



GAZA:

AN ALTERNATIVE STRATEGY FOR ISRAEL

JULY 2019



CIS Gaza Team Members

Jacob (Mandy) Or, Maj. Gen. (Ret.)

Former Coordinator of Operations in the Territories

Chaim Erez, Maj. Gen. (Ret.)

Former Head of Southern Command

Rolly Gueron

Former Division Head, Mossad

Shlomo Waxe, Brigadier General (Ret.)

Former Commander of the Signaling, Electronics and Computer Corps

Celine Touboul, Adv.

Co-CEO of ECF

Alex Tal, Vice Admiral (Ret.)

Former Chief of Israeli Navy

Danny Yatom, Maj. Gen. (Ret.)

Former Commander of Central Command and Director of Mossad

Orna Mizrahi

Former Deputy Head of the NSC

Michael (Michel) Maayan

Former Division Head, Mossad

Yousef Mishlev, Maj. Gen. (Ret.)

Former Coordinator of Government Activities in the Territories

Nimrod Novik, Dr.

Project Coordinator, Former Senior Adviser to the Prime Minister

Zvi Poleg, Brigadier General (Ret.)

Former Commander of the Gaza Division

Arie Pelman

Former Deputy Shin Bet Chief

Dov (Fufi) Sedaka, Brigadier General (Ret),

Former Head of Gaza and West Bank Civil Administrations

Boaz Karni

Treasurer, ECF

Danny Rubinstein

Journalist and Lecturer on Near Eastern Studies

Amnon Reshef, Maj. Gen. (Ret.)

Former Commander of the Armored Corps, CIS Founder & Chairman



Preface

Although over 50 years have passed since the Six-Day War and the conquest of the Gaza Strip, and over 25 years since the Oslo Accords, the Israeli government has yet to formulate a clear policy on a solution to the Israeli-Palestinian conflict, including for the Gaza Strip and the two million Palestinians living there.

The absence of a clear policy and a long-term strategy concerning the future of the West Bank and the Gaza Strip jeopardizes Israel's future as a secure and democratic state with a solid Jewish majority for generations to come.

The view of Commanders for Israel's Security (CIS) is that only a solution based on the principle of two states for two peoples can secure these national objectives, whereby the West Bank and the Gaza Strip form a single political entity next to Israel. Gaza-based terrorist groups have been targeting Israeli population centers for years. They prepare ground, naval, and air operations while rendering unbearable the lives of the residents of southern Israel, especially those nearest to the Gaza Strip.

Israel cannot accept this situation. Vacuous statements about the absence of a political or a military solution are unacceptable either, for any solution should be comprehensive, comprising political, military, and economic measures.

As the IDF Operations Directorate head, Maj. Gen. Yoav Har-Even stated, "There is an understandable public and political longing to say, 'Here is a security problem; solve it.' I'm just saying that the solution is broader than a military one. It's much more complex. As a rule, there are no military solutions to political problems. Solutions are always combined. The use of military force is both part of policy and a pursuance of policy."

Furthermore, any effort to solve the basic problems of the Gaza Strip must take into account a comprehensive view of the desirable solution for the Israeli-Palestinian conflict.

However, restoring calm for the residents of the area bordering the Gaza Strip and all of southern Israel, as well as solving the humanitarian crisis in the Gaza Strip cannot wait for an overall settlement.

1. https://www.ynet.co.il/articles/o,7340,L-4668850,00.htm; June 19, 2015



In the absence of a strategy, Israel is being dragged into bouts of fighting in which Hamas dictates the time, duration, and intensity of events.

Despite the many Palestinian casualties in the Gaza Strip and the heavy damage to property, Hamas concludes each round of violence with a sense of achievement. The most recent rounds of fighting, related statements by cabinet ministers, and internal Israeli political developments have reinforced that sentiment.

Commanders for Israel's Security has reached the conclusion that the course of action adopted by Israel's governments towards the Gaza Strip is misguided, undermines the IDF's deterrence, and – as recent events proved yet again – leads to rounds of military confrontation that fail to yield long-term stability.

This plan is the result of a series of discussions by a large team of CIS members who dealt with the subject as part of their duties in the IDF, Shin Bet, police, and Mossad, as well as other experts.

The proposed strategy was devised in full cognizance of the fact that every step involving the Gaza Strip affects the entire Palestinian arena as well as the feasibility of a future comprehensive settlement.

Consequently, interim measures and partial solutions were designed to contribute to preserving – if not improving – the prospects of a future two-state solution. During the discussions, suggestions that a military "shock and awe" approach can restore deterrence were rejected. It was concluded that previous attempts have failed to change reality for longer than a limited period and that military force alone cannot end the recurring rounds of violence. Worse yet, a military-only approach may lead to the reoccupation of the Gaza Strip and to Israel's retaking control over its two million residents with no exit strategy in sight.

The rejection of this alternative as a means of attaining long-term stability should not be mistaken for ruling out the use of force in response to violence or to intelligence about imminent attempts at violating Israel's sovereignty or attacking its civilians or soldiers.



The oft-discussed possibility of a deal with Hamas was also rejected because it is incompatible with the main national (and CIS) goal: ensuring the character of Israel as a secure and democratic state with a solid Jewish majority for generations to come, through an agreed separation from the Palestinians in both the Gaza Strip and the West Bank. Moreover, such a deal will strengthen Hamas, thus further weakening the Palestinian Authority (PA); it would also deepen the chasm between the Gaza Strip and the West Bank, and make a permanent status agreement less likely.

