ramadhîn and al-Fujeyrât) gathered a population amounting to 120,000 individuals. Like the Bedouin in the Negev, the peasants of the Hebron Mountains have undergone a process of proletarianization which began in the 1970s and was largely encouraged by the integration of the Palestinian economy into the Israeli one which started in 1967.
1949-1967 The integration of the margins

From the first Israeli-Arab conflict (1947-1949), until the occupation of the West Bank and Gaza by Israel in 1967, the Bedouin in the Negev and the peasants of the Hebron Foothills were separated by the Green Line\(^2\). However, they maintained continuous contacts especially through smuggling. Focused on importing goods from the neighboring Arab countries into the Israeli market, this smuggling was encouraged by the Israeli authorities (Parizot 2004).

In 1967, after the occupation of the West Bank and Gaza by Israel, the Green Line stopped functioning as a border. For, the Israeli authorities encouraged the flow of people and goods between Israel proper and the newly occupied territories (Arnon and Weinblatt 2000; Bornstein 2002). In this context, Bedouin and Palestinian peasants intensified their economic relations in the open. Following the Israeli call for manpower in sectors such as building and agriculture, peasants from the South Hebron Mountains abandoned their fields to work as wage-earners in Israel proper. They conformed to the general trend observed in the rest of the OPT during this period (Arnon et al. 1997). As the rest of the Palestinian population, the population of this region became extremely dependent on the Israeli labor market. By the end of the 1980’s, 30% of the whole Palestinian labor force was working in Israel providing half of the Palestinian labor earnings; at the end of the 1990s, under the conditions of relatively open but controlled borders, more than one-fifth of the Palestinian labor force was working inside Israel and providing one third of the total wage earnings (Rupert Bulmer, 2003, 657). Bedouin started to frequently visit the markets of Hebron and the surrounding villages where they found products as well as an atmosphere more adapted to their socio-cultural expectations. Furthermore, Bedouin and Palestinian peasants developed deeper social relations through marriages: During the 1970s and the 1980s, many Bedouin contracted matrimonial alliances with brides coming from the Hebron Foothills whether from Bedouin or Peasant origins (Parizot 2004).

Social and economic ties ensured a flow of goods, people and values that eventually fostered the dissemination of cultural practices and representations. Many examples can be drawn from the literature on the Negev Bedouin. The mutual influences between the Bedouin and the Palestinian peasant society were observed by scholars as

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1 The Green Line was the Armistice Line of 1949. It functioned de facto as a border between Israel and the neighbouring Arab countries until 1967.
early as the 1970s in marriage celebrations (Lewando-Hundt 1978), religious beliefs (Jakubowska 1985), genealogical techniques (Parizot 2001a, 80-81), models of authorities (ibid., 135-143), etc. Between the 1970s and the 1980s, and to a certain extent until the 1990s as we shall see, cross-border relations extended the social, economic and political spaces of the Bedouin and their peasant neighbors and integrated these marginal territories. Between 1980 and 1985, the Hebron Foothills were further integrated to the Beer Sheva region, with the creation of nine Jewish settlements\(^3\) on the Palestinian side of the Green line: In 1992, the population of these settlements reached 1,923 people and was doubled by 2004.

**1987-2000: Back to smuggling**

This process of integration came to an end with the outbreak of the first Intifada (December 1987). During the Palestinian uprising a sense of border re-emerged (Bornstein 2002). On the one hand, Jews living within the 1949 borders started to fear to cross the Green Line. On the other hand, Palestinians from the West Bank and the Gaza Strip experienced the first limitations of movements. At the beginning, the army imposed curfews and closures as ad-hoc security measures. Progressively, these measures became part of a more articulated project of separation from the Palestinians. These intentions of separation started to be clearly expressed during the Gulf war, when the Israeli authorities revoked the general permit of entrance into Israel granted to Palestinians and imposed a system of individual permits (Hass 2002; Bishara 2003; Hertzog 2005). Later, the Israeli authorities reinforced their control on Israeli employers and set new legislations to allow foreign Asian and Eastern European workers to enter the country and progressively replace Palestinian workers.

