

The Next Round in Gaza

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Executive Summary

The ceasefire between Israel and Gaza has eroded during the past several months and recently threatened to come to an abrupt end. The day after three members of Islamic Jihad were killed by Israel in a border clash on 11 March 2014, the group, apparently in coordination with Hamas, launched the largest salvo of rockets toward Israel since the last major escalation (known in Israel as Operation Pillar of Defence), in November 2012. In a little over a day's mediation, Egypt restored quiet. But with Hamas's fortunes declining and Gaza suffering its worst isolation and economic constriction in years, it is likely a matter of time until a flare-up escalates to major conflagration – unless the sides reach an understanding to extend a fragile quiet. Given Hamas's isolation and worsening relations with Cairo, it is hard to imagine full implementation of the ceasefire Egypt brokered to end the 2012 fighting. But a rump deal, comprised of that ceasefire's core elements, still could lessen the chance that Hamas and Israel will be dragged into a conflict neither currently desires, while helping both to secure advantages beyond the Gaza-Israel theatre.

Periodic escalations between Israel and Gaza militants are the rule, not the exception. Their shared border has witnessed regular, low-scale violence punctuated by short, intense escalations, typically when one or both sides feel the implicit rules of engagement have been undercut. Hamas and Israel have been headed toward such a clash since 3 July 2013, when Egyptian President Mohamed Morsi was deposed, and Cairo, as part of its campaign against the Muslim Brotherhood and Salafi-jihadis in Sinai, initiated a push to further isolate Gaza by closing the tunnels under its border with Egypt. Among Hamas's limited tools for dealing with its downward spiral is directly participating in a military escalation in the hope that a new crisis would bring about at least temporary alleviation of the closure; call the world's attention to the resultant economic distress; increase sympathy for the territory in Egypt and elsewhere; and embarrass Egypt's leaders about their role in immiserating Gaza.

For the time being, Hamas has rejected this option, as it cannot afford a new round of hostilities. It is politically isolated and in severe economic distress. It can neither count on Egypt's sympathies nor easily rearm during or after a future crisis. Hamas is hamstrung by the burdens of governance and by the fact that it would bear the brunt of any Israeli offensive. As a result, it chose a softer and less risky alternative this month: giving greater leeway to other factions that wish to attack Israel.

Islamic Jihad, with its massive retaliation for the killing of its militants, saw an opportunity to push to the forefront of the national struggle. In contrast with Hamas, it demonstrated continuing fidelity to the principle of resistance, and, by negotiating a ceasefire directly with Egypt, emerged from Hamas's shadow, positioning itself as a regional player. Hamas too saw an advantage in the escalation: sending a message that Gaza would not remain passive in the face of isolation and misery.

Hamas leaders reasoned, accurately, that so long as they stayed out of the conflagration and the rocket fire was limited in distance and duration, a major operation would be avoided. Israel also calculated correctly, calibrating its pressure on Gaza so as to signal its seriousness to Hamas, but not strike it so hard as to provoke a much larger confrontation or threaten its control, to which Israel sees no desirable and realistic alternative. Such assessments are fraught with risk. Neither side currently wants a

large-scale confrontation, and both hope to maintain or at least extend a fragile equilibrium, but the two major Israeli operations in the past six years, and numerous mini-escalations in between, demonstrate the likelihood of an eventual miscalculation.

If neither side wants to fight, neither do they intend to press for peace. Both are convinced the next round is coming, so will not take militarily disadvantageous steps. But while far from a robust ceasefire, they could unilaterally implement a more limited arrangement that satisfies core, short-term needs. Gaza has three. What passes for normal life requires sufficient fuel, particularly diesel for electricity; building materials that enable economic activity and maintain basic infrastructure; and a reliably open Gaza-Egypt crossing at Rafah, for entry and egress of persons (goods are provided by Israel). For Israel, the key is stopping rockets. Neither side can get all it wants: Gazans likely will continue to find the border area off limits, fishing zones constricted and, most important, imports restricted and exports blocked – as they have been, increasingly, since the second intifada. Israel, under any scenario except an unlikely Israeli-Palestinian peace agreement, cannot completely stop rockets that have been falling on its territory for nearly as long. However, both sides can regain what they in the past have demonstrated a willingness to live with.

A realistic assessment requires acknowledging that military operations will continue on both sides. The question, for now, is how to keep these within relatively narrow bounds, thus saving lives and creating space for dealing with broader political issues. The more Hamas can provide a semblance of Gaza's basic needs, the better it will be able to enforce a political consensus among the factions to stop the vast majority of rockets and halt entirely the firing of those with the longest ranges and heaviest payloads. Its police can handle much of the rest, though they cannot prevent every freelancer attempting an attack without factional approval.

Meanwhile, Palestinians, Israelis and the international community can lay the groundwork for Palestinian reconciliation and rebuild the fundamentals of a peace process in which both sides have long since lost hope. More broadly, what is good for Gaza, and even Hamas, could turn out to be good as well for Israel and Palestinian Authority President Mahmoud Abbas. With the U.S. looking to extend Israeli-Palestinian negotiations past April, Abbas could demand steps to ease Gaza's closure and improve its economy as a condition. That would improve his standing in Gaza, especially important now that his detractors within Fatah, particularly those from Gaza, are openly campaigning against him. Israel, should it accept Abbas's demands, could earn credit for taking action that reduces the risk of a new escalation, while lowering the other costs it might have to pay to extend talks.

In all things Israeli-Palestinian, even modest goals are highly ambitious, and in Gaza, doubly so. Within a fluid and evolving region, Gaza is a venue where various states and actors play out their allegiances and rivalries, including Salafis of several stripes; Egypt; the Muslim Brotherhood in the form of its local affiliate, Hamas; Iran; Hizbollah; the Gulf states; and claimants to power within Fatah. It is a central impediment to a more durable ceasefire agreement that while neither Israel nor Hamas now has what it wants, both have what matters most to them in the short term. Israel has a ceasefire, albeit imperfectly upheld; Hamas has control of Gaza, even if under difficult conditions. Neither wishes to give even a little more for what it already has. But if they do not, both could lose what they now possess.

Jerusalem/Gaza City/Brussels, 25 March 2014

The Next Round in Gaza

I. Introduction: A None Too Surprising Escalation

On the morning of Tuesday, 11 March, militants from Islamic Jihad, an Islamist faction that receives substantial Iranian support and controls the second largest armed group in the Hamas-ruled Gaza Strip,¹ fired a mortar at Israeli forces near the Gaza-Israel border.² Israel filmed the attack, then aeri ally struck and killed three of the militants. Islamic Jihad retaliated, launching projectiles on Tuesday evening and, beginning late Wednesday afternoon, firing dozens of rockets in an operation it dubbed “Breaking the Silence”.³

By the end of that evening, Islamic Jihad claimed to have launched more than 130 projectiles;⁴ the Israeli army, the UN and others – including Hamas – estimated that less than half that number landed in Israel.⁵ Also claiming to have participated were the Popular Resistance Committees,⁶ as well as several of Gaza’s smaller, less significant factions, including the Democratic Front’s National Resistance Brigades, the Popular Front for the Liberation of Palestine’s Abu Ali Mustafa Brigades and the Fatah-affiliated al-Aqsa Martyrs’ Brigades, but their contributions were negligible.

¹ Islamic Jihad contains currents both closer and more distant from Iran. Crisis Group interview, Islamic Jihad leader, Rafah, October 2010. A political analyst in Gaza said, “there are three main lines of connection to Iran in Islamic Jihad. The first is the direct line between its leader, Ramadan Shallah, and Iran’s Supreme Leader, Ayatollah Khamenei. The second is the line between the Iranian Revolutionary Guard and leaders like Nafez Azzam in Gaza and Deputy Secretary General Ziyad Nakhala. The third line is the most dangerous, as it is the one least under central control, ... between Hizbollah and Gaza militants like Abdullah Shami and Ramadan Shallah’s brother, Omar Shallah. There are rumours that this group has sympathies with Shiism, and there are efforts to eliminate this trend in Islamic Jihad”. Crisis Group interview, Gaza City, December 2013. See fn. 50 and 53 below.

