

# Gaza: The Long-Term Outlook

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### Jane Kinninmont

Good afternoon, ladies and gentlemen. Thanks for joining us here at Chatham House for today's discussion on 'Gaza: The Long-Term Outlook'. We're going to be hearing from Tony Laurance, from Medical Aid for Palestinians, about the humanitarian impact first and foremost of the recent conflict in Gaza. We'll then be hearing some analysis from Professor Rosemary Hollis, professor of Middle East policy at City University, on the political outlook, and from Daniel Levy, head of the Middle East programme at the European Council on Foreign Relations, on some insights into the public debate within Israel on this latest conflict.

Just a couple of notes before we start. Today's event is being held on the record, it's not under Chatham House Rule. You're very welcome to comment on Twitter using #CHEvents.

I'm Jane Kinninmont, deputy head of the Middle East and North Africa Programme here at Chatham House. I'm delighted to be handing over to Tony Laurance to kick us off.

### Tony Laurance

Thank you, Jane. I was in Gaza a month ago, kind of in between the ceasefires, and it was quite a shocking experience. I'd like you just to imagine what it is like to be an ordinary person living in Gaza now, three weeks since the fighting stopped, after the most intensive and destructive bombardment that Gaza has witnessed. There is devastation all around. Neighbourhoods have been flattened; 18,000 homes have been destroyed, 5 per cent of the housing stock. At the most intense time, 600,000 people were displaced. There are still 100,000 homeless, 50,000 of them with host families and the rest in shelters. Sixty-seven clinics and hospitals were damaged or destroyed. Twenty-two schools were destroyed, a hundred and eighteen damaged. Despite that and despite the shortage anyway of school buildings, children are back to school this week.

Over 2,100 people were killed, 1,473 of them civilians, 501 children. The equivalent in the UK, just to put this in proportion, is about 70,000 people killed. Eleven thousand injured, three thousand and three hundred children, and many hundreds – maybe a thousand – will have very severe, lifelong disabilities as a consequence.

You will have at best mains power for six hours a day. The Gaza power plant was hit and is not functioning, though there's talk of it coming back online quite soon. If you're lucky you'll have mains water; 30 per cent of the population does not. There was extensive damage to the water and sewage networks, the wells, the reservoirs, the desalination plants, the pumping stations.

Like many others, you probably supported the military response – the resistance, if you like – because you saw no alternative. After seven years of siege, after promises and agreements that the blockade would be eased, nothing changed. The peace negotiations conducted through Abbas and under the brokerage of the US also failed.

But now what? Three weeks after the bombardment stopped, nothing has changed. There is no easement of access. You remain imprisoned, most people can't get out. The eyes of the world have moved on, with Iraq and Syria. It's a pretty gloomy prospect.

What I'm describing here is not just pure invention on my part, it is based upon the conversations I had when I was out there and the continuing contact I have with my own staff and others in Gaza. I just want to remind you of some of the basic facts about Gaza in which to set this picture, if you like. A population of 1.8 million, of whom half are children. The siege in its eighth year, which for the last twelve months or so has been tighter than ever, since the new regime in Egypt took over and the tunnels and so forth were closed. The economy, such as it was, has collapsed. There is 45 per cent unemployment; amongst 20-24-year-olds it's 70 per cent. There is minimal productive activity, no exports. It is an entirely dependent welfare state living off handouts.

What do you suppose it is like growing up in an environment like this? What opportunities are there for children and young people? It seems to me, as I hope it seems to you, an intolerable situation. I think it should now be described as a humanitarian and a political disaster. I participated in the UN assessment a few years ago which pronounced Gaza an unliveable place by the year 2020. Now it must be – it is – much worse.

It seems to me a situation we cannot allow to continue. In my humble opinion, the policy of siege and bombardment which has been pursued over so many years has been proven to be futile and deeply destructive. It hasn't stopped the rockets. It hasn't brought down Hamas, not that I would judge that that was ever the intention. It has inflicted serious collective punishment on the population of Gaza.

So what do we do about it? First and foremost, I believe there has to be sustained and substantial international pressure to ensure that something changes, that there's no return to the status quo. Without that, there will be no change. The politics of Israel – I'm sure my colleagues will comment on this – are such that the possibility of a new policy being pursued seems deeply unlikely. Maybe it's worth also noting that there has been a huge popular, public reaction – there was, during the Gaza war, a bigger postbag for MPs and others than they've seen since the Iraq war. I think it's caused politicians to sit up and listen in a way perhaps they did not do early on. We saw some evidence of that as the conflict proceeded. So that's the first thing, sustained international pressure.