These measures confronted with the intricate reality of the Israeli Palestinian space. In the Hebron Foothills, the closure policies of the 1990 provoked much resistance and adaptation on behalf of both Arab and Jewish populations. They condemned Bedouin and peasants of the region to go back to smuggling as in the period prior to 1967.

In the Negev, as in the rest of Israel, the demand for Palestinian labor remains high among Israeli employers. At the beginning of the 1990s, the proportion of Palestinian

\(^3\) Eshkolot and Tene, East and South of ad-Dhahriyya; Shim’a and Otni’el, on the road 60 between Dhahriyya and Sammu’, and finally, Shani, Karmel, Metzadot Yehuda, Susiya and Ma’on south and South East of Sammu’ and Yatta.
manpower in the Israeli economy was significant. It represented around 7% of the total workers - more than a third of whom were employed in the building sector. The importation of foreign workers from Asia did not compensate the call for manpower in the context of the Israeli economic prosperity encouraged by international investors’ reaction to the Peace negotiations (Farsakh 2000, Bucaille 2002, 118-122). For this reason, at the national level, some Jewish Israeli entrepreneurs tried to lobby Israeli officials against the implementation of movement limitations (Arnon et al. 1997, 83). On the ground, other Israeli Jews went to pick up their workers inside the West Bank in order to help them circumvent police and army controls. In the Southern Hebron Mountains, police and army controls were overwhelmed by the ongoing flux of clandestine passages of Palestinians and the help they would find among Israeli Jews and Israeli Arab employers to avoid control.

Moreover, during the mid 1990s, trade in the Southern Hebron Mountains was indirectly bolstered by the fencing of the Gaza Strip. The fencing of the Strip reoriented the flows of Bedouin and Jewish clients towards the Hebron Foothills. The market of Gaza city ceased to be the main competitor of the market of Beer Sheva. The Hebron market and later the market of Dhahriyya took over. In the second half of the 1990s, the small border town of Dhahriyya knew an incredible prosperity. Its market grew beyond the needs of its hinterland and become an important center of exchanges where both Bedouin from the Negev and Jews from Israel proper and from the settlements came to buy goods and services that were much cheaper than on the Israeli side of the Green Line (Parizot 2004).

Instead of putting an end to movement and to reinforcing the control over borders, the limitations of movement condemned existing exchanges to illegality, creating opportunities for new forms of traffic. The creation of the Palestinian National Authority (PNA) and the delimitation of the new administrative borders corresponding to Palestinian autonomous (area A) and semi-autonomous areas (area B) generated new obstacles for the Israeli police. These new administrative borders allowed smugglers to escape the reach of the Israeli authorities. As a result, during the mid 1990s, car theft within Israel increased significantly⁴. Thieves started stealing cars within Israel in order to smuggle them into the West Bank and Gaza (Moailek 2005; Hertzog 2005). In the

⁴ http://www.iris.org.il/cartheft.htm, February 6, 2006
Hebron Foothills, the towns of Dhahriyya and Yatta became the main centres for these traffics, and the Bedouin the main smugglers. At the end of the 1990s, Negev Bedouin organized other kinds of smuggling activities that became even more prosperous in the context of the second Intifada.

THE SECOND INTIFADA AND THE NEW ECONOMY OF BORDER

In the Hebron Foothills, between 2000 and 2005, the increasing number of legal and physical limitations imposed by the Israeli authorities created new obstacles to the movements of Palestinians, Bedouin and Jews across the Green Line. If these obstacles have discouraged a significant number of individuals from crossing, they did not stop the fluxes. Necessities and interests have kept maintaining people mobility over the border. However, the harsher conditions of passage have transformed radically the content of socio-economic exchanges as well as mutual perceptions between border partners.

_Tightening closure, changing the nature of exchanges_

During the second Intifada, in addition to causing a drastic reduction of the number of work permits, Israel progressively reinforced a closure system in the southern Hebron Mountains. In spring 2002, bypassing police or army control became more difficult. During the operation “Defensive Shield”, the Israeli army re-invaded the towns of Dhahriyya, Dûra, Sammu‘ and Yatta. The Palestinian police stations were partially destroyed or, like in Dûra, transformed into a base for the newly occupying army. The towns were then placed under prolonged curfew\(^5\). In order to stop the car smuggling, the Israeli authorities were extremely severe in the way they dealt with the towns of Dhahriyya and Yatta: Even if the border towns were evacuated few months later, the army has continued to enter them regularly in order to carry out targeted assassination or arrests.