² Western security officials and Gaza government officials say the Israeli forces were on Gaza territory, in Khuza’a, east of Khan Younis, when Islamic Jihad fired at them. Crisis Group interviews, Gaza City, 17 March 2014. In an apparently unrelated incident, an Israeli drone fell into Gaza territory near the site of the later mortar attack. Hamas militants confiscated it before Islamic Jihad’s attack. Crisis Group interview, Hamas military commander, Gaza City, 14 March 2014.

³ “Israel bombs Gaza militants after intensive rocket fire”, Reuters, 12 March 2014.

⁴ See “Gaza rocket barrage strikes southern Israel”, Al Jazeera, 12 March 2014. Other reports said that, on 12 March, Islamic Jihad claimed to have fired 90 projectiles (much of the press uses the term “rocket” for both rockets and shorter-range mortars). “Rocket barrage from Gaza hits Israel, no one hurt: police”, Reuters, 12 March 2014.

⁵ The Israeli army said that between 12 March and the conclusion of hostilities on 14 March, 70 projectiles had “hit Israel”. Others were launched and intercepted by Israel’s Iron Dome anti-rocket defence system or failed to make it over the border. Of the 70 to hit Israel, eight were fired on 13 March and one on 14 March. See “Israel Under Fire: Live Updates of Gaza Rocket Attacks”, Israel Defence Forces (IDF) Blog, 12-14 March 2014. www.idfblog.com/2014/03/12/breaking-gaza-terrorists-fire-rockets-southern-israel-2/. A commander from Hamas’s military wing, the Qassam Brigades, said, “whenever Islamic Jihad announces that they have fired a number of rockets at Israel, we always divide the amount by two”. Crisis Group interview, Beit Hanoun, 13 March 2014.

⁶ “Gaza militants fire large rocket barrage at Israel”, *The Daily Star*, 12 March 2014.

It was the largest barrage fired at Israel since the last ceasefire was brokered on 21 November 2012.⁷ In response, the Israeli Air Force targeted 29 sites in Gaza on the night of 12 March, most belonging to Islamic Jihad. The following day, about ten more rockets landed in Israel (most launched by the Popular Resistance Committees, a faction made up of Fatah dissidents founded during the second intifada),⁸ and Israel said it struck seven sites in Gaza.⁹ On each side, there were no deaths and only a few injuries – some of the Palestinian ones caused by Gaza rockets that fell short – though Islamic Jihad's 12 March salvo was launched amid heightened tensions over the deaths of two Palestinians in the West Bank and three in Gaza, killed by Israeli forces in the two preceding days.¹⁰ On the afternoon of 13 March, a senior Islamic Jihad official announced that Egypt had negotiated a reactivation of the 2012 ceasefire. Israel initially denied this,¹¹ but by noon on 14 March the firing had stopped.

All parties involved in the escalation sought to keep it limited:¹² Islamic Jihad and Hamas spokespersons said they did not seek a wider confrontation; Hamas made clear to Islamic Jihad that it would not participate so long as it was not seriously attacked by Israel; Israeli officials focused most of their blame on Islamic Jihad, sought to keep Hamas out of the fray by hitting few of its targets and waited until evening to strike facilities that were empty in order to limit the possibility of further escalation.¹³ Throughout the two-and-a-half days, all four major stakeholders – Islamic Jihad, Hamas, Israel and the Egyptian mediators – said they expected a limited exchange and that calm would be restored within a couple of days.¹⁴

The episode was the latest iteration of the cross-border violence that has occurred regularly since Israel withdrew from Gaza in September 2005. What has passed for normal during these years has come to include frequent mortar or rocket attacks by Gaza militants; explosive charges placed along the border fence; attempts to abduct Israeli soldiers;¹⁵ Israeli incursions into Gaza territory and strafing of Palestinians

⁷ For background on the November 2012 escalation, see Crisis Group Middle East Report N°133, *Israel and Hamas: Fire and Ceasefire in a New Middle East*, 22 November 2012.

⁸ For more on the Popular Resistance Committees, see Crisis Group Middle East Report N°104, *Radical Islam in Gaza*, 29 March 2011.

⁹ In addition, eight mortar shells were fired toward Israel. "Israel Under Fire", op. cit.

¹⁰ "Israel says it regrets killing of Palestinian judge from Jordan", CNN, 11 March 2014.

¹¹ Indeed, both Gaza militants and Israel continued to strike one another for hours after the announcement by Islamic Jihad. "Leaders deny report of a truce in Mideast violence", *The New York Times*, 13 March 2014. When rockets continued to fly, an Egyptian official said he did not expect the ceasefire to go into effect immediately. Crisis Group interview, Cairo, 13 March 2014.

¹² After Israel struck 29 sites in Gaza on the evening of 12 March – the vast majority of them Islamic Jihad's, a few belonging to Hamas – a Hamas security official said he believed Israel shared Hamas's intention to avoid a confrontation, as was evident from its choice of targets. Crisis Group interview, Gaza City, 13 March 2014. An Israeli security official said, "we took out Hamas targets as well last night, one of them a training camp in the southern Gaza Strip. We know full well that here-in lies the risk of escalation, but Hamas needs to understand that this was no more than a warning". Crisis Group interview, Jerusalem, 13 March 2014.

¹³ An Israeli defence ministry official said Israel deliberately retaliated at night, when most Gazans were in bed and facilities were empty, to limit casualties and the odds of an escalation. Crisis Group interview, Tel Aviv, 18 March 2014.

¹⁴ Crisis Group interviews, Israeli security official, Hamas leader, Qassam commander, Islamic Jihad official, Egyptian official, Cairo, Gaza City, Jerusalem, Tel Aviv, 13-15 March 2014.

¹⁵ According to the Israeli army. "Palestinian Terrorists Determined to Kidnap Israeli Soldiers", IDF Blog, 4 December 2013.

entering a 300 metre-wide Israeli-imposed “buffer zone”;¹⁶ naval fire against Palestinian fishermen outside a six-nautical-mile limit;¹⁷ shelling of areas close to the border and aerial strikes against Gaza militants. This low-scale violence has been punctuated by short, intense escalations, typically caused by one or both parties pushing back against an erosion of red lines or an abrupt change in the rules of engagement.¹⁸

In some cases, Israel has believed Hamas was slackening its effort to prevent attacks by other militants and had to be made to feel that the political price of strictly enforcing the ceasefire is less than the military price of failing to do so.¹⁹ In others, Gaza militants have asserted that Israel retreated from commitments in previous ceasefires and have sought better terms or to draw attention to worsening conditions in Gaza. On occasion, attacks have been made by groups seeking to bolster their prestige at Hamas’s expense, while knowing Hamas would pay a larger price if full-scale war broke out.²⁰ The violence today has faded, but the risk of a new round has not. There are few signs the deeper causes underlying the escalation will be addressed.

¹⁶ See fn. 18 below.

¹⁷ This restriction cuts off access to 70 per cent of Gaza’s fishing water; when the limit was three nautical miles, 85 per cent was inaccessible. “5 Fallacies in Gaza”, Association of International Development Agencies, 2012. www.oxfam.org/sites/www.oxfam.org/files/aida-gaza-blockade-factsheet-5-fallacies.pdf. In practice, Gaza government officials say, fishermen are frequently fired upon at less than six nautical miles from shore. Crisis Group interview, Gaza City, 15 March 2014. In the security annex of the 1995 Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, Israel committed to permit Gazans to fish up to twenty nautical miles from shore; this was reduced to twelve nautical miles during the second intifada in 2002, and later, after Israeli soldier Gilad Shalit was captured in 2006, to six, then three nautical miles. “Gaza 2013: Snapshot”, Gisha, 2 June 2013. www.gisha.org/publication/1670. See fn. 29 below.