Secondly, there must be real humanitarian access. I was there for five years, from Cast Lead onwards. We saw these agreements made and masses of aid pledged but at the end of the day, the cement and the materials required for rebuilding and for expanding – there's a fast-growing population in Gaza – just didn't get in. The devil is in the detail when it comes to these agreements. There's a lot in that.

Third, the parties must be held to account for what has happened. There should be investigations of violations of international and humanitarian law and there should be consequences, political and financial.

Fourth, I believe that the UK and the EU should now get off the fence and recognize the state of Palestine. It's high time they did. It will send a strong signal. It is not a denial of the importance of a negotiated solution nor of anything to do with the relationships with Israel and so on. It also, very importantly, recognizes that a solution to Gaza will never be reached except as part of a wider Palestinian settlement. Indeed, I would argue that the Gaza war started because of events in the West Bank. I won't go into the detail of that.

Fifthly, there has to be support for the unity government. It's extremely fragile. It's more token than real at the moment, the unification, the reconciliation. The relationships are, frankly, very difficult. But without that support, in whatever form it may take, I fear the whole thing will fall apart again.

Then finally, there must be a renewed push for a negotiated solution. Thank you.

### Jane Kinninmont

Thank you, Tony. We'll turn now to Rosemary Hollis.

### Rosemary Hollis

Thanks very much indeed. I want to take a slightly different tack on this and end with a recommendation, but it won't be the same as Tony's. I have four main points that I want to make.

The first one is that even if the war this summer had not taken place, the international community was going to be bound to have to do something about Gaza in the next four or five years, because even without the destruction and injury of this last summer, according to a UN report of August 2012, by 2020 Gaza will be literally unliveable. The population will have expanded to at least 2 million and the infrastructure, the water base, the sewage processing facilities and the space for a sustainable economy will simply not be available for the size of population unless there is fundamental change.

So it is a matter of course that the international donor community are going to get heavily engaged in making life liveable in Gaza in any case. Otherwise by 2020 you will have a Yazidi crisis. You will have an international outcry that we cannot leave those people to starve. We cannot see them die and they have no means of escape. The Israeli demilitarized zone is, of course, inside the Gaza Strip and it takes up 17 per cent of what is already a very crowded piece of territory, where you cannot live and is actually quite dangerous to go, even on foot and to plant olive trees. Thirty-nine per cent of the agricultural land of Gaza is in that buffer zone around the edge, inside the edge of the Strip. Agriculture, notwithstanding those difficulties, is simply not capable of sustaining the Palestinian population. Trade is essential – therefore, the ability to trade is essential.

At the moment we've got a population of 1.6 million, of which – I beg your pardon, half the population of 1.6 million is under the age of 17. Thirty per cent of the total are aged between 15 and 29. Therefore, the need for schooling and job creation is pressing and getting worse, not better, and not even as a result of this war. This problem is going to come up and hit us in the face in any case.

The rub is that Gaza's borders have not yet been properly reopened and the only rebuilding that is going on is courtesy of UNRWA. We are waiting for the international donor conference. We are waiting for the agreement to open the borders again, to get something resembling trade and access and egress restored.

The problems are political, and that's my second point. So it's a big problem, demanding attention on humanitarian grounds irrespective of the politics, but why is nothing happening? Second point: the politics. All the stakeholders, all the players, want to blame somebody else for why nothing is happening. Until X does more, we're not doing more. The problem is the Israelis, they have to change. The problem is Hamas, they'll have to get out of the way. We've been hearing this since mid-1990. All the actors cannot act until somebody else changes. That is their excuse.

To run through it: Hamas wants to deliver on the end to the blockade. They want to be the ones to take the credit for having made something better of the future through this terrible war. But key members of the Israeli cabinet would prefer to keep the borders closed rather than see Hamas take any credit for lifting the blockade and/or rebuilding its military capacity. That Israeli perspective is shared pretty much by the Egyptians and the US Congress. For fear of Hamas gaining something, psychological or military, better do nothing until there's an arrangement in place that would give the Palestinian Authority credit, as opposed to Hamas.

At the moment, the Palestinian Authority and Fatah and Abbas are basically saying that they don't want just a presence on the borders to monitor what's going in and out, to resemble a unity government and a united stance with Hamas – they want Hamas forces to come under Fatah control. So dream on, in terms of unity between the Palestinian factions, if the one favoured by the West is holding out for control of the one shunned by the West.

The international donor community don't want to plunge their money into the Gaza Strip for the third time only to see it blown up in another war. So they're waiting for some kind of political arrangement that would seem to guarantee them that there won't be a return to violence again.