In 2004, the closure reached another stage. Until then, it was mainly reliant on the checkpoint located close to the Green Line on the road linking ad-Dhahriyya to Beer Sheva and on random patrols. The Border Guards patrols would stop Palestinians trying to enter area C (OPT areas under Israeli administration) or trying to use settlers’ by-pass

roads (n° 317, 60, 348 and 325). During summer 2004, more visible signs of a tightening closure policy emerged. Earth mounds and temporary checkpoints\(^6\) were added to the existing structures in order to cut Dhahriyya, Yatta and Sammu’ from Hebron and from the Center of the West Bank. Later, following a suicide bombing committed in August in the Israeli town of Beer Sheva, the Israeli army sets two new checkpoints on road 317: one south of Sammu’ and the other north of the Jewish settlement of Metzadot Yehuda. The Israeli authorities have made it increasingly difficult for Palestinians of these areas to enter Israel.

Between 2000 and 2005, the closure policies gave a sharp blow to the Palestinian economy and increased the gaps with the Israeli economy. At the global level, while the GDP per capita in Israel remained relatively stable between 1999 and 2003 (from $16,940 to $16,240), in the Palestinian territories it fell from $1,850 to $1,110. According to OCHA it reached $934 in 2004\(^7\). In the Southern West Bank, the general crisis increased the poverty of a population which was already among the poorest of the West Bank (World Bank 2001). Paradoxically, Israeli closure policies reinforced the need of crossing into Israel. In the context of the collapsing Palestinian economy, the need to find jobs elsewhere became more critical for the population. Moreover, growing economic inequalities between the Bedouin and their Palestinian neighbours increased. Combined with increasing difficulties to move across what used to be the Green Line, these inequalities changed the terms of borders exchanges and encounters between the two populations. The extent of transformations within border exchanges is well exemplified by the readjustments that occurred in worker smuggling.

**Smuggling of workers**

During the 1990s, Bedouin and Palestinian drivers shared the market of transportation from the Hebron Hills to the region around Beer Sheva. After the outbreak of the second Intifada, the restriction of movements and the barriers prevented the Palestinians from competing with the Bedouin. Drivers of the West Bank have remained limited to the main towns of Dhahriyya, Dura, Yatta and Sammu’ and their surroundings. As a result,\(^6\) Such as that close to the Jewish settlement of Shim’a (route 60), that of Rifa’iyya, North of Yatta on the road 356 (June-August 2004), or that of al-Fawwâr.\(^7\) Between September 2000 and December 2002, according to the Office for the Coordination of Humanitarian Affairs in the Occupied Palestinian Territories (OCHA), the damages caused by the conflict on the Palestinian infrastructures amounted to 1,7 Billion US dollars. Poverty reached almost 47% of the population.
Bedouin have progressively obtained a monopoly on the worker traffic and have come to be able to impose much higher prices to their Palestinian clients.

Under these conditions, the transportation of Palestinian workers quickly became a coveted source of enrichment for the Bedouin drivers, as workers from the Hebron Foothills went on crossing the Green Line in search for work inside Israel. New Bedouin groups grasped this activity to fight for monopoly. Being overwhelmingly dependant on the Israeli work, Palestinian workers had little choice but to continue crossing the Green Line in order to ensure the survival of their families. Little work was available in the Palestinian territories and work in Israel paid three times as much. In the area controlled by the Palestinian Authority, an unqualified day of work is paid 50 NIS\(^8\) (10€) compared with 100 to 150 NIS (20-30€) paid in Israel for an illegal worker.

Consequently, Palestinians had to accept the high fees raised by the Bedouin who claim the passage became riskier than before. During the first years of the second Intifada, workers came into Israel from Sammu’, Dûra, Yatta, Dhahriyya and the surrounding villages of these towns. They would pay up to 150 NIS (~30€) each, for a one way trip to the Bedouin towns of Hûra, Lagiyya, or the Jewish towns of Beer Sheva and Qiryat Gat. Many would thus remain in Israel for a week, sometimes or even a month in order to lower the proportional cost of the travel.