Still, the CIS team did not rule out this option if and when it emerges that our proposed strategy cannot be implemented. In this case, for want of an alternative, restoring stability to the Gaza border and tranquility to the residents living near it — if only for limited periods — may justify resorting to this undesirable measure.

Before deciding on adhering to a "more of the same" approach that has proven to be a prescription for endless rounds of violence, or opting for escalatory measures that may end in a Gaza reoccupation, the Israeli government would do well to consider the initiative proposed in this document and make every effort to implement it.

Once this strategy is embraced and the Gaza front is stabilized, the PA will be strengthened and prospects for a two-state solution – improved. Its failure will not present Israel with greater security challenges, but the very effort at reaching a diplomatic solution will create a more understanding international climate should Israel be compelled to use force.

Maj. Gen. (ret.) Amnon Reshef Chairman Commanders for Israel's Security



Summary

Assumptions

- No military solution to the threat from the Gaza Strip exists that does not result in occupation of the Gaza Strip and resumption of control over it.
- The limitations of the current policy have been demonstrated by repeated rounds of conflict and periods of security instability between them.
- The power of the IDF and the other security agencies enables the government to take calculated risks in an attempt to alter the trend and shape a more stable security situation.
- The conditions in the area including the political and economic distress of Hamas, the willingness of leading Arab countries to lend a hand in the task, and the US administration's support for Israel – enhance prospects of the proposed strategy.

Principles of the proposed strategy:

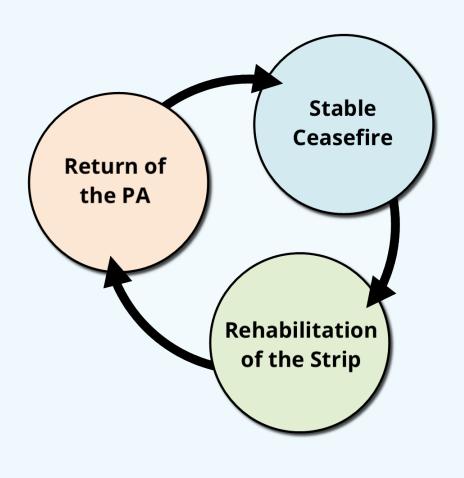
Israel will enlist the support of relevant regional and international players for a phased initiative combining three interlocking elements:

- Ceasefire consolidation and stabilization.
- Restoring PA management to the Gaza Strip.
- Large-scale reconstruction of the Gaza Strip.

These elements are intertwined:

- No stable ceasefire is possible without a solution to the humanitarian distress and reconstruction of the Gaza Strip.
- In view of the donor community's refusal to strengthen Hamas, reconstruction of the Gaza Strip is impossible without the return of the PA.
- Reconstruction of the Gaza Strip is impossible as long as the donor community refuses to invest before assured that a stable ceasefire reduces the risk that their investment again goes up in flames.







A phased approach:

Simultaneous implementation of these three elements will be accomplished gradually in two stages, comprising security, economic, and political measures each:

- First stage Designed to bring about immediate calm and pave the way for the PA's return to the Gaza Strip. It will include:
- Clarification and anchoring of the ceasefire terms (including restraining Hamas rearmament, an end to the digging of attack tunnels, and introduction of a monitoring mechanism); Disconnect Hamas from the Muslim Brotherhood;
- Guaranties for the PA (that as long as Hamas has not been disarmed, Israel will not retaliate against it in the event that a third party violates the ceasefire); Stabilize the Israel-Gaza ceasefire;
- Training PA enforcement forces for deployment in the Gaza Strip;
- Progress in initial solutions for electric, water, health, and employment shortages;
- Easing transit restrictions at border crossings; and
- The beginning of planning for a port under PA authority.
- Second stage This stage is contingent on its predecessor. It is designed to consolidate long-term stability while restoring full civilian control to the PA and continuing Hamas's fulfillment of its commitment to nonviolence. Progress towards the second stage will be contingent on:
- The transfer of additional authority to the PA (including authority in law enforcement and civilian security),
- Continued scrupulous observance of the ceasefire,
- Return of the bodies of soldiers Oren Shaul and Hadar Goldin, and release of the civilian captives.

In exchange:

- Additional relief measures will be taken at the border crossings (including construction of an additional crossing),
- Construction of a seaport will commence,



- Prisoners will be released according to a program announced when the initiative is launched, and
- An effort will be made to shape an international consensus for fulfilling the "Quartet's three conditions" in a way that rewards Hamas for observing the first condition – non-violence.

Test of results

- This alternative is the only one compatible with Israel's strategic goals.
- Despite the expected difficulties, the local (in the Gaza Strip), regional, and international circumstances justify consideration of this alternative's viability.
- If the plan fails, the indigenous security challenge will not increase significantly, whereas the international community might express greater understanding if Israel is forced to use force.

Following a series of discussions among CIS members who dealt with the issue during their security service, and in consultation with other experts, CIS has formulated a strategic alternative for the Israeli government.

It was formulated in the awareness that a solution in the Gaza Strip has major consequences for the entire Palestinian front and the viability of a future two-state solution. Consequently, the CIS team tried to ascertain that interim measures and partial solutions preserve, if not promote, conditions for a future permanent settlement, in which the West Bank and the Gaza Strip constitute a single political entity.

