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**“Reconstruction for Demilitarization”:
Lifting the Economic Siege and Tightening the Security Siege
around the Gaza Strip
Udi Dekel and Shlomo Brom**

Operation Protective Edge is another example of an asymmetrical confrontation, not only of scope and means of force but also of the respective sides' strategic objectives. For Israel, it has been yet another round in a series of confrontations with terrorist organizations, in which the strategic objective is attaining a long period of calm and postponement of the next round, mainly by deterring Hamas and demonstrating the heavy price Hamas must pay for attacking Israel. This strategic objective of returning to the status quo ante of “calm for calm” suggests that Israel lacks a viable political goal and losing the opportunity to develop new political options.

For its part, Hamas is fighting an existential war. Weakened, isolated, financially drained, and fearing the loss of its ability to govern the Gaza Strip – in effect, with nothing to lose, especially after the failure of the reconciliation agreement with Fatah – Hamas chose to escalate the conflict and intensify the rocket fire at Israel in order to restore its relevance and ensure its continued rule of Gaza.

It is unclear if Israel grasped the significance of this asymmetry at the outset of the campaign. Still, having learned the lesson of previous operations, the Israeli government lowered expectations and made it clear that, lacking an alternative, it would not try to topple the Hamas regime. This encouraged Hamas to continue fighting, despite its limited achievements on the battlefield. In any event, Israel has experienced an inherent problem of asymmetrical confrontations: when facing a non-state entity, it is difficult to translate battlefield achievements into political gains.

The feverish activity of the last few days to reach a ceasefire and a post-combat arrangement presents Israel with new opportunities to use the campaign to foster new political dynamics and encourage regional and international cooperation toward stability in the Gaza Strip. This involves generating a fundamental change in the situation in Gaza, namely, via economic and civilian rehabilitation and development. Israel would do well to propose a formula of “reconstruction for demilitarization,” which would involve all

relevant actors – including Israel – to take part in rebuilding and developing the Gaza Strip in exchange for a commitment to demilitarize Gaza of strategic weapons: missiles, rockets, offensive and smuggling tunnels, even if the implementation of such a commitment would be limited.

Demilitarization has long been anchored in agreements between the PLO and Israel and in understandings about future security arrangements between Israel and the Palestinians. Clearly Hamas, Islamic Jihad, and other terrorist organizations in the Gaza Strip will not agree to demilitarization – neither in word nor in deed – and their supporters, particularly Iran and Hizbollah, will continue to devise ways to ship arms to them and encourage domestic manufacturing capabilities. Nonetheless, the conditions are ripe for Israel to impose demilitarization in principle, even if implementation proves limited. The demilitarization principle must be accompanied by a UN Security Council resolution that calls for leveling sanctions against those who violate its terms. Egypt would play a major role in implementing the demilitarization by effectively fighting arms smuggling from the Sinai Peninsula and by blocking its border with the Gaza Strip. In tandem, Egypt must be granted extensive international assistance to block the arms smuggling routes in the Red Sea, from Egypt’s southern border with Sudan and its western border with Libya (a severe problem these days). In addition, it is necessary to establish an international expert monitoring mechanism with Arab League guarantees to ensure that aid entering the Gaza Strip is not used to rebuild Hamas’ rocket manufacturing capabilities, tunnels, or fortifications, but rather is used to reconstruct and develop the Gaza Strip.

Israel has a vested interest in the reconstruction and economic development of the Gaza Strip. Rehabilitating the Gaza Strip should have a stabilizing effect, because a rising employment rate and improvements in the population’s standard of living raise the cost of violating the security calm. True, the commitment by Israel and other interested parties to foster economic development and prosperity could strengthen Hamas by enabling it to claim that it has attained its strategic goals of lifting the siege, paying salaries, and creating the catalyst for Gaza’s economic improvement. However, Israel should also emphasize that it has an interest in Gaza’s economic and civilian reconstruction and the improved standard of living, and will, together with the United States, build the mechanism for regional and international cooperation toward establishment of an international task force for reconstruction and development of the Gaza Strip and the return of the Palestinian Authority and Mahmoud Abbas to the area. This activity would be guaranteed by the parties under the principle of “reconstruction for demilitarization.”