Between 2002 and 2005, the construction of the separation wall in the North of the West Bank drove new comers to the Hebron Foothills. People from the regions of Nablus and Ramallah travelled all the way to the south in order to cross the Green Line. Then, they rode Bedouin or Jewish Israeli taxis to reach the regions of Hadera, Kufr Qara, Baqqa al-Gharbiyya. The cost of such a one way trip would reach more than 500NIS (100€), the equivalent of 3 to 4 days of work.

The increase of prices and the tightening of Israeli police control drastically changed the circumstances of the stay in Israel. Palestinian workers travelled less frequently and prolonged their stays sometimes for months. The wealthiest and the luckiest rent places to sleep in Bedouin planned townships. However, the more frequent control of the police frightened an increasing number of local landlords. Hence, most of

\(^8\) NIS = New Isreali Shekels.
the workers are condemned to improvise places to hide at night and to protect themselves from the cold. In the North of Israel, they gather in dump places (Hass 2004), in Beer Sheva they sleep in the sewage.

According to my estimations, between 2003 and 2005, an average of 40 Bedouin minibuses crossed daily through the border zone between the South of Sammu’ and the West of the Ramadhîn. Each month, between these two Palestinian towns, 8,000 to 12,000 one-way individual trips would be performed across the Green Line\(^9\). This traffic would involve around 800,000 to 1,200,000 New Israeli Shekels (~ 160,000- 240,000€) per month. These figures include neither the workers who cross into Israel by foot or by private cars, nor the workers who take Israeli Jewish taxis.

The appropriation of worker trafficking by the Bedouin is only one instance of the progressive hold they have gained on the local economy within the last five years. Individuals and groups of Bedouins have also set up smuggling of fuel in order to provide illegal petrol stations inside Israel. Smuggling of livestock, clothes, furniture have been organized on both, small and large scales. All these traffics profit of the dwindling prices in the context of the economic crisis experienced in the OPT.

**Changing relations, readjusting perceptions**

The changes at the level of the worker trafficking show that the degrading situation of the Palestinian economy has not merely helped in creating the fortune of some Bedouin entrepreneurs. It has also readjusted power relations in the local economic space. The scarcity of work and the more severe control over clandestine workers in Israel made the Palestinian labourers even more vulnerable in their economic exchanges with the Bedouins. They have lost their capacity to negotiate with these new patrons. In the Southern Hebron Mountains, the tightening of Israeli closure policies and the new economy of border that it has fostered, favoured the emergence of wild forms of capitalism. The new power relations between border partners have directly impacted on the perceptions between borders populations.

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\(^9\) This number refers to the number of individual trips and not workers who enter Israel. It is hard to evaluate how many workers cross the Green Line through this mean as many come back few times per month.
I have showed elsewhere (Parizot 2004) that, beyond Israeli policies, exchanges between Palestinians from the Negev and Palestinians from the West Bank have been shaping power relations and feeling of borders between these very populations. During the end of the 1990s, and the beginning of the 2000s, their exchanges were increasingly marked by bitter and violent experiences. These exchanges have created distrust and even fear on both sides. They have fostered feelings of differences and fragmented experience between cross-border partners. Practised on daily basis, and over a long period of time, these differences and antagonisms have been internalized and have often been perceived as a given. This is all the more true as people have been using these experiences to reconstruct dominant narratives that stress the distinctions between them. Each experience is added to other stories that people have either heard or witnessed personally. Narratives about “us” and the “others” are often presented as facts; they are built upon sedimentation of multiple stories about “ourselves” and “others” (Vila 2003, 107; van Dijk 1993, 126). These cross-border encounters and the experiences people have drawn from them validate categories like, “Bedouin” against “Palestinians”, whether “West Banker” (dhaffâwi) or “Gazan” (Ghazzâzwe).

In brief, while trans-border encounters have favored strong ties as well as a sharing of culture between West bank Palestinians and Israeli Palestinians, they have also reinforced new perceptions of hierarchy and antagonism. Somehow they re-organize borders.