¹⁸ After the March escalation, a Hamas government official said, “Islamic Jihad’s escalation was a clear message to Israel that it can’t continue violating the ceasefire and the rules of engagement. Six Palestinians were killed by Israel in the two days before Islamic Jihad started the operation”. Crisis Group interview, Gaza City, 15 March 2014. In fact, five Palestinians were killed by Israeli forces in the two preceding days; the Palestinian press widely reported that a sixth, who died in a car accident, was either shot by Israeli forces or crashed while attempting to evade them in a chase. “Official: Palestinian dies in car wreck after ‘Israeli police chase’”, Ma’an News Agency, 11 March 2013. The Israeli press reported that unnamed Palestinian security officials had retracted these claims. “Palestinians retract charge against IDF in West Bank death”, *Times of Israel*, 11 March 2014.

¹⁹ An Israeli official explained the logic as it pertains to Hamas influence over rocket attacks by Salafi-jihadi groups: “Hamas wants to put less pressure on the Salafis than we want them to. We realise they will not reach where we want them to be. But by moving them from the position they’d be in without Israeli pressure, we reach a compromise. When they need an incentive to work harder, we provide it”. Crisis Group interview, strategic affairs ministry official, 4 January 2011. For background, see Crisis Group Report, *Radical Islam in Gaza*, op. cit.

²⁰ Hamas often acts with great force against violators of the ceasefire, especially those who do not have the “cover” of membership in an established organisation; Salafi-jihadi prisoners in particular have repeatedly accused Hamas security officials of torturing them in connection with, among other things, attacks within Gaza and ceasefire violations. See Crisis Group Report, *Radical Islam in Gaza*, op. cit.

II. A Reactivated Ceasefire, No Less Fragile than the Last

In Israel's view, the first of these deeper causes is its rivalry and at times covert and proxy war with Iran, which supports Islamic Jihad, has shown signs of interest in a rapprochement with Hamas²¹ and sent what Israel says was a Gaza-bound shipment of rockets, mortars and artillery that Israel's navy intercepted in the Red Sea on 5 March.²² Some Israeli analysts, without offering evidence, believe Islamic Jihad launched the 12 March rocket salvo in retaliation for the Israeli seizure, and former National Security Advisor Yaakov Amidror asserted that the two events were linked.²³

In the view of Hamas and Islamic Jihad, the primary underlying cause of the last escalation – beyond the general conflict over liberating Palestine that neither believed this month's violence would alter – was the closure of Gaza, made significantly worse by the Egyptian military's destruction of the tunnels and tightening of restrictions at the Rafah crossing, as well as by the slow degradation of the terms of the November 2012 ceasefire. That agreement called for Israel to stop all hostilities toward Gaza from land, sea, and air, including incursions and targeting of individuals; for all Palestinian factions in Gaza to end hostilities against Israel; for opening Gaza's crossings,²⁴ facilitating the movement of people and goods and eliminating restrictions on the free movement of residents and on their use of territory within Gaza's land and sea borders; and for other matters, as requested to be addressed, an

²¹ On 9 March 2014, Majlis Speaker Ali Larijani told Al-Mayadeen TV that Iran's relations with Hamas had been restored and it is Iran's Islamic duty to support resistance. "Larijani: Zionist regime unlikely to start a new war", Islamic Republic News Agency (IRNA), 10 March 2014. The following day, Hamas senior leader Mahmoud Zahar said, "the Hamas movement and Iran have taken special measures, and we will see many changes in these relations soon". "Al-Zahar: Iran, Hamas to Further Deepen Relations Soon", Fars News Agency, 10 March 2014. Hamas officials in Gaza were optimistic a full rapprochement was in the offing, saying preparations were being made for political bureau chief Khaled Meshal to visit Iran soon. Crisis Group interviews, Gaza City, 15 March 2014. "Hamas Politburo Chief Mashaal to Visit Tehran Soon", Tasnim News Agency, 16 March 2014. See also fn. 42 below.

²² There is little to suggest that the escalation was linked directly to the seized arms shipment. None of the factions in Gaza admits to being an intended recipient, though analysts in Gaza have said it is possible the arms were bound for Islamic Jihad, whose relations with Iran are now the strongest of any Gaza faction. Crisis Group interviews, Hamas, Islamic Jihad officials, Palestinian analysts, Gaza City, 13-4 March 2014. The shipment included 40 long-range M-302 rockets, 181 mortar shells and approximately 400,000 7.62 calibre rounds. "Iran's Weapons Shipment: The Full Disclosure", IDF Blog, 11 March 2014. Israel claims the shipment was bound for Gaza, while Egyptian officials have said it may have been destined for militants in Sinai. "Israel: 40 rockets in alleged Iranian shipment", Associated Press, 9 March 2014. Iranian officials dismissed Israeli allegations as fabrication aimed at derailing nuclear diplomacy between Iran and the world powers. Crisis Group interviews, Tehran, 15 March 2014. Foreign Minister Javad Zarif wrote on his twitter account: "An Iranian ship carrying arms for Gaza. Captured just in time for annual AIPAC (American Israel Public Affairs Committee) anti-Iran campaign. Amazing Coincidence! Or same failed lies". "Israeli claim on Iran arms shipment to Gaza, mere lie: Afkham", Mehr News Agency, 8 March 2014.

²³ "Amidror: Rocket Attack Tied to Seized Iranian Weapons Ship", *Arutz Sheva*, 13 March 2014.

²⁴ Hamas interpreted this clause to mean that all Gaza crossings should be fully opened, including the Rafah crossing with Egypt. Crisis Group interview, member of Hamas's Gaza political bureau, November 2013. Egyptian officials said the agreement was between Israel and Hamas and the Egyptian crossing was not part of it. Crisis Group interview, foreign ministry, Cairo, 7 October 2013.

allusion to private commitments by Egypt and the U.S. to help thwart weapons smuggling into Gaza.²⁵

But neither side truly implemented the ceasefire, and negotiations on fuller terms never began.²⁶ For a short period, Israel permitted Palestinians to enter land and sea areas within Gaza that were inaccessible prior to November 2012. A few months after the ceasefire, Gaza's imports and exports began to dwindle, and fewer Gazans were allowed to exit to Israel and the West Bank;²⁷ the buffer zone was reinstated, with residents again fired upon when they entered Gaza territory close to the border with Israel;²⁸ and the nautical limit for Gaza fishermen that was doubled to six miles

²⁵ A senior Israeli security official said, "the most interesting part of the ceasefire agreement is Section 1D: 'other matters [as may be requested shall be addressed]'. Everyone knows what 'other matters' means: smuggling. But [Hamas leader] Khaled Meshal and his people can't sign an agreement that mentions measures to counter smuggling We don't know how well Egypt is going to perform on 'other matters' So far, there is no evidence in either direction of smuggling or that it has stopped". Crisis Group interview, Jerusalem, 4 February 2013. "Text: Cease-fire agreement between Israel and Hamas", *Haaretz*, 21 November 2012. A photograph of the one-page agreement is at www.haaretz.com/news/diplomacy-defense/text-cease-fire-agreement-between-israel-and-hamas-premium-1.479653. Hamas denied that the agreement contained private commitments for Egypt to stop weapons smuggling. A member of the Hamas political bureau, Izzat Rishq, wrote: "It is not true what some people are saying that the ceasefire agreement included the approval of Egypt to prevent the smuggling of weapons to Gaza in conjunction with US special units These leaks are an Israeli attempt to mitigate the impact of defeat". "Hamas claims truce deal says nothing about stopping the flow of weapons into Gaza", *The Times of Israel*, 24 November 2012. Since Egypt launched a concerted effort to shut down most of the tunnels in summer 2013, smuggling has greatly decreased. Egyptian officials say that it had previously persisted at high levels. Crisis Group interview, Egyptian official, Cairo, October 2013. See also fn. 33 below.