The plan seek to account for the following Israeli interests:

- Removal of the terrorist threat and ensuring long-term calm.
- Prevention of a humanitarian disaster and removing impediments for economic and other development;.
- Prevention of health and environmental hazards in Gaza and their spillover to Israel.
- Completion of disengagement from the Gaza Strip by reducing Israel's responsibility and supporting the international community's efforts to improve the quality of life for residents of the Strip.
- A special interest at this time: the return of the bodies of soldiers Oren Shaul and Hadar Goldin and the release of captive civilians Avera Mengistu, Hisham al-Sayed, and Jumaa Ibrahim Abu Ghanima.



Assumptions

- While the northern front is currently Israel's main security theater, without a response to the challenges posed by the crisis in the Gaza Strip, the likelihood of a war in the Gaza Strip increases and is liable to also ignite the northern front.
- An exclusively military response cannot bring about stability in the Gaza Strip. Israel holds powerful security, political, and economic cards. A judicious use of these cards provides a basis for an initiative strategy, the implementation of which can change dynamics 'on the ground' and prevent further rounds of conflict.
- This strategy requires the cooperation of countries that share the objective of stabilizing the Strip, primarily Egypt, the US, and the donor community regionals and others.
- Success in this strategy will secure tranquility with potential for longterm stability. Its failure will not present Israel with graver defense challenges than those it now faces; it will, however, create a more understanding international environment should Israel be forced to resort to military force.

Flaws of the Current Policy

- The Israeli government has failed to articulate a clear policy and pursues a reactive approach that leaves the initiative to the other side.
- Its approach is characterized by tactical thinking about postponing the next round of violence, rather than strategic thinking about how to prevent it.
- Even in this tactical thinking framework, the government misses opportunities to enhance stability and signal that it rewards moderation and cessation of hostilities by providing Gazans with relief measures during periods of calm (such as the four years following Operation Protective Edge). Instead, relief comes only in response to rounds of fighting or other violent event (such as the Marmara flotilla, the kidnapping of Gilad Shalit, and incendiary kite terrorism). The Israeli government thereby reinforces the perception that violence is the only language it understands.



- Israeli policy is rife with internal contradiction:
- On the one hand, Israel regards Hamas as a terrorist organization and takes action to deny it international legitimacy. On the other hand, Israel has been perpetuating Hamas' status as the ruler in Gaza for over a decade by negotiating with it through third parties.
- Even though it accepts that a stable ceasefire is impossible without improving the living conditions in the Gaza Strip, it has repeatedly vetoes IDF and other security agencies' recommendations for relief measures.
- The government entrusts the IDF with responsibility for managing the theater, but prevents implementation of its recommendations concerning non-military means necessary for stabling the ceasefire.
- Finally, the government avoids in-depth discussions of alternatives proposed by the defense agencies and others, and is yet to consider alternatives to its 'more of the same' approach.

As a result, every few years – and recently, even every few months –– Israel experiences various degrees of violence from the Strip. The price of each round, as well as the price of lower intensity conflict between rounds, is paid by residents of the Gaza surrounding communities, IDF soldiers, and in the more prolonged bouts of fighting, most of Israel's population as well.

Key Challenges

The situation in Gaza is characterized by an acute economic and financial crisis, a governmental vacuum, and rising volatility:

• Lack of clarity surrounding the ceasefire understandings: The ceasefire understandings reached at the end of Operation Protective Edge (summer 2014) did not specify respective obligations, beyond the general statement that "quiet will be rewarded with quiet." In the absence of agreed terms, available to the party serving as 'ceasefire interpreter' (Egyptian intelligence), the level of friction, the potential for miscalculation, and likelihood of escalation are high, as each side responds to what it interprets as the other crossing a red line and testing the limits of the other's tolerance in attempting to expand its freedom of action.



A severe economic and financial crisis

- Border crossings restrictions cause severe distress in the private sector, especially agriculture, resulting from lack of access to raw materials and the inability to export to Israeli, Palestinian, and other markets.
- Hamas's inability to pay its 43,000 civilian employees and the PA's payment cut for its 55,000 employees (who have been idle since 2007) have converged in a major cash shortage and ensuing sharp decline in demand for basic goods on the Gaza market.
- Collapse of infrastructure due to a government vacuum: The failure of the Hamas government to bear the costs of managing civilian affairs and the PA's unwillingness to take responsibility for these affairs in the Gaza Strip have created a government vacuum that affects all spheres of life. The crisis in electricity (several hours' supply a day), water (95% unfit for human consumption), sanitation (a severe shortage of drugs and equipment), and employment (45% overall and 65% youth unemployment) are examples of this vacuum (see Appendix A).
- The internal Palestinian rift and the issue of arms: Egypt is the only player with a strategy for working towards a solution to the problem of internal Palestinian division (see Appendix B). Egypt's initiative focuses on a series of measures for a gradual return of the PA to the Gaza Strip, the beginning of a process of "taming" Hamas, that is, its gradual transformation from a primarily militant terrorist organization to a political one. This initiative reflects the realization that the arms question, from thwarting a military buildup to demilitarization, is of unique importance. However, as in most precedents around the world, Cairo's sober approach is based on gradualism, and expects Hamas to keep its armed wing until confidence in the reconciliation process affects its decisions on the subject.

Even though a majority of the players involved (including Israel and the US) welcomed the Egyptian initiative and undertook to assist it, Egypt was surprised when important players withdrew their support and placed obstacles in the way of implementing it.



