

A Simulation of Military Rule in Gaza: The Advantages and Disadvantages

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Using a simulation involving many actors, INSS examined a scenario in which Israel, with the goal of preventing Hamas from rebuilding and ensuring that the Gaza Strip is not engulfed in total chaos, is forced to recapture the territory and impose martial law. This analysis showed that the costs of such an occupation would be extremely high for Israel. In addition, while Israel would be required to formulate a strategy for ending the war in Gaza, the war of attrition being waged against Israel by Iran's proxies would continue and possibly even intensify. Above all, the most significant potential damage would be the elimination of any possibility of a normalization agreement between Israel and Saudi Arabia, as well as a regional security coalition led by the United States, including the moderate Arab states and Israel.

INSS conducted a simulation to examine the implications of Israel's reoccupation of the Gaza Strip and whether it would have any significant impact on altering the negative developments in the war arena.

The Scenario

- Following the failed attempt to reach a deal with Hamas for the release of the hostages and the introduction of a ceasefire, Israel completes its mission to take control of the Rafah district and deploys along the Philadelphi Corridor to block off Hamas's smuggling routes and prevent it from rearming.
- Israel controls all the border crossings into Gaza. Given the situation that has been created, the international community declares that Israel has full control over the Gaza Strip and responsibility for it as well as for the well-being of the Palestinian population there.
- Hamas terror cells and criminal gangs continue to take control of the trucks bringing humanitarian aid into Gaza, disrupting the distribution of food. The United Nations and the United States blame Israel for the deterioration in the humanitarian situation. Moreover, whenever a vacuum is created in places where IDF troops are not present, Hamas militants reemerge and demonstrates their control. Accordingly, the defense minister announces that the IDF will safeguard the humanitarian aid entering Gaza and will set up distribution points in areas where the Israeli military is deployed.

- In light of the deadlock in negotiations over a ceasefire and the release of the hostages, as well as the refusal of the Israeli government to present a political plan, the United States announces that it is suspending its initiative for normalization between Saudi Arabia and Israel and that it is considering scaling back its involvement in ceasefire negotiations and a hostage-release deal.
- **Israel's security cabinet decides that victory in the war on Hamas will not be possible unless military rule is immediately imposed in the Gaza Strip, which would dismantle Hamas's regime and the remnants of its military arm, as well as preventing its reemergence.**
- The IDF activates its military rule units and seeks to operate the local municipalities in Gaza. However, it is met with opposition from civil servants who are under intense pressure from officials within Fatah and Hamas, which threatens to kill them if they cooperate with the occupation regime. The IDF increases its deployment in the Gaza Strip up to three divisions and is now forced to cope with terror attacks by Hamas and other Palestinian terror factions, as well as increasing crime and incidents of public disorder.
- Israel is again brought before the International Court of Justice (ICJ) in The Hague for imposing collective punishment on the people of Gaza and encouraging Gazans to flee their homes.

The Response of the Main Actors to This Scenario

- A. **The United States:** Israel's announcement that it is occupying the Gaza Strip could not have come at a worse time for the United States, due to the impact on its presidential election campaign. The administration's main aim is to prevent the situation from escalating into a regional war, and, for that aim, it engages in clandestine talks with Tehran. The United States suspends its efforts to achieve normalization agreements, including the defense alliance with Saudi Arabia. The administration increases pressure on Israel to provide humanitarian aid to the civilian population and threatens to impose military sanction on Israel if it goes ahead with plans to build settlements in Gaza.
- B. **Hamas:** From Hamas's perspective, Israel's sinking into the quicksand of Gaza serves its long-term interests. It leads to Israeli casualties in terror attacks and guerilla warfare; Hamas acts in a provocative manner along the Philadelphi Corridor to sabotage Israeli–Egyptian relations; Hamas continues to hold live and dead Israeli hostages in its tunnels and announces that it will only agree to a deal if Israel withdraws from the entire Gaza Strip, and US guarantees are given for a permanent ceasefire.

