

UPDATE

PROFITING THROUGH DISPOSSESSION: ANOTHER SIDE OF AIRBNB'S COMPLICITY

OCTOBER 2019



Airbnb's complicity in the Israeli occupation of Palestinian (and Syrian) territories has been the target of a number of recent campaigns. In a previous report, Who Profits exposed the role of private digital tourism corporations in promoting tourism to illegal settlements. The report showed how these corporations profit from normalizing the existence of these illegal settlements.2

This update considers the reversal of Airbnb's decision to discontinue the listing of properties in West Bank settlements, as well as Airbnb's role in Israel's plunder of Palestinian refugees' property.

After political pressure prompted Airbnb to declare it would no longer list settlement properties in the West Bank in November 2018, they then reversed this decision. This update considers this move in more detail. It also sheds light on Airbnb's listing of property belonging to Palestinian refugees inside 1948 territories (territories inside the Green Line). It will examine the case of the Old City of Yafa [Jaffa] in particular, as this example clearly demonstrates Airbnb's complicity in Israel's dispossession of Palestinian property more broadly.

Continued Listing of Settlement Properties

Airbnb is a US-based online property rental platform based on the concept of a 'trusted community'. Through the company's site people can list, find and book accommodation. The company has been reaping profits from promoting and advertising listings and properties in the occupied West Bank, East Jerusalem and the Syrian Golan, a practice that strengthens and normalizes the Israeli settlement enterprise.3 In November 2018, due to the many campaigns organized by various groups and organizations worldwide against the company's involvement in the Israeli occupation, the company announced its intention to remove listings situated in illegal Israeli settlements in the occupied West Bank. The company released a statement stating that "[Airbnb] should remove listings in Israeli settlements in the occupied West Bank that are at the core of the dispute between Israelis and Palestinians" (Airbnb Newsroom, November 2018).4 Notably, the decision did not include settlements in East Jerusalem and the Svrian Golan.

The decision was denounced by Israeli officials. The Minister of Public Security, Strategic Affairs and Information, Gilad Erdan, called for a boycott of the company.5 Shortly after the company's decision to de-list the properties, twelve American Jewish families, who are also Airbnb hosts in Israeli settlements in the West Bank, accused Airbnb of discrimination on the basis of religion in a class action suit led by Shurat Hadin Israel Law Center.6 Following Israeli and pro-settler pressure, which centered on the accusation of "religious discrimination", shifting the focus of the

Based in Tel Aviv, Shurat Hadin is a legal center dedicated to "protecting the State of Israel" through the courts. It is engaged in delegitimized the academic and economic boycott of Israel around the world.



Israeli settlements are illegal under international law. Specifically, they violate article 49 of the Forth Geneva Convention, which prohibits the occupying power from transferring civilians into the territory it occupies.

Who Profit's flash report Touring Israeli Settlements: Business and Pleasure for the Economy of Occupation. Oct 2017.

³ Ibid.

⁴ Airbnb Newsroom. Listings in Disputed Regions. November 2018.

Ahren, Rafael. Minister in Charge of Combating BDS Calls for Airbnb Boycott. November 2018

controversy from the occupation of Palestinian land to the religion of the Airbnb hosts, the company overturned its decision to discontinue the listing of West Bank settlement properties. After settling the lawsuits filed against the company,7 Airbnb released the following statement:

"Airbnb will not move forward with implementing the removal of listings in the West Bank from the platform. We understand the complexity of the issue that was addressed in our previous policy announcement, and we will continue to allow listings throughout all of the West Bank, but Airbnb will take no profits from this activity in the region. Any profits generated for Airbnb by any Airbnb host activity in the entire West Bank will be donated to non-profit organizations dedicated to humanitarian aid that serves people in different parts of the world" (Airbnb Newsroom, April 2019).8

By referring to the issue as "complex" and a mere "dispute", the company disregards the illegality of the settlements which are built on stolen lands in gross violation of international humanitarian law. Airbnb thus tries to acquit itself from abetting Israel in its expansionist policies in the West Bank. In addition, the decision to donate the profits to non-profit organizations is a clear attempt to whitewash its involvement in promoting tourism on occupied land and providing services to settlements. Furthermore, as this update will make apparent, the company's complicity goes beyond its involvement in the West Bank. The next sections of the update will focus on a largely overlooked aspect of Airbnb's involvement in profiting from dispossession: the company's listing of stolen Palestinian refugee properties inside 1948 territories. By

examining the case of the Old City of Yafa, this update will suggest that beyond its listing of properties that exist in violation of international law, the company also contributes to the dispossession of Palestinian land inside what is today considered Israel.