An Alternative Strategy

Comprehensive yet Gradual

In designing the strategy and its implementation, it is essential to recognize the interplay between measures required for Gaza stabilization and those necessary vis-à-vis the PA (as described in the CIS "Security First" plan) as well as their impact on the prospects of a future two-state solution. In addition to supporting the PA's return to the Gaza Strip (below), the PA position on the West Bank must be strengthened via such measures as a budgetary support, prisoner release, renewal of support for UNRWA, etc.

CIS has concluded that conditions are not ripe for a comprehensive resolution of the conflict. Moreover, it is the CIS position that Gaza disarmament can only be archived in the context of such an agreement. The wish to see the PA security agencies enjoying an exclusive control over all weapons in the Strip, having disarmed Hamas and the other terrorist organizations there, and applying the principle of "one authority, one gun, one law," cannot be realized without a general reconciliation between Fatah and Hamas and progress towards a permanent agreement between Israel and the PLO. Only progress toward these two prerequisites will provide the PA with the legitimacy to enforce its will and the supportive members of the international community with the incentive to engage in enforcing demilitarization. As this ambitious objective is presently beyond reach, a gradual approach is called for.

Objectives

As long as Hamas maintains a military monopoly in Gaza, the PA has no interest

- <u>Prolonged calm.</u> The most important Israeli interest is security: removal of the cross-border terrorist threat; preventing another conflict, especially one involving a land invasion; and avoiding a two-front conflict.
- <u>Preventing a humanitarian disaster.</u> Removing impediments for socio-economic rehabilitation and development; preventing a humanitarian crisis; preventing failures in the health, sewage, and other infrastructure systems from affecting Gaza's two million residents as well as adjacent Israeli population centers.
- Reducing Israel's responsibility. Completion of the disengagement from the Gaza Strip, while supporting efforts by the international community toward solving humanitarian problems, reconstruction, and development in the Gaza Strip.



- <u>Separation</u>. A Gaza strategy should promote, or at least not obstruct, the process of civilian separation from the Palestinians in the West Bank (as detailed in the CIS "Security First" plan), and the preservation of conditions for a future two-state solution.
- Return of the bodies of Israel's soldiers and release of captive civilians: Any Israeli initiative should result in the return of the soldiers' bodies and the release of the civilians held by Hamas.

Alternative Strategies

The CIS team examined five alternative strategies discussed in Israel:

• "More of the same" The current government strategy involves separation of the Gaza Strip from the West Bank; relies on deterrence; and employs punitive measures such as shutting off of crossing points; restricting quantities and lists goods to and from the Gaza Strip; limiting of entry and exit permits for students, businesspeople and others; restricting the fishing zone, all in an attempt to create popular pressure on Hamas leadership to contain violence.

As demonstrated repeatedly, including recently, this strategy has failed. It has perpetuated instability; has not prevent escalation and outbreaks of violence; has kept adjacent Israeli population hostage to Hamas whims, perpetuated the threat to Israel's population; and adversely affected prospects of a future comprehensive resolution of the conflict.

Bypassing the PA and Hamas:

An attempt to find and create an independent reconstruction agency by transferring responsibility to an international party, including various levels of international trusteeship.

Attempts by UN agencies and the US administration to devise a formula along these lines have come to nothing. The relevant international parties have thus far refused to take responsibility for Gaza reconstruction without the consent of the PA. Moreover, they refuse to expose their representatives to risks associated with local instability or to witness their investment go up in flames in yet another round of fighting. Consequently, this approach can only work when confined to transferring responsibility for a specific project (water,



electricity, etc.) to a regional player. As the contribution by Qatar to easing the electricity crisis demonstrates, this can achieve a temporary relief, but cannot be expected to bring about a prolonged and stable ceasefire.

Understandings with Hamas ["Hasdara"]:

This strategy calls for reaching understandings with Hamas that combine a long-term ceasefire with substantial relaxation of the closure. It will strengthen Hamas in both the Gaza Strip and the West Bank; undermine the PA; deepen the separation between the two parts of the Palestinian people; and enhance the Gaza Strip's dependence on Israel. It will therefore have a substantial negative impact on the possibility of separation from the Palestinians and the chances of a future permanent settlement. Furthermore, it cannot solve the energy, water, and other infrastructure crises and their destabilizing effect.

Overthrowing Hamas:

This strategy envisions a large-scale military operation aimed at destroying Hamas (as described by more ambitious proponents) or overthrowing its rule (the less ambitious objective), whether or not including occupation of the Gaza Strip.

Killing leaders does not undo a popular movement. Nor will overthrowing Hamas rule eliminate the organization. Rather, it will yield a change in its mode of operation. Instead of an organized group with a centralized leadership controlling the territory and population, Hamas will wage a guerrilla war via decentralized terror cells. Overthrowing the Hamas government and an attempt to disarm and demilitarize the Gaza Strip will entail a prolonged, large-scale military campaign with many casualties on both sides. Once concluded, the IDF will be forced to control over two million Palestinians and cope with the security challenges resulting from this situation. With the withdrawal of the donor community, Israel will have to bear the costs of managing life in the Gaza Strip (billions of shekels a year). Since the PA is unlikely to agree to return to the Gaza Strip "on the back of Israeli tanks," Israel will be left without an exit strategy from the Gaza Strip labyrinth. Worthy of note in this context is Egypt's concern that an Israeli measure of this kind will result in armed groups fleeing from the Gaza Strip to Sinai, joining forces there with Al Qaeda, Islamic State, and other terror groups to jointly conduct activity against Egypt and Israel.