**ENTREPRENEURS WITHOUT BORDERS**

However, it would be wrong to ascribe fixed positions to groups according to their administrative status (citizens, non-citizens, etc.) and their ethnic background (Jews, Arabs). Positions and power in this border economy are not only determined by these criteria. As I shall demonstrate, networks of border entrepreneurs are highly heterogeneous and involve complex collaborations between the different populations of the Southern Israeli Palestinian space including State representatives. A more careful study of these networks and the power relations stemming from them show the whole complexity of spaces integration and local power mechanisms. It offers us a unique perspective on the extent of State control over borders.
Re-adjusting trans-border markets

In the Northern Negev and the Hebron Foothills, economic networks involve as many Bedouin as Israeli Jews. For, in the region, all these different actors tend to profit of the advantages of the border economy. However, Israeli border policies have progressively reoriented the fluxes of Palestinian workers inside the Israeli society. During the second Intifada, the importation of Palestinian manpower dropped significantly among Israeli Jews while it remained stable among the Bedouin. In other words, Israeli border policies readjusted the role played by Palestinians in the Israeli economy and readjusted interdependencies.

Indeed, Palestinian workers do not play the role they used to play in the Israeli economy before the second Intifada. In 1999, they still had a significant place in the building and the agricultural sector, 27% and 12%, respectively. In 2004, they represent only 8% of the manpower in building and 4% in agriculture. The Israeli economy relies less on “in situ delocalization” (délocalisation en place), i.e. it relies less on the importation of cheap Palestinian labour force into Israel to lower the costs of production and to improve its productivity. With the closure policies and the obstacles imposed upon Palestinian workers to work within the Jewish Israeli society, it is as if the authorities had indirectly readjusted this form of “delocalization” to turn it into a “delocalization at the margin”, i.e., to import cheap labour force into specific marginal group of its citizens (such as the Bedouin).

Moreover, we can also speculate on what extent the Bedouin economy has become dependent on the import of Palestinian manpower and goods. During the second Intifada, the Bedouin have suffered from the economic stagnation as well as a cut in child allowance. Stopping the exchanges by closing the Fence between the Negev and the Hebron Foothills might be an additional blow to their fragile economy. Without the possibility of hiring cheap Palestinian labour and without the possibility of importing cheap Palestinian building material, the cost of house building would double. This would have a deep impact on local household expenses. Moreover, the high rate of natural growth (more than 5%/year) of the Bedouin population creates a strong demand for construction in a context where there is already a lack of residential areas.

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10 The expression is borrowed to Emmanuel Terray (1999, 15-17)
Finally, households’ expenses will grow as people would have to purchase daily consumption goods within the more expensive Israeli market, instead of being able to buy in the cheaper Palestinian market. As we have noticed earlier, over the last forty years, Bedouin have been purchasing a large amount of goods inside the Gaza market and later inside West Bank markets. The outbreak of the second Intifada and the tight closures imposed on Dhahriyya limited the access of Bedouin to these markets. However, Dhahriyya and Hebron merchants adjusted to this new reality. They opened new shops in the Bedouin town of Rahat in Israel contributing to the market’s rapid growth. In the last 6 years, this market has become, for the Bedouin, the main market aside of that of Beer Sheva. Merchants from Hebron have bought a significant number of shops in Rahat. The need to register their shops under local names led them to engage in joint ventures with local Bedouin. Inhabitants of Rahat believe that more than 60% of the shops in their town market are actually held by West Bankers.

**Informal security collaborations**

The heterogeneity of border entrepreneur networks is also linked to their instrumentalization by the Israeli authorities. Informal collaborations exist between Israeli authorities such as the police, the Border Guards and the GSS (Shabak) on the one hand, and the smugglers of Palestinian workers on the other. The State agencies often pressure the Bedouin drivers in order to turn them into informants. When they arrest a driver, the authority representatives threaten to confiscate the smuggler’s vehicle, to charge him with an expensive fine or even to send him to jail, unless he agrees to collaborate with them and in some cases even to identify suspects or wanted individuals. It is difficult avoid this indirect form of surveillance. The competition between drivers is harsh. Hence, some do not hesitate to denounce new competitors.