²⁶ In February 2013, just over two months after the ceasefire, a senior Israeli security official explained the delays: "Efforts to arrange Israel's [Egyptian-mediated] ceasefire talks with Hamas are going very slowly. There's a joke: 'Do you know what *bukra* [tomorrow] means in Egyptian Arabic? Mañana but with less urgency' We won't see any real progress on Hamas-Israel talks before March. Israel is preoccupied with the work of building a coalition and balancing the sharing of the burden with a return to negotiations The nice thing about the end of February/beginning of March is we will have passed a three-month mark, which we told Egypt from the beginning would be very meaningful for us. After three months, we can see efforts to really improve the economic situation in Gaza". Crisis Group interview, Jerusalem, 4 February 2013. Two months later, the same official said negotiations on a fuller ceasefire agreement had been delayed due to Israel's January 2013 elections, before which Prime Minister Netanyahu could not afford to look like he was making concessions to Gaza militants, then due to negotiations over formation of a new coalition government and then due to rocket fire from Gaza. Crisis Group interview, Tel Aviv, April 2013. Hamas officials said they never expected Israel to agree to a fuller ceasefire, since it would have no incentive to make additional concessions once the firing stopped; most of Hamas's leverage disappeared as soon as it committed to the 21 November 2012 agreement. Crisis Group interviews, Gaza City, November 2012.

²⁷ Between February and April 2013, due to repeated closure of the crossings, 17.5 per cent fewer goods entered Gaza from Israel than during the previous three months; 37.5 per cent fewer goods exited Gaza through Israel compared to the previous year (a level itself 97 per cent below the 2005 amount); 44 per cent fewer exits of Gazans to Israel and the West Bank were recorded in April 2013 than in January 2013. "Creeping Punishment", Gisha, May 2013. www.gisha.org/UserFiles/File/publications/Creeping-Punishment/Creeping-Punishment-may2013-eng.pdf.

²⁸ Prior to the 21 November 2012 ceasefire, Gazans were forbidden from entering a 300-1,500-metre Israeli-imposed "buffer zone" (or "Access Restricted Area") that made up 35 per cent of Gaza's agricultural lands. Israel claimed the zone was only 300 metres, but in practice farmers were prevented in places from accessing lands as far as 1,500 metres from the border. Immediately after the ceasefire, Israeli officials said they were no longer enforcing a buffer zone, though they reserved

after the ceasefire was cut in half in March 2013, then put back to six miles in May, leaving 70 per cent of Gaza's fishing waters inaccessible.²⁹ Neither the opening of previously closed crossings nor the free movement of people was allowed. Israeli targeting of individuals continued, as did incursions into Gaza's territory. Though Israeli officials repeatedly expressed satisfaction with Hamas's upholding of the ceasefire and Egypt's increased efforts to intercept arms shipments, there were no means of enforcing the ceasefire's terms.³⁰

Hamas, too, has not held up its end of the ceasefire. Though for the most part it has acted forcefully but far from perfectly to prevent rocket fire from Gaza militants, establishing a 600-person force to prevent such attacks and making 2013 the quietest along the Gaza-Israel border since projectiles began falling in 2001, rocket and mortar fire has increased in recent months;³¹ Gaza militants have placed numerous explosives along the border;³² weapons have been locally manufactured and smuggled, even after Egypt's closure of the vast majority of tunnels connecting Gaza to Sinai (though Hamas says it never committed to stop weapons smuggling, and the

the right to act against suspicious individuals. "Israel eases Gaza border restrictions after truce", Ynetnews.com, 24 November 2012. But within a short time, the army resumed firing at individuals in the buffer zone. Post-ceasefire, the area to which Israel restricts access is much closer to the originally (and presently) claimed 300 metres, though there are exceptions: several areas extend only 100 metres from the fence, others 500 metres. The variation depends in part on the visibility of the area, with farmers permitted to come closer in more open landscapes. "Analytical Update on the Access Restricted Areas in the Gaza Strip Monitoring of access to land in the 'buffer zone' following the 21 November 2012 agreement", UN Office of the High Commissioner for Human Rights, May 2013. www.globalprotectioncluster.org/_assets/files/field_protection_clusters/Occupied_Palestinian/files/oPt_PC_Analytical_Update_Access_Land_in_ARA_05.2013_EN2013.pdf.

²⁹ This is 70 per cent of the amount agreed by Israel in the security annex of the 1995 Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, available at www.knesset.gov.il/process/docs/heskemb2_eng.htm. See also, "Gaza 2013: Snapshot", op. cit. There have been numerous incidents in which fisherman have been fired upon when less than six nautical miles from shore, however.

³⁰ An Egyptian official said, "in the [President] Morsi era, we told Israel repeatedly to widen the buffer zone, to increase the fishing area – all the things that are in the ceasefire agreement. Now we don't do this. And Hamas, which no longer has friends in power in Egypt, doesn't complain". Crisis Group interview, Cairo, 7 October 2013.

³¹ "Rocket Attacks on Israel From Gaza", IDF Blog, 2014. After a series of attacks and counter-attacks between Israel and Gaza militants, Hamas decided in early February 2014 to remove its forces tasked with ceasefire-enforcement from the Gaza-Israel border. Hamas officials said this was meant to convey dissatisfaction with the deteriorating conditions in Gaza and a lack of reciprocity in upholding the November 2012 ceasefire. Crisis Group interviews, Gaza City, February 2014. "Report: Hamas withdraws Gaza rocket prevention force", *The Jerusalem Post*, 2 February 2014. Another signal was sent when Hamas permitted Gazans to protest along the border fence, causing a spike in Palestinian casualties from Israeli forces and drawing media attention. During the week before the March escalation, Hamas prevented such protests, reducing Palestinian injuries. "Protection of Civilians Weekly Report", UN Office for the Coordination of Humanitarian Affairs, 4-10 March 2014.

³² See "Israeli army finds 20-kilogram bomb near Gaza fence", *Haaretz*, 18 February 2014; "IDF patrol near Gaza targeted by roadside bomb", *Times of Israel*, 27 January 2014; "Bomb Explodes Near Gaza Fence. No One Hurt", *Arutz Sheva*, 21 January 2014; "Israeli soldiers wounded in Gaza during operation to destroy tunnel", *Haaretz*, 1 November 2013; "Two bombs explode near IDF patrol on Gaza border", *Times of Israel*, 2 September 2013; "Gaza border blast damages IDF bulldozer", *The Jerusalem Post*, 10 April 2013.

agreement contains no mention of it);³³ and tunnels for possible future attacks have continued to be dug from Gaza into Israeli territory.³⁴ Members of Islamic Jihad, itself a party to the ceasefire and whose leader, Ramadan Shallah, negotiated its terms together with Hamas leader Khaled Meshal, have been mainly responsible for the firing of rockets and mortars in violation of the 2012 agreement.³⁵

To the extent Hamas was upholding the ceasefire, it was doing so not out of a desire for continuation of a reciprocity that did not exist, but rather because its political and economic positions were increasingly perilous. It could not afford a new round of hostilities and could no longer count on either a sympathetic Egyptian mediator or as credible a threat that Egypt might sever ties with Israel, one of several factors that restrained Israel from a ground invasion of Gaza in November 2012.³⁶

³³ Israeli security officials say a halt to weapons smuggling was an unwritten understanding of the ceasefire. Crisis Group interview, Egyptian official, Cairo, 7 October 2013; Hamas and Islamic Jihad militants, Gaza City, October 2013. Days after the ceasefire, Hamas senior leader Musa Abu Marzouk said, “there is no way to relinquish weapons These weapons protected us, and there is no way to stop obtaining and manufacturing them”.