- Reinstating the PA: A gradual move to restore PA rule in the Gaza Strip. This strategy is likely to achieve all of the five goals listed above. It should combine the following:
- Significant measures for immediate improvement in the situation in Gaza;



- Stabilizing the ceasefire;
- Improving the situation in the West Bank and strengthening the PA;
- Coordination with the US, Egypt and Jordan, and via their good offices (and otherwise) with the United Arab Emirates and Saudi Arabia, as well as the donor community outside and the leading international organizations.

Recommended Strategy

- Israel will initiate a comprehensive effort, utilizing all its means of influence security, economic, and political for the purpose of:
- Ceasefire stabilization;
- Relieving distress in the Gaza Strip;
- Facilitating the PA's return to Gaza management.
- For this purpose, Israel will enlist regional and international players with common interests whose support is essential for both improving the situation in the Gaza Strip and obtaining the PA's consent:
- Egypt which endorses this approach and has unique experience, interest and capability for assisting the proposed effort;
- US whose critical contribution will be described below;
- Saudi Arabia and the United Arab Emirates which supported a similar Egyptian effort (see Appendix B) and are willing to engage;
- The Quartet and UN agencies, as well as the European Union.

Israel's Action Plan

In coordination with the above-mentioned regional and other parties, Israel will revoke its 'separation strategy'; take steps to quickly change the situation in the Gaza Strip (see below); reach detailed understandings for a stable ceasefire and restricting Hamas's military buildup; and encourage the PA to cooperate with the effort in tandem with Egypt and the other supporting countries.

It should be clear that any progress in implementing the initiative would not tie the IDF's hands in using its full power to defend the border with



the Gaza Strip and ensure the security of Israeli citizens. Furthermore, it should also be clear that Israel reserves the right to withdraw closure relief measures in the event of the other side's not complying with the agreed terms.

Stage A: Steps for Immediate Improvement

• Security:

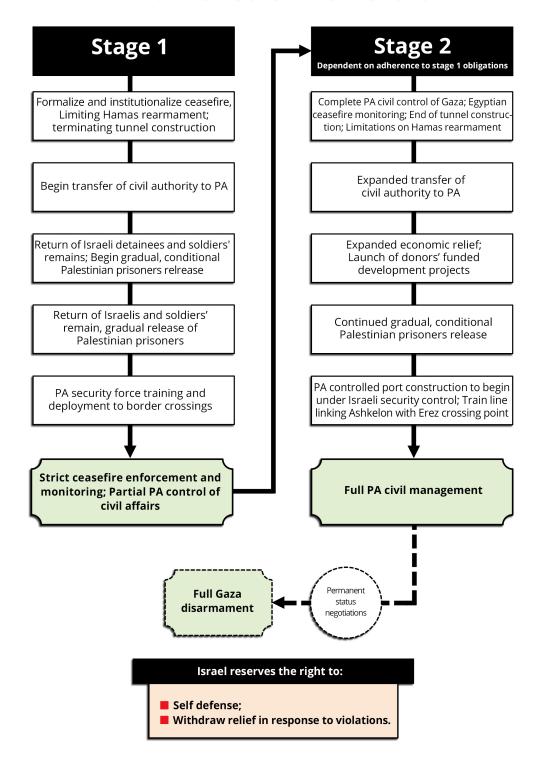
- Ceasefire: With Egyptian mediation, a detailed understandings between Israel, the PA, and Hamas will be concluded. Though unsigned, it will list the parties' obligations, including a halt to Hamas' tunnel construction and limitations on its armaments. An on site Egyptian security team will monitor the three parties' compliance and coordinate real time coordination for dealing with complaints, violations, and remedies, all based on an agreed mandate and via a dedicated communication system. As no understandings can prevent intentional violations, these understandings and mechanism are aimed at dealing with misunderstandings, third party violations, and as rapid as possible return to ceasefire. It is assumed that the cumulative effect of deterrence, the value of gradually implemented relief measures, the expectation of more such measures to come, and concern about losing those already enacted, will enhance ceasefire durability and deter violations.
- Security 'safety net': Israel will provide the PA with a security 'safety net' involving guarantees that it will not respond against the PA in the event of a ceasefire violation by a third party as long as Hamas has not been disarmed and provided that the PA acts decisively to prevent violations and to punish violators. Israel will allow the ceasefire monitors (Egyptian intelligence) and the PA to handle a violation before considering its response. While extending these assurances, Israel will inform the parties to the understandings that it shall always reserve its right of self-defense and will act accordingly, when its sovereignty is or is about to be violated.
- Training of PA forces: In order to expand the deployment of PA forces in the Gaza Strip (beyond the 3,000 men already trained and equipped for this purpose), Israel will support the buildup of the PA security forces' capabilities (weapons and training) in preparation for their gradual deployment to the Gaza Strip. Their training may take place in Egypt and/or Jericho and/or Jordan. Their equipment, as agreed by Israel, is to be provided by governments that are already involved in these efforts, all to be coordinated by the United States Security Coordinator (USSC).