The view of the Israeli security forces, amongst others, is that this situation, unless addressed, if allowed to continue as Tony has described it, there will be a return to violence. So political inaction, because nobody wants to give anybody else a break, is preventing any kind of return to normal life (not that it really existed before) and is certainly courting a return to violence.

So my third point is: in their blame game, we see surfacing this idea that this is somehow a golden opportunity to return to the peace process that was aborted earlier in the year. John Kerry, of course, was suggesting that when he was whizzing around trying initially, in the early stages of the war, to broker a ceasefire, and was shunned by the Israelis and the Egyptians for involving Turkey and Qatar – for involving the various parties to the conflict, in other words.

I am contending that if we wait for a return to the peace process or if we pin our hopes for Gaza on a return to the peace process, that is equally stupid, because hitherto the so-called peace process has served as a cover for the continuation of settlement expansion and the continuation of the occupation. It has not served as a means to conflict resolution. Unless there's a real signal from the Israeli government that they actually want an end to occupation and they want a two-state solution, any role that Fatah and the PA are persuaded to play in a new process and in the running of Gaza is doomed. They are doomed, because they will take the fall. If they represent the non-violent path to a two-state solution and Hamas represents the violent path, if you don't reward the non-violent path you will get violence.

My fourth point is my recommendation, and it is not to pile on the pressure on Israel because I think that gets us into another round of a game that will be lost, in terms of getting justice for Palestinian self-determination and human rights. It will just be a continuation of a game that from an Israeli perspective is sustainable and is worth playing, for fear of something worse.

So I think the international donor community has to bite the bullet and decide to do something for which there is no, at the moment, strong legal case and which will require taking some responsibility, and taking it at the expense of both the Palestinians and the Israelis. I am seeing Gaza in the context of a region that is imploding. I see what happens in Gaza as one of the main forces behind increased radicalization in the region and across Europe and in the UK.

The one advantage about Gaza is it is a problem about which something could be done. It is a relatively contained problem, in part because of the geography of the Gaza Strip. So I am suggesting that the Egyptians and the Israelis and the Palestinian Authority be moved to the sides and that a representative team of international donors, preferably with a UN mandate from the secretary-general, regard this as an emergency problem and deal with the authority on the ground, which is Hamas, and get Hamas engaged in focusing on the saving of the population of Gaza from death, slow or fast. And put the politics aside and let the Israelis and the Palestinian Authority spend their time in discussing the future of the West Bank.

Now, there will be lots of objections because it appears to fulfil the Israeli desire to slough off the problem of the Gaza Strip and get somebody else to pick it up, like the UN and the donor community. Well, swallow that. The alternative is to do nothing about the place.

Secondly, you remove the problem that the Israelis control what goes in and out because with the cooperation of the Palestinians of Gaza, you concentrate your efforts on building the port. If there's to be any international lobbying, it has to be for the Palestinians to be able to develop the gas field off their coast. If Israel has no longer anything to do with the Gaza Strip – and they argue not, since 2005 – then what right do they have to claim the ability to stop development of the gas off the Gaza coast? And on and on. In other words, have the guts that were not shown by the Quartet and the UN in 2005 when the Israelis pulled out and left everything about as undoable as they possibly could.

### Jane Kinninmont

Thank you. Daniel?

### Daniel Levy

Thanks very much, Jane, for hosting us, and Tony for setting out those very stark realities on the ground and your policy prescriptions, and Rosemary for I think putting us in the mindset of why this is so thoroughly stuck. I think I tend to disagree, although I think it's an interesting option that you raised at the end, Rosemary. My tendency is also to protest, as a continuation of that, a little bit the title today of 'Gaza: The Long-Term Outlook'. I'm not going to chain myself to the stage by way of protest, but I do tend to think in contrast that you cannot see Gaza in isolation from its Palestinian hinterland, from what goes on in the broader Israeli-Palestinian picture. If there ever were a Palestinian state on 22 per cent – what one calls the '67 lines – territorially, Gaza would only constitute 6 per cent of the territory of that state. Just so people get a sense of perspective of what we're talking about here. I would tend toward the idea that without addressing the broader disenfranchisement, occupation issue, you won't get anywhere. But I'll push back a bit more on that later, perhaps.

I want to try and get through four things. The major one will be, as Jane suggested, looking a bit at the Israeli dynamics. But the first one I want to say is just a word of caution that we're not necessarily out of the woods yet. Attention has moved on, of course. It's great that all of you are here and that Chatham House are doing this event but Gaza is no longer in the news. I tend not to think that there will be an outbreak of violence again in the short term but I wouldn't rule it out.

