## Divestment plan could harden Israel's stance, warn peace groups: Might be the wrong strategy

News in the November 2, 2004 issue

If mainline Protestant church groups divest from businesses operating in Israel, as some say they might, it could actually harden rather than soften Israel's stance toward Palestinians, warn prominent pro-Palestinian groups in Israel.

Proponents of divestment say it would pressure Israeli and American companies to change policies toward the Palestinians in the same way economic pressure on South Africa led to an end of apartheid. But in Israel, even those Israelis vehemently opposed to what they call Israel's "occupation" of Palestinian land doubt whether such a divestment strategy would work.

Yariv Oppenheimer, the head of Peace Now, a left-wing organization that has long fought for an end to Israeli military rule over the Palestinians, said divestment would serve only to strengthen Israel's self-image as a persecuted nation subjected to one-sided United Nations resolutions and boycotts instigated by Arab countries.

"We think divestment is not the right way to change the situation," said Oppenheimer. "If anything, it may have the opposite effect of the one intended. Israelis feel the entire world is against them, so the immediate response" to such measures "is always anger and mistrust," he said. "They will not convince Israelis that the occupation is a bad thing."

A drumbeat for studying divestment has been building among mainline Protestant groups since the summer. Last month top officials in the Episcopal Church said an investments panel will recommend a 12-month study of whether the U.S. denomination should divest from companies operating in Israel. In September, members of the Anglican Peace and Justice Network said that the worldwide Anglican Communion should consider punitive measures against Israel. And in July the Presbyterian Church (U.S.A.) General Assembly approved a study of the strategy,

saying it may target companies harming Palestinians.

"It happened in South Africa, and in South Africa the boycott had an effect," Jenny Te Paa, leader of the Anglican Peace and Justice Network, told the *Guardian* newspaper following a recent tour of the Palestinian territories. "Everybody said it wouldn't work and it did work. So here we are taking on one of most wealthy and incredibly powerful nations [Israel] supported by the United States. That's the Christian call."

Oppenheimer and other critics of divestment said such groups should consider what happened from 1948 through the mid-1990s when the Arab world maintained a worldwide boycott on companies that did business with Israel. Though the boycott isolated Israel economically, making it impossible for Israelis to obtain everything from Pepsi to Japanese cars, it had little or no effect on the government's policies.

For the churches to achieve their goals, Oppenheimer said, "they should engage in dialogue, not sanctions. Israel is a democratic country, and if the majority of the people vote to leave the territories, that will be the policy."

Even Uri Avnery, the outspoken leader of Gush Shalom—which Avnery calls "the most radical Israeli peace organization"—is against across-the-board divestment from Israel. "I feel that everyone should do what is right, but we believe that a boycott of Israel in general is counterproductive because it pushes the reasonable elements [in Israeli society] into the hands of the extremists. We want to isolate the extremists."

To accomplish this, Gush Shalom is spearheading a campaign to boycott only Israeli products produced in the West Bank, the Gaza Strip and the Golan Heights—not those in "Israel proper," but those in the settlements.

It's unclear what the economic impact of divestment would be on the scale considered by mainline groups. "It is unlikely to have a major effect because I doubt they have very much invested directly in Israel," said Asher Blass, an economist and senior fellow at the Shalem Center, a Jerusalem think tank. "It would only make a difference, as it did with South Africa, if many American investors in capital funds and in high-tech companies were to pull out." -Michele Chabin, Religion News Service