³⁴ “Gaza ‘terror tunnel’ uncovered inside Israel, says army”, BBC, 13 October 2013.

³⁵ Members of Islamic Jihad who fire rockets in violation of the ceasefire have often done so as members of Salafi-jihadi organisations in which they “moonlight”. Crisis Group interviews, Hamas security officials, Islamic Jihad members, Gaza City, March 2014. Crisis Group Report, *Radical Islam in Gaza*, op. cit.

³⁶ About two months after the November 2012 escalation, a senior Israeli security official said, “our calculation during the conflict was that a ground invasion would have led to the end of all relations with Egypt”. Crisis Group interview, Jerusalem, 4 February 2013. Since the military-led interim government took power in Egypt in July 2013, Hamas senior leaders in Gaza and abroad have said the movement cannot afford an escalation with Israel. At the same time, each leader also said he did not think Israel desired an escalation. Most believed Israel wanted Hamas to retain power in Gaza. Crisis Group interviews, Cairo, Gaza City, September, December 2013, January 2014. An Egyptian official said the change of regime in Cairo was the primary reason Hamas could not afford a new round: “In the past Hamas saw escalation as a tool to renegotiate the terms of the ceasefire. This is no longer really the case. Hamas cannot escalate when it has no receptive mediator for the next ceasefire. And we are no longer in listening mode when it comes to Hamas’s needs. On top of this, Hamas now has almost no tunnels. They can only lose from an escalation. Yes, it is a problem for us that there is violence in and around Gaza, but we will persist in pressuring Hamas. Given the manner in which we’re fighting the Muslim Brotherhood domestically, pressure from Hamas will not make us change our Gaza policy”. Crisis Group interview, Cairo, 22 January 2014. Another Egyptian official said, “I’ve told Hamas: ‘Open your eyes. Egypt is hunting the Muslim Brotherhood like slaves and dogs. The Muslim Brotherhood won’t be part of the equation for several years. Now you need to set a new equation for your relations with Egypt’”. Crisis Group interview, Cairo, 7 October 2013. A senior Israeli security official offered a different view, arguing that deposed President Morsi had concluded that the November 2012 escalation had been threatening to Muslim Brotherhood rule, forcing a discomfiting choice between interests (maintaining the peace treaty with Israel and good relations with the U.S.) and ideology (sympathy with and support for Hamas), and that post-ceasefire chances of escalation had, therefore, been relatively small under Morsi. Two months after the November 2012 ceasefire, while Morsi was still in power, he said, “one of the reasons for the success of the ceasefire is that the Muslim Brotherhood is so close to Hamas and can pressure it to honour the ceasefire in a way that [former President] Mubarak never could. With Mubarak, Hamas and Egypt were open enemies. With the Brotherhood, they are family. And what this means is that the calculations for Egypt are different today than they were under Mubarak. For Mubarak, if we use the analogy of a car, a conflict in Gaza – including one in which strong blows were dealt to Hamas – was a fender bender, and Mubarak’s stake in preventing one was therefore lower. For Morsi, because of the stark choice it presents between interests and ideology, a conflict in Gaza is serious engine trouble”. Crisis Group interview, Jerusalem, 4 February 2013.

Desperate for a way out of its downward spiral of economic strain and regional isolation, Hamas has sought since the change in regime in Egypt to find a way of altering the status quo.³⁷ Past experience has shown this is unlikely without a major escalation it could ill endure, particularly since the closure of tunnels has made Gaza entirely dependent on Israel for food, electricity and fuel, not to mention that during and following hostilities restocking of weapons would be far more difficult than in the past. Fortunately for the people of Gaza and southern Israel, who might otherwise be at even greater risk of renewed violence, these disincentives still apply.³⁸ However, Hamas's need to recover its footing has not diminished, and among its limited, often ineffective tools to do so are reconciling with Iran and giving greater leeway to factions that wish to attack Israel.³⁹

³⁷ Crisis Group interviews, Hamas leaders, Cairo, Gaza City, September, October, December 2013; February-March 2014.

³⁸ Israeli security officials shared this assessment. One said, "Hamas can't allow itself an escalation. The pressures from Egypt, and now Saudi Arabia, are too great. An escalation would be too much for it now". Crisis Group interview, Jerusalem, 13 March 2014.

³⁹ Crisis Group interview, Gaza political analyst close to Hamas leadership, Gaza City, 15 March 2014.

III. The View from Gaza

Since the November 2012 escalation, known in Israel as Operation Pillar of Defence, Hamas's fortunes have dramatically reversed. Its closest ally, Egypt's Muslim Brotherhood (of which it is an offshoot), was removed from power by the army in July 2013. The subsequent military-led regime has acted with unprecedented hostility toward Hamas and the Muslim Brotherhood: both groups have been banned in the country; a senior Hamas leader has been prevented from leaving Egypt; Cairo has closed nearly all the tunnels connecting with Gaza and has cut the number of persons entering and exiting through the Rafah crossing to approximately 14 per cent of what it was in the first half of 2013.⁴⁰

Saudi Arabia has also declared the Muslim Brotherhood a terrorist organisation, with uncertain consequences for Hamas members there. Other Gulf states are repressing the Brotherhood, viewing it and Hamas with new hostility. Hamas's sole Gulf supporter, Qatar, is under intense pressure from its neighbours to reduce backing for the Brotherhood. Another supporter, Turkey's ruling Justice and Development Party (AKP), is preoccupied with domestic turmoil. The internal coherence of and support for the Brotherhood in Jordan, where it is the largest opposition group, has diminished as the movement's regional setbacks have piled up.⁴¹ Hamas continues to be thoroughly repressed by the Palestinian Authority and Israel in the West Bank and East Jerusalem. And, though there are indications of a coming thaw, relations with Iran, once its biggest supporter and primary weapons supplier, have been frozen over the movement's refusal to support Bashar al-Assad's regime in Syria's civil war.⁴²

Acute economic distress has made Hamas more vulnerable. With each passing month, Gaza has drifted further from Egypt and grown more dependent on Israel.⁴³ Closure of the majority of tunnels has had an enormous impact on revenues, large portions of which were drawn from taxing tunnel goods – primarily construction

⁴⁰ The week before the escalation, 399 persons were permitted to enter Gaza from Egypt and 757 to move in the other direction. The weekly averages from January to June 2013 were 4,296 entering Gaza from Egypt, and 4,242 exiting. In total, 1,156 people travelled between Egypt and Gaza the week before the escalation, compared to an 8,538 average in the first half of 2013. "Protection of Civilians Weekly Report", op. cit.

⁴¹ Crisis Group interview, ex-member of Jordanian Muslim Brotherhood, Amman, January 2014.

⁴² "Today we can't speak of a rapprochement with Iran. We don't have hostile relations with them, but we don't get anything from them either. Up until a few months ago they were still asking us to take a position with the regime in Syria. Eventually I suppose they understood it wasn't worth asking anymore". Crisis Group interview, Hamas political bureau member, Cairo, 7 January 2014. In March 2014, the prospect of repairing relations appeared to have increased. Several Hamas leaders in Gaza said that though funding had not been restored, intensive efforts were being made to renew ties. One said, "there are huge efforts to facilitate reconciliation with Iran. So far, there are many good signs. But we won't know that these efforts were successful until [Hamas leader] Khaled Meshal visits Tehran. It may happen soon". Crisis Group interview, Gaza City, 15 March 2014. Another said Hamas needed a unified position on the Syrian civil war before Meshal could go to Iran; he added that because that war is no longer a simple story of a regime against its people, there was less reason to take a black-and-white position. Crisis Group interview, Gaza City, March 2014. Some in Hamas said Iran held Meshal responsible for the decision not to support Assad, thus complicating the rapprochement. Crisis Group interviews, Gaza City, 15 March 2014. See also fn. 21 above.