- C. **The Palestinian Authority:** Ramallah continues to display helplessness and remain irrelevant. The PA demands an international conference to remove Israel from Gaza and calls for the establishment of a multinational force to take over control of the Strip from Israel. At the same time, it tries to advance a national unity government of technocrats to play a role in governing Gaza.
- D. **The Palestinian people in the West Bank:** A violent popular uprising breaks out not only against the Israeli occupation forces but also against the failed leadership of the PA. The people demand the overthrow of the PA and a special election. The popular uprising becomes increasingly violent and is accompanied by terror attacks against settlers and roads in the West Bank as well as raids on settlements and communities over the Green Line. This obliges the IDF to massively bolster its troop presence and leads to fewer troops on high alert along the northern border.
- E. **Iran and Hezbollah:** They are pleased by the heavy price that Israel is paying. Iran continues to wage its war of attrition against Israel through its proxies and grants them a free hand to attack Israel as well as to launch attacks against American forces in the Middle East and shipping lanes. From Tehran's point of view, the new reality reduces the chances of an extensive Israeli attack against Hezbollah in Lebanon. At the same time, it declares that if Israel escalates the hostilities into an all-out war against Hezbollah, Iran will attack Israel and its regional allies directly. The confidence of Hezbollah's leader, Hassan Nasrallah, grows, and he increases attacks against Israel, both in terms of intensity and the radius of operation. Efforts are also made to increase the smuggling of arms and money for terrorists in the West Bank via Jordan.
- F. **Egypt:** Cairo loses any cards it may have held, as well as the ability to advance its interests in the Gaza Strip (such as reinstalling the Palestinian Authority into power there). Egypt puts all the responsibility on Israel, refuses to operate the Rafah border crossing, bolsters its troop presence along the border with Gaza to prevent a mass exodus of Palestinians, and, in doing so, violates its commitment to limited troops in the Sinai as part of the peace agreement with Israel. In addition, Cairo recalls its ambassador in Tel Aviv for consultation and prevents Israel from using the embassy compound in Cairo. At the same time, Egypt and Jordan work together against Israel at international forums and join the South African case against Israel in The Hague.
- G. **Jordan:** The Hashemite Kingdom faces strategic confusion, the outbreak of violent demonstrations by Palestinians and supporters of the Muslim Brotherhood calling not only to annul the peace deal with Israel and end the security coordination with the IDF but also against the king himself and the

royal household. Jordan is forced to deal with salvos of cruise missiles and attack drones crossing over its airspace from Iraq and Syria, on their way to attack Israel. The Jordanian army stops trying to intercept these missiles and also reduces its efforts to thwart arms smuggling to the West Bank.

- H. **Saudi Arabia and the Gulf States:** The process of normalization and diplomatic relations with Israel are put on hold, and at the same time, these countries increase their political and trade ties with Iran.
- I. **Russia and China:** These two superpowers join forces to exert international pressure on Israel and the United States, and they enter into arms deals with Iran.
- J. **The international community:** Other nations threaten to impose crippling sanctions on Israel if it encourages a population transfer from the Gaza Strip or annexes territory in the West Bank. they accuse Israel of violating injunctions issued by the ICJ, and the International Criminal Court issues more arrest warrants against senior Israeli officials and IDF commanders. A resolution is passed to preserve and strengthen UNRWA as the key UN agency for dealing with the Palestinian people.

Insights From the Simulation

The occupation of the Gaza Strip serves the interests of Israel's enemies—mainly Iran—which receives legitimization to continue the war of attrition it is waging through its proxies on several fronts. Hezbollah continues to attack Israel from Lebanon and prevents evacuated residents from returning to their homes. Meanwhile, Iran now has the freedom to operate and accelerates its nuclear projects. Israel is involved in a process of multidimensional strategic withdrawal, including the domestic arena where opposition to the government grows and people increasingly refuse to obey emergency call-up orders to serve in the reserves.

The simulation highlighted several negative trends for Israel, but it is unclear how severe they could become over time. These include the damage to relations between Israel and the United States; suspension of the peace accords, and the threat of their annulment; the military burden on all combat fronts; and the occupation of Gaza, which does not resolve the thorny issue of to whom Israel could turn over control of the Gaza Strip. Can Israel formulate an exit strategy from this strategic complexity?

The simulation did find, however, that reoccupying Gaza could provide a solution to various security issues. It would prevent Hamas from rebuilding and rehabilitating its control mechanisms in the Strip. It would ensure the demilitarization of Gaza and freedom of operation for Israel to dismantle terrorist infrastructure; it would safeguard the delivery of humanitarian aid to civilians in Gaza; it would prevent chaos erupting,

with radical and criminal groups seizing power, turning Gaza into the Middle East's Somalia; and it would aid the process of deradicalization while overseeing the educational content in Gaza.

However, the occupation of Gaza and the imposition of military rule have significant negative consequences. Israel is burdened with many responsibilities, with no certainty of the duration and outcome of the situation. According to various sources, the cost of the occupation of Gaza would alone amount to tens of billions of shekels a year, without factoring in the cost of deploying around three divisions of the IDF in Gaza. A military regime has certain duties and responsibilities, including maintaining public order; providing fuel; healthcare services, including handling pandemics and sewage; supplying electricity; ensuring adequate housing; clearing rubble and destroyed infrastructure; providing religious and burial services; education; welfare services; fixing infrastructure and roads; managing fire and rescue services; running the population registry; establishing a law-enforcement system; and conducting policing, investigations, detentions, trials, incarceration, and other public services. The intense hostility of the population toward the military government would lead to a higher level of terrorist activity, uprisings, and opposition from the civilian population, subjecting Israel to extreme international pressure, which could result in political and economic isolation.

By announcing the reoccupation of the Gaza Strip and implementing military rule, Iran's war of attrition against Israel with its proxies would continue and possibly even intensify. Moreover, Israel's strategic position would be severely undermined, jeopardizing the opportunity to normalize relations with Saudi Arabia and establish a regional security coalition led by the United States, with the participation of Israel and moderate Arab states.

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