Mechanisms of Plunder and Dispossession: The Nakba Onwards

During the Nakba⁹ in 1948, more than 750,000 Palestinians were forcibly expelled from their land and properties. 10 Since then, the Israeli state has sought to appropriate Palestinian property through legal mechanisms that formalize their confiscation and turn them into economic assets. This directly hinders the Palestinian Right of Return¹¹ and the recovery of properties by their rightful owners. Since the Nakba, the confiscation of the lands and assets of Palestinian refugees and Internally Displaced Persons has benefited private individuals and corporations, as well as the Israeli state.

Immediately after the Nakba, Palestinian lands and properties were expropriated by the state, in a gross violation of Regulation 46 of the Hague Convention Respecting the Laws and Customs of War (1907), which clearly prohibits the confiscation of private property.

¹¹ The Right of Return is a universally recognized right in international refugee law and human rights law, and has "achieved customary status in 1948 when the UN General Assembly passed Resolution 194(III) affirming the rights of Palestinian refugees to return to their homes and to obtain restitution and compensation. (Palestinian Refugees and the Right of Return in International Law)



⁷ Airbnb Newsroom. Update on Listings in Disputed Regions. April 2019.

⁸ Ibid.

The Nakba (Arabic for "catastrophe") occurred in 1948 when more than 750,000 Palestinians were expelled or forced to leave their homes by the Zionist forces.

¹⁰ Palestinian Citizens of Israel: A Primer. Adalah, 2019

In 1950, the Israeli Custodian of Absentees' Property¹² was established as part of the Ministry of Finance, and the Absentee Property Law was enacted. This transferred the ownership of Palestinian refugees' properties to the Israeli state. In 1951, the state transferred control of urban Palestinian properties to the Development Authority, which also operates under the Ministry of Finance, in order to allow the sale of properties to the private sector. The official bodies that managed the day-to-day maintenance and renting of these properties were, and in some cases continue to be, state-owned companies, including Amidar - the National Housing Company.13 Palestinian refugee properties have benefited the Israeli state both politically and economically. During the years 1948-1953, a total of 244,564 properties in the urban sector were leased, producing revenues of 11,453,543 Israeli pounds.14

The establishment of the Development Authority was meant to ensure the Israeli authorities' long-term plans to transfer control and ownership of Palestinian properties to

- According to the Israeli law, an "absentee" is a person who owns assets and is living in an "enemy" country (i.e the neighboring Arab states such as Lebanon and Syria) since 29.11.1947. This means that all Palestinians refugees who were expelled during the war are considered "absentees".
- 13 Established in 1949, Amidar is a national housing company that handles and rents Palestinian refugee properties, among others. Historically, Amidar has filled an essential role in the construction of the Israeli state and housing the newcomers (company website): https://www.amidar.co.il/wps/portal/amidar/main-menu/about/profile-amidar).
- Bishara, Suhad. From Plunder to Plunder: Israel and the Property of the Palestinian Refugees. Adalah's Newsletter, Volume 64, September 2009

Jewish hands.¹⁵ The "privatization" of refugee properties benefits market actors and the Jewish population whilst further threatening the possibility of Palestinians reclaiming ownership of their properties in the future.

Old City of Yafa in Context

In some cases, Israel preserved Palestinian properties for political and economic gains, as can be seen in the example of the Old City of Yafa. In 2018, the Old City of Yafa was ranked as the third most popular site in Israel, with 51% of the tourists visiting the Old City. Airbnb lists over 40 properties in the Old City of Yafa, where the orientalist notion of "authenticity" is used to attract tourists. The fact that the Old City of Yafa has become a popular tourist site is related to the Israeli quest for tourist attractions and economic development.