The State authorities are also indirectly involved in the traffic of work permits through Palestinian collaborators. These collaborators often keep relations with their family in the Occupied Territories. Sometimes, they use their position and their links with the Shabak in order to obtain working permits for their family members and neighbours. By interceding in their kin favour they keep contacts with their kin while maintaining their role of informant for the benefit of their Israeli protectors.
The tolerance toward the new economy of the border provides a double benefit for the Israeli authorities. First, it allows for the constitution of cheap sub-contracting networks of information. Second, the privileges granted to the smugglers and to the clandestine workers allow the Shabak and the police to create de facto patron-client relations with a part of the local population. This practice creates a system of control similar to that identified by Amira Hass (2002, 14-15) between the Israeli authorities and a part of the Palestinian elite during the Oslo period. This system of control was based on the dissemination of the VIP card. The VIP cards allocated to members of the Palestinian National Authority and to members of NGOs, would allow the holder to travel almost freely in the whole Israeli Palestinian space. According to the author, a person, privileged by this system of exception, would not take the risk to publicly protest the Israeli Authorities. She or he would fear to lose her/his right of movement, her/his source of wage and eventually their social or political capital. In the Hebron Foothills, this system of exception could also be regarded as mean to keep as certain stability.

**CONCLUSION**

In sum, between 2000 and 2005, before the completion of the Fence in the Southern West Bank, Israeli policies of closure have not managed to put an end to exchanges between population inhabiting the Negev and those living in the Hebron Foothills. Although, these policies reduced the flows of people and goods, they did not stop them. Rather, these reduced exchanges have taken new shapes, as people organized new ways of circumventing the Israeli obstacles and control. During the second Intifada, Palestinians from both sides of the Green Line set up well organized networks in order to smuggle people and goods into Israel. They gave rise to a highly organized economy of the border that readjusted the existing social and economic integration between local regions. This economy also led to deep readjustments of power relations between local populations as it is revealed by the emergence of wild forms of capitalism that directly impacted on mutual perceptions between Palestinians. The new economy of border has thus to be understood on three levels: it is a new economy of exchanges, a new economy of power relations and a new economy of perceptions.

This new economy of border is structured around extremely heterogeneous networks of border entrepreneurs, where places and positions of the actors are not
necessarily defined according to ethnic origin or to citizenship. Sometimes, the identification of the oppressed and the oppressor depends on the perspective of the observer. In some cases of traffic, even the border between smugglers and the State authority is blurred. To paraphrase Pablo Vila, the metaphor of resistance is not consistent with border situations. He explains (2003, 325): “Most current mainstream border studies [in anthropology]...identify a subject who is clearly and undoubtedly “resisting”, and a structure of power that, without contradictions, is always “oppressing”. This makes us lose sight of the much more complicated picture of the actual border, where people constantly move from positions of “resistance” to positions of “oppression”.”

If positions of the actors are sometimes blurred, it is also because they are highly instable. Temporarily, the instrumentalization of smuggling networks by the Israeli authorities might reinforce the control over local borders; yet, in the long term, this instrumentalization could affect the functionality of the whole mechanism of control. Needless to say that such heterogeneous network can take a certain degree of autonomy as it already has been experienced by Israeli authorities in the past. It is not rare that soldiers leak some information to smugglers or close their eyes in front of some illegal practices. In the mid 1990s, on the border with the Gaza Strip, informal collaborations between the Border Guards and local thieves allowed the development of important car trafficking that extended temporarily beyond the control of Israeli State authorities (Moailek 2005). At the end of the 1990s, on the Egyptian border, young Bedouin managed to use their link with both the police and the army in order to play on their weak coordination and pass drugs with total impunity.

The completion of the Fence in the southern West Bank and the implementation of effective separation between Palestinian and Israeli spaces and populations will bring new challenges to Israeli authorities. First, the Fence will not merely strike a sharp blow to the Hebron Foothills economy; it will also deeply weaken the neighbouring Bedouin economy, a process that might have later repercussions on the local Negev economy. The completion of the Fence will then create new frustrations among a population already involve with the State in a durable conflict around lands. The second challenge to the Israeli authorities and to a certain extent to the Palestinian National Authority lies in gaining mastery over smuggling networks that have been structured around the economy
of border. What if these entrepreneurs find themselves without border to trespass? If they
do not find way to circumvent the fence, these entrepreneurs might intend to find
alternative illegal sources of incomes inside Israeli and Palestinian spaces. This will not
merely increase rate of criminality in the Negev, it will both endanger security and the
economic prosperity of neighbouring Israeli and Palestinian areas.

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