⁴³ Crisis Group interviews, Egyptian official, Israeli security official, Cairo, Tel Aviv, January 2014.

materials, medicine, and subsidised Egyptian fuel.⁴⁴ Business has slowed, development projects have been frozen, cement prices have tripled, costs of basic goods have sharply increased, and unemployment has reached the highest level in three years, 39 per cent.⁴⁵ Government salaries have been paid partially and late.⁴⁶ Power outages, currently for eight of every sixteen hours, have increased, with the threat of longer blackouts as demand spikes in late spring and summer.⁴⁷ Even attempts to donate fuel for Gaza's power plant were made more difficult by the Fatah-led Palestinian Authority, which insists that Qatar pay taxes to it for any Gaza-bound fuel.⁴⁸

Financial contributions to the movement have dwindled, as money has gone to higher priority conflicts, such as Syria. The travel restrictions imposed by Egypt's new regime render a confined population more restive and make operating politically more difficult for Hamas leaders, on whom they are most strictly enforced. Efforts at rousing opposition to Hamas have been weak but will likely continue.⁴⁹

The primary beneficiary of Hamas's distress is Fatah, which yearns to see its rival toppled in Gaza; the U.S., which hopes Hamas's preoccupation with its survival will ensure its quiescence during the U.S.-led Israeli-Palestinian peace talks; and Islamic Jihad, which has greatly increased its financial, civil and military power as Iran has provided weapons of higher quality and in greater quantity than once went to Hamas.⁵⁰ Over the past several years, Islamic Jihad has sought to increase its stature within

⁴⁴ In October 2013, an adviser to Hamas deputy head and Gaza Prime Minister Ismail Haniyeh estimated that tunnel taxes had made up about 60 per cent of the government's internal revenues, which in turn equalled approximately 90 per cent of spending on government salaries. Crisis Group interview, Gaza City, October 2013. At the end of October 2013, Deputy Economy Minister Hatem Oweida said Egypt's closure of the tunnels had resulted in monthly losses of \$230 million to Gaza's industry, commerce, agriculture, transport and construction sectors. "Egypt tunnel closure costs Gaza millions", Al Jazeera, 27 October 2013.

⁴⁵ Among persons aged fifteen to 29, unemployment is 57 per cent, according to a Palestinian Central Bureau of Statistics Labour Force Survey covering October-December 2013; it may well be higher now. "Tunnel closures send Gaza unemployment to highest levels since 2010", *Christian Science Monitor*, 13 February 2014. "Labour Force Survey October-December 2013", www.pcbs.gov.ps/site/512/default.aspx?tabID=512&lang=en&ItemID=1022&mid=3171&wversion=Staging.

⁴⁶ Crisis Group interviews, Gaza government officials, Gaza City, March 2014.

⁴⁷ On 12 March 2014, the Gaza energy authority announced that Qatar had extended a \$32 million grant to pay PA-imposed taxes on Gaza fuel for the power plant. "Qatar extends Gaza power plant fuel grant", Turkish Press, 12 March 2014. It is expected to enable generation of roughly 55MW per day (some 12.5 to 14 per cent of the daily need of 380-440 MW at peak demand) for three months.

⁴⁸ Fathi al-Sheikh Khalil, deputy head of Gaza's energy authority, has repeatedly blamed the PA for insisting on the taxes even during a humanitarian crisis caused by lack of fuel for the plant, which supplies about a third of Gaza's electricity. Prior to Qatar's agreement to pay the taxes to the PA, he said, "we tried to get fuel from Israel via the Palestinian Authority, but it has imposed prohibitive taxes The plant will remain shut until fuel supplies resume from Egypt through the tunnels or the Rafah border crossing, or from Israel if the Palestinian Authority agrees not to impose the heavy taxes". "Israeli airstrike on Gaza tunnel kills three Palestinians", *Al-Akhbar*, 1 November 2013.

⁴⁹ On failed efforts so far, see "Tamarod protest fails in Gaza", *Al-Monitor.com*, 12 November 2012.

⁵⁰ Since the rift between Hamas and Iran over Syria, Iran's support for other Gaza groups has increased. These include Islamic Jihad but also the Popular Resistance Committees and the Abu Ali Mustafa Brigades, the armed wing of the Popular Front for the Liberation of Palestine. Crisis Group interviews, Gaza militants, December 2013.

Gaza by confronting Israel and, at times, ridiculing Hamas, as after a March 2012 escalation in which it took the lead and implied Hamas had given up on resistance.⁵¹

Officials in both organisations say their relations are very good now, particularly between the two leaders abroad, Hamas's Meshal and Islamic Jihad's Shallah.⁵² Joint operation centres were established in Gaza and have remained in place since November 2012.⁵³ But for Hamas it has not passed without notice that the March 2014 escalation greatly increased Islamic Jihad's local and regional prestige, while further straining its own relations with Egypt, which for the first time negotiated a ceasefire directly with Islamic Jihad and without Hamas's participation.⁵⁴ Hamas's exclusion by Egypt brought home the depth of the rift between the two and was among the most significant – and, for Hamas, inauspicious – aspects of the events.⁵⁵

The closure regime imposed on Gaza has indeed weakened Hamas, as intended, but has also strengthened its local rivals, who are unburdened by the responsibilities of governance. As the understandings from the November 2012 ceasefire have been steadily undermined, Hamas has seen a precipitous drop in the benefits of enforcing

⁵¹ Other groups, primarily the Popular Resistance Committees, also took part in the flare-up. For background, see Crisis Group Middle East Report N°129, *Light at the End of their Tunnels? Hamas & the Arab Uprisings*, 14 August 2012.

⁵² Crisis Group interviews, Islamic Jihad, Hamas officials, Gaza City, 14-15 March 2014. Hamas leaders had previously discussed closer cooperation with Islamic Jihad, though a formal merger has seemed unlikely, as Islamic Jihad's operatives are not members of the Muslim Brotherhood, to which full Hamas members have sworn allegiance. For background on Hamas and the Brotherhood, see Crisis Group Reports, *Radical Islam in Gaza* and *Light at the End of their Tunnels?*, both op. cit.

⁵³ Hamas leaders have viewed these as a success. Crisis Group interviews, Hamas senior leaders, Gaza City, December 2013. But closer cooperation is made more difficult because Hamas and Islamic Jihad no longer share the same primary patron, Iran, and Islamic Jihad elements appear to operate directly at Iran's behest, sometimes without approval from the group's most senior leaders. A Hamas leader said, "Islamic Jihad is not a well-structured movement, nor is its military branch well organised. They are infiltrated by Iran and Hizbollah and Fatah. They sometimes act in accordance with what they believe their audience would like to hear. Someone from the outside asks them to launch rockets, so they do". Crisis Group interview, Beirut, 10 December 2011. Before Hamas's rift with Iran reached its full depth, a senior Israeli security official quipped, "Hamas works with Iran; Islamic Jihad works for Iran. A different preposition that amounts to a different proposition". Crisis Group interview, Jerusalem, 7 August 2012.