- Political/economic elements:
- Joint Israel and the PA teams will be formed for security, political, and civilian coordination;
- The preliminary phase of a Gaza port construction will be launched, involving issuing permits, initial planning, and mobilization of resources. Port development, future construction and operation, will all be under the PA control. Security procedures will be determined by the Israeli defense agencies.
- Construction will begin in Phase B (below), after the PA will have met its Stage A obligations.
- Civil/economic elements:
- Israel will grant work permits to several thousand Gazans vetted by the Israel Security Agency. Primary employment will be in the agricultural sector of Israeli communities near the Gaza Strip;
- Subject to Hamas adherence to the restriction on tunnel construction, the list of dual-use materials forbidden entry to Gaza will be substantially shortened;
- The parties will devise a mechanism for enabling entry into Gaza of sensitive dual-use materials. This will involve an inspection mechanism acceptable to Israel and operating in close coordination with the PA that will authorize vetted companies to receive such materials and monitor their operations;
- Israel will increase the quotas for agricultural produce exported to Israel;
- Israel shall improve access to, and movement through the border crossings to accommodate exports to Europe;
- Israel will increase the number of entry permits issued to Gaza traders and other businesspersons;
- Israel will simplify procedures for, and expedite processing of traveling students and tourists from Gaza to Jordan; patients for hospital treatment; and Gaza Temple Mount worshipers;
- Israel will extend the fishing zone to allow the Gaza fish industry to enjoy the full potential of it Mediterranean coast.



A Plan for Gaza - Flow Chart





Stage B: Rewarding Hamas Moderation and Empowering the PA

Progress to Stage B will be contingent on Israel's affirmation that Stage A commitments have been met. This is to include the return of the remains of the Israeli soldiers and the release of the captive civilians.

All Israeli steps under Stage B will be contingent on the transfer of police and other authority to PA security agencies and Hamas' strict compliance with all ceasefire stipulations, including arms limitations and a halt to tunnel construction.

Under the conditions above, Israel will initiate the following Stage B steps:

- "Benchmarking" the Quartet conditions:
- Insisting on the simultaneous fulfillment of the three Quartet conditions
 nonviolence, compliance with past agreements, and recognition of Israel deprives Hamas of the incentive to meet the first (nonviolence) as any reward for so doing (including in the form of engagement by the international community) is contingent on it fulfillment of the other two.
- Insisting on two conditions that Hamas is unable or unwilling to meet, and which are presently of no interest to Israel -- compliance with past agreements and recognition of Israel -- deprives Hamas of important incentives for providing the one thing Israel deems important and Hamas seems capable of - and apparently interest in - providing: immediate and prolonged non-violence.
- It is therefore proposed to continue insisting on all three conditions, but 'benchmarking' them, so that each 'kicks in' when relevant:
- Ceasefire immediately and unconditionally;
- Compliance with past agreements if and when Hamas is to be integrated into the PLO;
- Recognition of Israel when the time comes for signing a permanent status settlement.
- Security elements:
- Deployment of PA police forces to enforce law and order and authority



in other civilian matters; prevent dual-use materials from reaching the wrong hands; and guard Gaza borders with Egypt and Israel.

- Political/economic elements:
- Beginning of construction of a port under PA management;
- Placing of PA customs officers at the Rafah terminal.
- <u>Civil-economic elements:</u>
- Granting additional work permits to Palestinians vetted by Israeli security;
- Removal of additional restrictions on dual-use materials simultaneously with deployment of PA police forces and their integration in the inspection mechanism;
- Additional increase in quotas for agricultural products marketed in Israel;
- Opening another crossing for goods at the Erez border crossing;
- Beginning of work on connecting the Erez border crossing with the port of Ashdod via a cargo railway line.

Prisoners "Bonus"

- Israel holds approximately 10,000 Palestinian prisoners. Both Hamas and Fatah attach great importance to their release, in view of the prisoners' popularity among the Palestinian public, the importance of prisoners' organizations in decision-making processes of the various Palestinian organizations, and due to pressure from prisoners' families.
- In the past, Israel customarily released prisoners on the occasion of Muslim holidays, or was forced to do so as part of prisoner exchanges. It is proposed to make judicious use of the prisoners 'card'. Rather than release them under pressure or, worse yet, watch as their forced release incentivizes kidnapping of Israelis to be traded, Israel can turn prisoners release into an incentive for ceasefire stabilization.
- In order to provide Hamas and the PA, as well as other Palestinian organizations, with an incentive to adhere to their ceasefire undertakings, it is proposed to consider a conditional, gradually release of security prisoners over time.



- The release will include Fatah and Hamas prisoners, as well as prisoners of other organizations, and will take place at regular predetermined intervals. The order of release will reflect both the gravity of the deeds of which the prisoners were convicted and assessments by the ISA and the Israel Prison Service of their commitment to the process and ceasefire, and of the risk they pose.
- Every candidate for release will sign a commitment to meet the terms of his release.
- The announcement of the prisoner release program will accompany the launch of the CIS proposed Israeli initiative. It will specify that actual release will only begin with the transition from Stage A to Stage B and only after the return of the remains of the Israeli soldiers and the release of the Israeli civilians.

Israel will make it clear that any breach of the understandings, disruption of the process, and especially violation of the ceasefire will cause suspension of the release proceeding. Israel will also reserve its right to re-arrest any released prisoner who violates the terms of his release.

Regional and International Players

To carry out the plan, Israel should mobilize the relevant international and regional parties for the dual purpose of:

- Encouraging the PA to fulfill its part i.e. overcome Mahmoud Abbas's reluctance and empowering PA leaders who support the initiative.
- Restraining Hamas hardliners and encouraging those who support the process.