The city of Yafa was the largest Palestinian city, with a population of over 70 thousand Palestinians. ¹⁷ Approximately 5% of the Palestinians in Yafa managed to remain in their city after Israeli militarily occupied it in 1948. ¹⁸ Since then, Palestinian refugee properties have been seized through the "Absentee's Property

¹⁸ Abu Shehadeh, S. Shbaytah, F. <u>Jaffa: From Eminence to Ethnic Cleansing</u>. Palestine's Ongoing Nakba (Issue No.39-40, Autumn 2008 Winter 2009).



¹⁵ Forman, G., & Kedar, A. (2004). From Arab land to 'Israel Lands': The Legal Dispossession of The Palestinians Displaced by Israel In The Wake of 1948. Environment and Planning D: Society and Space, 22(6), 809-830.

Annual Report, <u>Tourism Survey 2018</u>. Published June 2019 (Hebrew). The Ministry of Tourism.

¹⁷ Tel-Aviv municipality (1984). The Arabs of Jaffa: Situation review, summary and recommendations in the field of welfare. The department of social services.

Law".19 In the 1950s, Yafa was annexed to the Tel Aviv municipality, with Palestinians coming to constitute just two percent of the population.20 While some Palestinian neighborhoods in Yafa such as Al-Manshiyya, were completely demolished, other areas, such as the Old City were selectively preserved.21 Governmental authorities demolished 70% of the Old City, before deciding to preserve the remaining 30% for the benefit of Jewish Israeli residents, artists and shop owners.

By the early 1950s, Jewish artists had already started to settle in the Old City.²² In 1961, the municipality and the Israeli government established The Company for the Development of Old Jaffa, with the mandate to turn the area into a place for "culture and creation" and an "artist colony".23 In addition to the residential buildings in the Old City, the area was earmarked for galleries and accommodation for artists, as well as commercial purposes and tourist attractions. By October 1968, agreements had been reached for leasing buildings on 122 Dunam of the Old City.²⁴ These buildings were to house 77 factories, 44 artists' studios, 24 galleries and shops, and 9 restaurants. This preservation process, that recognized the touristic potential of the "oriental" and "authentic" quality of the Old City,

Muhsen, Salah. Modern Displacement of Palestinians in Yaffa. Adalah's Newsletter, Volume 48, May 2008.

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21 Paz, Yair. (1998). Conservation of the Architectural Heritage of Abandoned Urban Neighborhoods following the War of Independence

22 Ibid.

- 23 Monterescu, Daniel (2007). The Palestinian Community of Jaffa. Shatil (available in Hebrew).
- 24 State Comptroller Praises the Activities of the Company for the Development of Old Jaffa. Haaretz, January 24, 1969 (Hebrew).

preserved the old architecture of the homes, not for the sake of the Palestinian refugees but for economic and political purposes. The "authenticity" of the architecture is a recurring theme in the descriptions posted on Airbnb of the apartments in Yafa. Listings mention the "romantic old Jaffa", the "old and unique arches" and the "atmosphere of mystique, fantasy and no-holds-barred luxury [that] Arabic interior design does best".25

Corporate Complicity: Airbnb

While the issue of listing settlement properties has gained worldwide attention, the issue of listing refugee properties "abandoned" in 1948 remains largely overlooked. The act of plundering and privatizing refugee properties by the Israeli state, which started during the Nakba and continues to this day, has transformed the refugee properties in Yafa into commodities that can now be listed by hosts on platforms such as Airbnb. In serving as a platform for these properties, as well as those in settlements in the West Bank and in East Jerusalem, Airbnb is profiting from the ongoing dispossession of Palestinians.

Corporate Info

General Info: Head office: 888 Brannan St., San Francisco, California 94103, USA

Tel: +1-855-424-7262

Website: www.Airbnb.com

Revenues: >1B\$

Ownership: Founders- Brian Chesky, Joe

Gebbia, Nathan Blecharczyk

CEO: Brian Chesky

Subsidiaries: Airbnb Ireland; Trooly, Inc; Lapka Inc; Airbnb UK Payments Ltd; Trip4real Experiences S.L; Gaest.com; Deco Software; Accom-

²⁵ The quotes are taken from hosts on Airbnb. Evidence can be found on file with Who Profits.