Basically, nothing has changed. I think both sides reached that ceasefire out of exhaustion and because for both Hamas and the Israeli prime minister, the law of diminishing returns for continuing this kicked in. I won't go into it now but I could explain why. What didn't happen – the reason this stopped was not because a new political arrangement was reached that addressed anyone's needs really. I would just suggest that people do pay a little bit of attention in the coming weeks to: are there going to be Cairo talks at all? Who will represent the Palestinians, because Palestinian unity looks as fragile as ever? Will either side go there with a serious negotiating position?

But most of all, is anything going to change for Gazans? Because if the same perverse incentive structure that held between the January 2009 ceasefire and the November 2012 outbreak of violence, or the November 2012 ceasefire and this July – the perverse incentive structure being quiet for closure, not quiet for quiet, giving Gazans themselves no stake in maintaining the quiet because their reality was anything but normal while on the other side Israelis returned to a normal life – if that perverse incentive structure remains in place, I don't see how anything improves. I won't go into the added challenges that Gaza now faces because of the level of destruction and de-development that we've witnessed.

I do tend to agree also with what Tony said on part of moving that status quo being some of the accountability things, which I think are very important. And I agree with the idea of a port, I just don't as a prescriptive.

Moving on, on understanding the Israeli side of this, I don't think one can understand what has happened in Gaza or the Gaza policy moving forward without an appreciation of where Gaza fits into a broader Israeli control and management strategy of the conflict. I think that's the crucial thing to impart here. There is not a solutionist mindset in Jerusalem, in the Israeli government. This is not of new vintage. The idea that one can manage this conflict, perpetuate a status quo which actually entrenches control, has been there for quite a long time. Israel is now entering its 67th year – it's coming up to 50 years of being in control of these territories. So the vast majority of Israel's time, this is the reality that Israelis have known.

Just because I've said it's a management model doesn't mean there's some great conspiracy. It just means that this is how the combination of Israeli internal pressure, politics, security establishment, and absence of pressure from the outside has found it most convenient to manage things. It also limits Israel's options because you can't build, to the extent to which it's Israel's job to do this, a Palestinian leadership with national goals if that's going to challenge and contradict your management model. By definition, if they have national goals, they're not going to buy into status quo management. But there can't be a Palestinian leadership with domestic political legitimacy unless it has national goals.

I would argue that what Gaza suggested is that the management model, the control matrix model, is being challenged in two ways. One is by overreach. The kinds of things that the trade and industry minister, Naftali Bennett of the Jewish Home Party – the third-largest party, I think, now in the Knesset; in the opinion polls now jumping to second-largest party – the things that he suggested or that Foreign Minister Lieberman suggested, both regarding Gaza and sometimes regarding the West Bank as well – and this applies to, I think one could say, the majority of the Likud members of the Knesset, certainly to a large rump of Netanyahu's own party. (There's a reason his party has never endorsed two states, the prime minister's party: he doesn't have a majority for it.) What they suggested by way of going in and retaking Gaza, which was not Netanyahu's plan, or what they have suggested by way of annexing the West Bank, breaks from the management model. I would argue it constitutes overreach.

But it creates a reality that the management status-quo people have to relate to, and I would suggest that one of Netanyahu's problems is that he now has to manoeuvre against that pressure. But secondly, the management model was never a static thing, because life is not static. It had to be able to be dynamic. It had to be able to adapt, including major adaptations such as Ariel Sharon pulling the settlements and the military out of Gaza but maintaining control of the outer envelope. Pulling out of four West Bank settlements as well while maintaining control both of the West Bank and of Gaza and of East Jerusalem and, in other ways, of Israel's Palestinian citizens.

Netanyahu is not adapting, and I think this is why his model risks coming up short in continuing effectively this policy. Netanyahu had very – if I can call them this – modest goals for his Operation Protective Edge. When he came to selling it to the Israeli public, this ceasefire at the end of the thing, he said: all I said to you all along was 'quiet', that's all we were trying to achieve. But after 50 days, a temporary/partial closing down of the airport, running to shelters, much of the southern communities bordering Gaza being depopulated – after all of that, that sounded too unambitious for the Israeli public.

So I don't think Bibi is available. It may well be that the best way of maintaining the status quo would be to do exactly what Rosie has just suggested but I don't think the Israeli prime minister is there for that, because I don't think he – well, he doesn't like taking decisions, is one of the problems.

### Rosemary Hollis

You don't ask his permission. That's my point.