The international community has several means of influence, including:

- Finger the Villain": Expose to Palestinian public opinion in the West Bank and the Gaza Strip -- which overwhelmingly supports ending the split between the two movements and the two regions -- the party responsible for thwarting the measure.
- Mobilize financial resources needed for PA Gaza management and rehabilitate. Concurrently, fund West Bank development, including the restoration of US assistance.



- In turn, demand that PA embraces measures for good governance, transparency and accountability.
- Conversely, threaten the reluctant party:
- In the case of Hamas: resumption of economic pressure by Egypt, Israel, and other parties, and support for punitive measures by the PA.
- In the case of the PA: threaten to bypass Ramallah in pursuing Gaza rehabilitation.

In this context, the regional and international community will demand that the PA:

- Cooperate with the plan despite its objection to the gradual approach to Hamas disarmament.
- Send the relevant ministers and other senior officials to assume responsibility for Gaza management.
- Begin deploying police forces in the Gaza Strip in coordination with Egypt and Israel.
- Expedite project development, above all those critical for solving the water, electricity and employment crises.
- Implement the internationally mediated plan for resolving the salaries issue.

Expected Difficulties; Possible Remedies

The proposed process is liable to encounter two main clusters of challenges:

Hamas:

A potential failure of the supportive Hamas leadership that to overcome two sources of resistance: senior Hamas officials who stand to lose power and income once civil management is transferred to the PA, and ideological factions that reject moderation and restraint.

Israel and its potential partners can assist in overcoming pockets of resistance and generating grass roots support by providing evidence that moderation has its quick rewards. International aid for rapidly implemented



modest projects with high visibility (i.e. housing and road construction; increased water and electricity availability; substantially expanded fishing zone); improved access and movement at border crossings; and an initial quantity of work permits for Israeli security-vetted Gaza workers can go a long way in reinforcing confidence in the process.

Nonetheless, Israel and its partners cannot prevent the failure of the plan if its Hamas advocates fail to overcome internal resistance or to enforce their will on other factions in the Strip.

It is important to note that a failure is not likely to adversely affect Israel's security situation. In its wake, Israel will face substantially the same challenges as presently exist. However, having tried a non-violent approach, Israel is likely to enjoy greater regional and international understanding should it be forced to take military action.

PA:

Failing to overcome PA refusal to cooperate is likely to derail the initiative.

As detailed above, Israel, the regional and international community have substantial levers of influence over the decision-making process in Ramallah. These include increase or decrease of budget support; making or withholding political gestures; fostering or avoiding ties with those challenging the PA, etc. Israel and its partners can also empower senior PA officials who support the initiative. Furthermore, the PA will have to consider the likelihood that shouldering responsibility for failure of an Arab-supported initiative may accelerate Arab governments' distancing from the PA and its isolation in the face of punitive Israeli (and American) measures.

Israel has its own powerful levers – both positive and negative. Just to illustrate: By re-designating tiny sections of Area C as A or B, Israel can provide the PA with a major deliverable in solving the housing demolition threat hanging over thousands of illegal housing units which are home to over 250,000 Palestinians.

Likewise, Israel can solve the problem of Palestinian police deployment in areas with no law and order presence, by creating territorial contiguity between certain Palestinian villages and towns in Areas A and B. This measure will also remove impediments for Palestinian economic



development. Enabling economic development in Area C will likewise do wonders for the Palestinian economy. [For details, see the relevant CIS plans or the movement's website as well as on the TwoStateSecority.org]

Israel also has considerable influence on the HALC (the donor community mechanism), and can urge – and assist in – West Bank development concurrent with efforts for Gaza rehabilitation and development.

A failure of these efforts will result in Israel demonstrating its refusal to face escalation in the Gaza Strip due to PA foot-dragging. Under such circumstances, Israel will be forced to bypass the PA in addressing the Gaza situation and seeking to avoid renewed violence.

Israel will thus have to resort to less desirable alternatives, including those that undermine other national interests (as discussed above), including a long-term arrangement ["Hasdara"] with Hamas or the transfer of responsibility for the water and electricity sectors to an international or regional party. The very resort to such alternatives may affect PA calculations thus enhance the prospects of the henceforth rejected initiative.

Nonetheless, the possibility that the PA continues its intransigent foot-dragging cannot be ruled out. As discussed above, under such circumstances, Israel's options will be far less attractive but the security challenge will not become worse and the international environment for dealing with it improves.