⁵⁴ A Hamas official said, "Islamic Jihad leaders are very excited because Egypt negotiated directly with them for the first time without passing through Hamas. They feel they've become a regional player, not just a local one. Even under Mubarak and SCAF [Egypt's Supreme Council of the Armed Forces, which governed between the overthrow of President Hosni Mubarak in February 2011 and the election of President Mohamed Morsi in June 2012], Egypt dealt with Hamas. Now under [regime strongman and Defence Minister Field Marshal] Sisi, Egypt is stupidly trying to show that they can work without us. But this was not a real escalation, and there is no way that in a war Hamas can be bypassed. On the contrary, it is we who may choose to bypass Egypt now, either in a future escalation or in selecting a mediator for talks on Palestinian reconciliation". Crisis Group interview, Gaza City, 15 March 2014. Another Hamas official said, "there were other mediators besides Egypt during the escalation. They called us, just as they did in November 2012. They told us that Israel does not consider the end of this round a new ceasefire with Islamic Jihad. Israel told them, 'silence will be met with silence, but we deal with the one who controls the territory, and that is Hamas'". Crisis Group interview, Gaza City, 14 March 2014. This points to a new difference between Israel and Egypt on Gaza: the former wants to keep Hamas the sole party responsible for negotiating war and peace; the latter has bypassed Hamas and negotiated directly with Islamic Jihad. Crisis Group interview, Israeli security official, Tel Aviv, 18 March 2014.

⁵⁵ Hamas leaders sought to downplay the slight, saying that communications had already been mostly severed in the months preceding the escalation. Crisis Group interviews, Gaza City, March 2014.

the ceasefire, together with a rise in the costs, not least that of lost popularity to rival groups and dissatisfaction among its constituents, some of whom have joined Salafi-jihadi groups in protest at Hamas's failure to implement Islamic law and continuously fight Israel.⁵⁶ Hamas leaders in Gaza say Israel and Egypt are squeezing them from both ends, seemingly making a new, large confrontation a matter of timing.⁵⁷

For months, Hamas leaders had considered ending the ceasefire to call attention to Gaza's economic distress; increase sympathy in Egypt and elsewhere; cause a greater opening of the Rafah crossing; embarrass Egypt's leaders about their role in Gaza's isolation and misery; pressure Israel to consider a change in the status quo; and perhaps reach a new ceasefire whose terms could at least temporarily improve the lot of Gazans, as the last one did.⁵⁸ But such considerations remained theoretical, a last resort to be tried only after other options failed.⁵⁹ These included attempting to reach a compromise with Fatah over reconciliation, efforts that intensified in January but then stalled;⁶⁰ holding municipal and perhaps other elections; forming a new power-sharing government with other Gaza factions, as Prime Minister Haniyeh proposed in August 2013;⁶¹ encouraging demonstrations at the fence bordering Israel, as in January 2014;⁶² withdrawing its border police units that prevent rocket at-

⁵⁶ For more on Salafi-jihadis in Gaza and their relations with Hamas, see Crisis Group Report, *Radical Islam in Gaza*, op. cit.

⁵⁷ Crisis Group interviews, Gaza City, March 2014.

⁵⁸ Crisis Group interviews, Hamas senior leaders, Gaza City, December 2013, February 2014.

⁵⁹ In October 2013, an Egyptian official expressed confidence Hamas would not initiate new hostilities: "Hamas is too weak to [afford actions that might] destabilise Gaza now. In 2008 [prior to Operation Cast Lead, which began that December], Hamas had a very strong card in its hands, vis-à-vis not just Israel but also Egypt: it was very popular, and it had the capability to mobilise people to go to the Egyptian border [as in January 2008, when thousands of Gazans broke through the border]. Now Hamas is worried that mobilising people could trigger an uprising against it. So mobilisation is a risky card they no longer want to use. Another important factor, of course, is that Hamas is far more reluctant to risk an escalation now that Morsi is gone. In the past, Hamas leaders had the idea Morsi would back them up. And indeed Morsi did argue on Hamas's behalf, particularly with respect to implementation of the November 2012 ceasefire agreement. Now Hamas is sure that Egypt won't back it up". Crisis Group interview, Cairo, 7 October 2013.

⁶⁰ Crisis Group interviews, Hamas leaders, Gaza City, February-March 2014. Hamas leaders say they await reciprocity in the West Bank of gestures they made toward exiled and imprisoned Fatah members in Gaza in January; Fatah officials say they await a formal response from Hamas to a January proposal to form a joint technocratic government and either hold legislative and presidential elections within six months or authorise the PA president to delay them. "Head of Fatah reconciliation team confirms visit to Gaza", Ma'an News Agency, 9 January 2014. Officials in Egypt and Gaza said strained ties between the two had significantly dimmed the prospects of Palestinian reconciliation, negotiations over which have been mediated by Egypt for several years. Crisis Group interviews, Cairo, Gaza City, October 2013-January 2014.

⁶¹ As late as January 2014, senior leaders said that if reconciliation did not proceed with Fatah, Hamas would seek to bolster the Gaza government's legitimacy by bringing in independent technocrats affiliated with other factions and holding municipal and perhaps other elections. Crisis Group interviews, Hamas political bureau members, Haniyeh adviser, Cairo, Gaza City, October, December 2013, January 2014. On Haniyeh's rejected August 2013 offer to share power, see "Gaza Factions Oppose Hamas' 'Big Government' Plans", Al-Monitor.com, 27 August 2013.

⁶² See "13 Palestinians said wounded by IDF on Gaza border", *The Times of Israel*, 21 February 2014. These protests were curtailed by Hamas in the two weeks preceding the March escalation. "Hamas chases protesters from Gaza-Israel border", *The New York Times*, 28 February 2014.

tacks, as it did in early February; and permitting other factions to initiate limited attacks against Israel, as in January 2014 and likely during the March escalation.⁶³

A month before the March confrontation, a Hamas leader explained that as other options were exhausted and conditions worsened in Gaza, there was less to lose in another fight with Israel. Days after Israel struck a number of Hamas military installations containing “irreplaceable” equipment, he said:

By hitting these more valuable targets, Israel is changing the equation. We will not wait until Israel slowly and calmly, under the radar, disarms us and destroys our capabilities. If they want to move to confrontation, let it be an open confrontation. At least then we can make use of what is being destroyed. Otherwise we will get to the point that we can't confront them at all. This is death by a thousand cuts. I think that recently you can find even Qassam [Hamas's military wing] members among those launching rockets; the military doesn't want to lose its most valuable equipment.⁶⁴

Well-informed analysts in Gaza with close ties to Hamas leaders said that Islamic Jihad's 12 March operation was coordinated with Hamas in detail, down to the limited range of projectiles used.⁶⁵ Islamic Jihad's leader, Ramadan Shallah, had nearly said as much in an interview after the new ceasefire was brokered:

We both coordinate all our moves together, in war and peace. I'll reveal something: just days ago, I was the guest [in Qatar] of Abu Walid [Khaled Meshal], and we held very detailed meetings to discuss almost everything, but mainly the resistance and the situation in Gaza, so whoever says there's no coordination knows nothing. We agreed together on retaliating if there's any attack.⁶⁶

Members of Hamas's military wing, the Izz al-Din al-Qassam Brigades, were instructed to leave their positions hours before Islamic Jihad launched its first rockets on 12 March. Though it is not unusual for Qassam members to be told to abandon their positions after the firing of rockets, some in Qassam took this as a sign of coordination with Islamic Jihad, since there had been relative quiet that morning.⁶⁷

The strategic significance of this apparent coordination with Islamic Jihad should not be overstated; neither group expected a large escalation, and both may well have taken the same action a year ago, when an ally was in power in Egypt and the closure of Gaza was less severe.⁶⁸ To the extent Hamas was more willing to allow an unusu-

⁶³ Crisis Group interview, Palestinian political analyst close to Hamas leadership, Gaza City, 15 March 2014.

⁶⁴ Crisis Group interview, Gaza City, 4 February 2014.