Stabilizing the situation in the Gaza Strip requires a long term economic development program that would place the PA in charge of reconstruction while also installing Abbas’ presidential guard at the border crossings (Rafah, Kerem Shalom, and Erez). This would launch a process that could gradually extend the PA’s security presence in the Gaza Strip.

Abbas' PA is the only element acceptable to most of the actors involved in Gaza – Egypt, Israel, the United States, Saudi Arabia, the UAE, the UN, and even Turkey and Qatar are prepared to accept formulas incorporating the PA in achieving a ceasefire and opening the border crossings. Having had no choice, Hamas was forced – even before the most recent crisis – to agree to Egypt's demand to install Abbas' presidential guard at the border crossings. Hamas will find it hard to oppose a reconstruction program for Gaza designed to benefit its population and serve the goal for which Hamas ostensibly started the current confrontation. Hamas would also be challenged by the civilian population in Gaza, who will compare Israel's concern for their wellbeing with Hamas, which abandoned them and used them as human shields. Here is an opportunity to take advantage of the reconciliation between Fatah and Hamas to strengthen the PA's grip on Gaza – and, especially given that Hamas is politically and economically weak, contrary to the common assumption that reconciliation can only lead to a Hamas takeover of the West Bank.

Accordingly, the Israeli government would have to retract its opposition to the reconciliation agreement and the government of technocrats supported by Fatah and Hamas. The “policy of differentiation” of the Gaza Strip from the West Bank, formed after Hamas seized control of the Gaza Strip, was meant to favor the West Bank population and prove to the Palestinian public that the path chosen by the PA, led by Abbas, which favors a political settlement, is immeasurably preferable to the destructive terrorist route chosen by Hamas. If reconstruction takes hold in the Gaza Strip, the West Bank must not be left behind, and similar economic development must be launched there as well. Israel would supervise movement between the Gaza Strip and the West Bank and prevent the spillover of destructive knowledge, capabilities, and terrorist elements from one area to the other.

The economic chapter is central to the successful implementation of “reconstruction for demilitarization.” Parties would be enlisted to develop the Gaza Strip and support it via donations and economic and infrastructure projects. This would involve:

- a. Immediate steps for the humanitarian and economic recovery of Gaza, including payment of civil servants' salaries (excluding the 25,000 individuals identified with the al-Qassam Brigades). The PA reconciliation government must be responsible for distributing the salaries.
- b. Expanded hours and capacity for transport of goods through the Kerem Shalom crossing and authorizations to export goods from the Gaza Strip to the West Bank and even to Israel.
- c. Egypt's opening of the Rafah crossing to Palestinian travelers and goods, under Egyptian inspection.
- d. An emergency plan, led by the UN, to repair critical infrastructures such as water, sewage, energy (including electricity supplied by Israel), and transportation, and

- concurrently accelerating the completion of the water treatment and desalination plant already under construction.
- e. Reduced unemployment in the Gaza Strip, achieved by advancing construction and agricultural projects, with strict oversight to prevent use of construction materials and fertilizers for terrorism purposes.
 - f. Extension of the fishing zone to 10 km from the shore.

The more that calm, stability, and development take hold in Gaza, the more Israel will demonstrate willingness for further projects such as development of the offshore gas field near the Gaza Strip and construction of a seaport near the Gaza shore, with appropriate security checks in place.

Despite the limited objectives the Israeli government presented at the outset of Operation Protective Edge, the conditions are ripe for shaping a new strategic reality in the Gaza Strip. To this end, the Israeli government must take the interests of the United States and Egypt into consideration and both commit itself and enlist regional (especially Egypt and the Arab Gulf states) and international players in a US-led political initiative of “reconstruction for demilitarization.” The Israeli government must understand that the conditions have changed so that there is an opportunity to restore the PA to the Gaza Strip, strengthen Abbas as a partner to the political process, and generate a reversal in the outcome of reconciliation – which means that instead of a strengthened Hamas in the West Bank, there will be a weakened Hamas in the Gaza Strip, with control restored to the PA.