Appendix A

Hamas and PA Considerations

Hamas

- Hamas controls the Gaza Strip by the forceful enforcement of its rule.
 It is challenged by concern with an "Arab Spring' like popular uprising as well as by competing smaller and more extreme organizations.
- Hamas rule has some of the characteristics of a state. No external third party can operate in its territory without its consent.
- Hamas is not homogeneous. Some factions are more militant and extreme, others less so. However, all are united in the dual objective of preserving Hamas rule over Gaza and extending it to the West Bank. Current Hamas leadership realizes that advancing these objectives requires resources and international legitimacy. That in turn, calls for tactical compromises, if not strategic ones.
- Hamas faces the most severe crisis in its history. This state of affairs is the result of the convergence of several developments: it is isolated both regionally and internationally; it has failed to manage, and provide for the population in the Gaza Strip; and it has repeatedly had to resort to violence against its population in order to prevent a popular uprising.
- Consequently, the current Hamas's leadership, headed by Ismail Haniyeh and Yahya Sinwar, has expressed an interest in yielding to the PA civilian management provided its armed wing is not affected. It appears that the two are after an opportunity for the movement to regroup before competing once again for overall Palestinian leadership.
- Hamas is not immune to change in response to dynamic conditions and constraints. For example, over the past decade it has expressed views and goals indicating awareness of the need to change strategy from that enshrined in its original Charter. These have included willingness to establish a Palestinian state in the 1967 borders (although without recognition of Israel and including a demand for the right of return).
- For more than a decade, Hamas has resorted to various intermediaries in conveying messages to Israel. Some were in writing, detailed, and more far-reaching than others, yet all have involved proposals for long-term tranquility. None have included willingness to recognize Israel, but all included commitments to a prolonged ceasefire, including its extension to the West Bank. The most far reaching, dubbed "A Framework for Peaceful Coexistence", presented a detailed invitation to negotiations on all the core issues -- borders, Jerusalem, refugees, security - albeit via a third party.



• Hamas is sensitive to the issue of its members imprisoned in Israel. The prisoners' effective political organization coupled with their popularity as symbols of the struggle against Israel and pressure from their families, make them a relevant factor in Hamas decision processes.

PA/PLO

- The PLO regards Hamas as not only a hostile force and competitor in the Gaza Strip, but also as a threat to its interests and power base in the West Bank.
- As long as Hamas has a military monopoly in the Gaza Strip, the PA has
 no interest in placing its members at harms way by sending them there.
- The PA power base in the Gaza Strip Fatah is weak and demoralized.
- With no donors' guarantee of the required resources, the PA regards the situation in the Gaza Strip as a prescription for failure for which it should not take responsibility.
- The PA also fears that funding for reconstruction in the Gaza Strip is liable to be at the expense of the West Bank's share of donors' funds.
- The PA fears that once it takes responsibility for the Gaza Strip, it will be blamed for any ceasefire violation, whoever the perpetrator, without being able to prevent it.
- The PA's attitude is therefore that any improvement in the Gaza Strip's situation strengthens Hamas, whereas continuation of the distress there weakens it. If, out of weakness, Hamas triggers another round of violence (including in order to mobilize Arab -- especially Egyptian -- intervention), the PA will not be the one to pay the price.

Appendix B

The Egyptian Initiative

- During the four years following Operation Protective Edge, Egyptian intelligence spearheaded a number of moves aimed at generating a change in the Gaza Strip. These measures had five goals:
- Decoupling groups active in the Gaza Strip from terrorist groups operating in northern Sinai;
- Separating Hamas from the Muslim Brotherhood;
- A gradual restoration of PA management of the Gaza Strip;



- Stabilizing the ceasefire;
- Starting a process of "taming" Hamas, i.e. its gradual transformation from a militant military organization to a political (and eventually, unarmed) player in Palestinian politics.
- The Egyptian preparatory measures took place in five spheres:
- Piling on economic and other pressure on Hamas in order to force it to recognize its failure in managing the Strip, and to force it to cooperate with the Egyptian strategy before it faces a popular uprising;
- Investing in creating a future moderate leadership through the reeducation in Egypt of some 1,200 young Gazans, including exposing them to moderate interpretations of Islam and the Koran, and exposing them to a different quality of life than they have experienced, with the subtle message being: a change of the direction of Hamas's policy can make a better life available for all Gazans;
- Attempting to restrict the influence and involvement in Gaza of Qatar,
 Turkey and Iran, all Hamas supporters, through cooperation with the
 United Arab Emirates and Saudi Arabia.
- Strengthening ties with the powerful Yahya Sinwar who proved to share much of the Egyptian strategic objectives;
- Obtaining a green light and commitment to assist from the two countries whose involvement was regarded as essential for overcoming Mahmoud Abbas' reluctance to assume the challenge of management in the Gaza Strip: Israel and the US.
- The Egyptian strategy was based on the principle of gradual implementation. Under the premise that the "all or nothing" approach means nothing, gradualism was key to bringing the PA back to the Gaza Strip, changing Hamas' conduct, and disarming Hamas.
- The Egyptian strategy did not reach fruition due to PA opposition and Israeli and US refusal to engage in changing the PA attitude.
- Once abandoned, the Egyptian initiative's early accomplishments evaporated. The beginning of a change in Hamas came to a halt and the consensus concerning violent resistance was restored.
- Since the Egyptian initiative stalled, the Egyptian security agencies that led it have been reporting to Israel and the US their willingness, and that of their allies on this issue in the Persian Gulf, to renew it as soon as Jerusalem and Washington commit to lend a hand in its implementation.

COMMANDERS For Israel's Security

Commanders for Israel's Security (CIS) is a non-partisan movement. Its members are retired generals and equivalents in Israel's security services (the IDF, the Shin Bet, Mossad and Israel Police) who are motivated solely by concern for the future of Israel.

CIS took a decision to promote a security–political initiative that will extricate Israel from the current impasse as an interim step toward implementing its vision.

The movement's vision is centered around the need to reach a permanent two-state agreement with the Palestinians, to normalize relations and enter into security arrangements with pragmatic Arab states, and thus to secure Israel within final, recognized boundaries while ensuring its future as the democratic state of the Jewish people.

en.cis.org.il