### Daniel Levy

Good luck with that. I think what we're seeing now, which is – I'm told that in the talks, especially with the UN envoy, Robert Serry, with UNRWA, with other UN agencies, there is some willingness to let more stuff in, to create spot inspections on the ground in Gaza. But I think that will fall short of what is necessary.

My sense is also – look, there will be an argument made in Israel that there are real, hard security questions, that the tunnels, that the local manufacture of rockets, means that there has to be more of an oversight to what's going in and out. My sense is that Israel is kind of falling into the trap of what was defined back in the Bush-Cheney years as the 1 per cent doctrine on security: that even if something only has a 1 per cent chance of happening, your entire security effort has to be focused on that not happening. Nothing is risk-free. I think by not taking any risk, Israel is actually exposing the frailty of its national resilience right now. I think Hamas saw that to some extent during this last conflict.

So there's how do you manage the Palestinians, but there's also how do you manage the international community. I don't think that's going so well for the Israeli leadership right now.



Unfortunately, the part of this that is going best is how do you manage Israeli public opinion. In that respect, without wanting to sound too cynical, I think we also have to understand the role Gaza plays in the Israeli national narrative. Gaza has become the cautionary tale for why you must never withdraw from any other territory. I would argue that a cynical government might say: you know what, a few rockets out of Gaza that don't actually cause casualties, every couple of years, just to remind the Israeli public why we can't withdraw from the West Bank, why there can never be another sovereignty, and to remind the international community who we're dealing with, is a price worth considering.

Israeli public opinion was overwhelmingly behind this. Of course, that's not unusual in a time of war, when rockets are raining on you. But as my final comment on the Israeli side of things: I fear that more is happening there. If you look at the positioning of the Labor Party, of this funny party at the centre of Finance Minister Yair Lapid, Israeli parliamentary politics takes place almost exclusively on the right. That's not true in civil society; people may have picked up on the letter over the weekend of reservists from intel unit 8200 in the Israeli army.

I fear that this excessively prolonged occupation, for which the word 'occupation' probably doesn't do justice to what's going on, has rather predictably led to a moral erosion in Israel that has now gone sufficiently deep that it encompasses a degree of extremism and denialism, which bodes very ill for pragmatic decision-making. It comes at a time where Israel is even more in need of a soft landing space.

Let me mention a couple of other things by way of closing off. One is just to say the picture gets even more dire, I would argue, if you look at the situation on the Palestinian side. I think when faced with a binary choice between armed resistance (the Hamas model) and acquiescence (the PA/Abbas model), it's not hard to see what Palestinians are likely to choose. Unfortunately, the Abbas position increasingly looks like that to Palestinians. It increasingly looks like someone who has been co-opted into the status quo. Someone in this room, but it was Chatham House Rules so I won't say who, described it as the IDF in the West Bank doing by night, in their arrests, what the PA fails to achieve by day in the West Bank. I think Hamas has demonstrated that in Gaza there's a different reality. In Gaza the IDF cannot act on the ground with impunity. Unsurprisingly, Hamas received what I think one could call a dignity bump in the polls as a consequence of this.

I worry that you will only see change if there is a united Palestinian strategy. I don't think the West is going to pile pressure on Israel but I do think impunity does Israel no favours. But only the Palestinians will ultimately change that equation. I do think we could be at a moment where for Hamas the pressure on its right, if you want to call it that, for more militancy will be difficult to stave off if the political path shows no promise. I think there is an openness to a more political path but I'm not sure that that openness is going to be pursued by anyone else. The more we repeat verbatim the three preconditions regarding Hamas, only one of which I feel has legitimacy at this stage in the process – recognize Israel, respect previous agreements and don't pursue violence – only the last one, outside of the realms of international law, would seem to me to make sense.

Let me make one last point. The other thing about the resilience of the status quo model is its ability to be insulated from regional developments. So far you'd say that's pretty much held out. It's September 2014: with everything else going on in the region, it's quite remarkable. That may well continue but I think, again, it needs testing and checking every so often. I do think that there's a tendency for some in the region to want to herd together with those who are saying, hey, we're doing the stuff that brings stability and progress – when actually much of their policy is a driver of radicalization and instability. I think that can apply to some things to do with the Gulf, some things to do with Egypt. Israel's policy on the Palestinians, I think, is a driver of radicalization in the region.

I think one of the things that came out in Israel during this conflict was how much it liked to feel that it could now be part of a regional trend, even more than in the past. Hamas is ISIS, is everything that a number of Gulf and other countries are against. I don't think that stands up to factual scrutiny but I also think that Israel's actions are not going to bring it so much closer to other regional actors, but are going to alienate Israel from what has until now been its strategic depth, which is the West. I think that should be a source of concern for Israelis.