⁶⁵ “After Islamic Jihad lost three fighters on [11 March], and two or three others had been killed in the West Bank earlier that week, [it] asked permission to retaliate strongly. Hamas agreed, but told them that in order to avoid a war, Hamas would stay out of it, and Islamic Jihad could not fire at major population centres [and must limit] its rockets to a roughly 6 km radius As soon as Hamas told them, ‘That's enough’, they stopped. They were sitting by their phones waiting for mediators to call and end the escalation. You have to understand: Islamic Jihad wouldn't dare to launch a major operation without permission from Hamas”. Crisis Group interview, Gaza City, 16 March 2014. A Hamas government official was more circumspect, saying Hamas had turned a blind eye to the size, not fact of Islamic Jihad's attack. Crisis Group interview, Gaza City, 15 March 2014.

⁶⁶ “Islamic Jihad leader: Negotiations gain ‘nothing’”, Al-Monitor.com, 14 March 2014.

⁶⁷ Members of the anti-rocket policing unit were not withdrawn, however. Crisis Group interviews, Qassam commanders, border patrol members, northern Gaza, 14 March 2014.

⁶⁸ Crisis Group interviews, Hamas, Islamic Jihad officials, Gaza City, 22-23 March 2014.

ally large number of rockets to be fired, the decision stemmed less from its inability to enforce the ceasefire with Israel; from strains between Hamas and Iran that might have given Tehran less incentive to ensure a loyal and strengthened Islamic Jihad took Hamas's interests into account; or from Hamas's feeling that it could not afford, politically or military, to take on Islamic Jihad.

Rather, it seemed to have derived more from Hamas's desire to signal a willingness to fight despite its precarious position and to draw attention to the closure regime imposed by Israel and Egypt, the latter of which a Hamas spokesman accused, days after the escalation, of committing "a crime against humanity ... and a crime against the Palestinian people".⁶⁹ Several days later, Hamas organised a rally of tens of thousands in Gaza, and simultaneously from the West Bank the words of Ramallah-based Hamas leader Hassan Youssef were broadcast on television: "We say to the authors of the coup in Egypt, the criminals who support the Occupation, that the blockade will not work".⁷⁰

Throughout the escalation, Hamas leaders and government officials expressed confidence that if they stayed out of it, a large-scale conflict would be avoided; in their view, the advantages may have been small – permitting militants to let off some steam, showing Hamas was not categorically opposed to resistance from Gaza – but so too were the risks.⁷¹ Afterward, some Hamas officials pointed to the benefits of Islamic Jihad's attack: at a time of increased vulnerability for Hamas, when it feared Israel might take advantage of its weakness, a message of deterrence was sent without causing a major Israeli operation.⁷² The idea was not to significantly ease the closure of Gaza; Hamas believes that only an escalation on the scale of the fighting in November 2012 or in December 2008-January 2009 (known in Israel as Operation Cast Lead) could do that. Rather, it was to convey the message that despite Gaza's vulnerability, its armed groups are prepared to fight and, if need be, will start a new conflict to reverse Gaza's downward slide.⁷³

⁶⁹ "Hamas calls Egypt blockade a 'crime against humanity'", Reuters, 18 March 2014. During the previous week, the Egyptian press reported that Egypt refused to renew the residence permit of Hamas political bureau member Musa Abu Marzouk. This was confirmed by Hamas officials in Gaza. Crisis Group interviews, Gaza City, 16 March 2014.

⁷⁰ A Hamas official said the decision to hold the rally – officially a commemoration of Hamas founder Ahmed Yasin, assassinated by Israel in 2004 – had been made after the escalation and that its purpose was in part to demonstrate the magnitude and breadth of support for Hamas at a time when the movement's strength had been called into question. Members of all factions but Fatah attended the rally in significant numbers. Crisis Group observations; Crisis Group interview, Hamas official, Gaza City, 23 March 2014. "Hamas rally in Gaza takes aim at Egypt, Israel and Abbas", Reuters, 23 March 2014.

⁷¹ Crisis Group interviews, Gaza City, March 2014.

⁷² Crisis Group interviews, Gaza City, 12-17 March 2014.

⁷³ Crisis Group interview, Palestinian analyst close to Hamas leadership, Gaza City, 15 March 2014.

IV. The View from Israel

Israeli security officials say they believe Islamic Jihad's attack was coordinated with Hamas, though senior officials, including Defence Minister Moshe Ya'alon, have downplayed the latter's role, seemingly to duck questions about why Israel did not more directly confront the party ruling Gaza.⁷⁴ Israel's usual security doctrine is to hold responsible whatever party controls the territory from which an attack is launched, though there are exceptions, such as, on occasion, Gaza; Lebanon, where Hizbollah often has not been held to account for attacks from other groups;⁷⁵ and Syria, where Israel typically retaliates against whatever forces have struck it but has not held the army responsible for every attack from the territory it ostensibly controls.⁷⁶ In Egypt, which Israel does not consider enemy territory, many attacks from Sinai-based militants have met with no response.⁷⁷

The latest Gaza crisis presented a dilemma. If, as Israeli officials believe, Hamas blessed the barrage, many would argue that deterrence of it has eroded and needs to be restored. Retaliating primarily against Islamic Jihad might only encourage Hamas to continue using proxies to achieve political objectives at little cost. On the other hand, some officials recognised that Hamas is greatly weakened, has less to gain from enforcing the ceasefire and can less afford the political price of preventing all attacks from Gaza.⁷⁸ Some might then conclude that too strong a response against it could undermine its ability to maintain the ceasefire, so Israel should significantly limit targeting of Hamas and mostly focus instead on the groups engaging in attacks, particularly Islamic Jihad. A small minority goes further, saying that what needs to be done is to actively strengthen Hamas's ability to obtain a monopoly on the use of force in Gaza. Former National Security Advisor Giora Eiland said, "the Israeli inter-

⁷⁴ After calm had been restored, Defense Minister Ya'alon described the situation as one "in which Hamas is committed to a cease-fire". Interview, Mako.co.il, 16 March 2014.

⁷⁵ In August and December 2013, projectiles from Sunni militants were fired at Israel from southern Lebanon, where Hizbollah is the dominant military power. "Al Qaeda spinoff claims rocket attack on Israel from Lebanon", *The Wall Street Journal*, 22 August 2013. "Israel fires about 20 shells into Lebanon", *Al-Akhbar*, 29 December 2013.

⁷⁶ On the Syria-Israel border during the past year, Israel has exchanged fire with Syrian rebels, the Syrian army and what it says were militants belonging to or acting for Hizbollah. "Israeli army fires into Syria after gunmen shoot at IDF soldiers on Golan Heights", *Haaretz*, 2 December 2013; "IDF patrol comes under fire on Golan Heights", *The Jerusalem Post*, 17 July 2013; "Israel warns Syria against attacks on Golan", Associated Press, 21 May 2013; "Israel shoots at Hezbollah fighters on Syrian Golan", *Al-Arabiya*, 5 March 2014.

⁷⁷ The most recent of these was on 1 February 2014. "Sinai-based militants claim rocket attack on Israel", Reuters, 31 January 2014. A little over two weeks later, a bus was bombed on the Egyptian side of the Taba border crossing with Israel, killing four. "Blast hits tourist bus on Egypt side of Israel border", *Haaretz*, 16 February 2014. In August 2013, Egyptian officials claimed that an Israeli drone had killed five militants in Sinai. "Officials: Israeli drone strike kills 5 in Egypt", Associated Press, 9 August 2013. Days later, a rocket was fired from Sinai toward Eilat, as also occurred the previous April. "Sinai terrorists fire rocket at Eilat, Iron Dome intercepts", *The Jerusalem Post*, 13 August 2013. After Sinai militants crossed into Israel in August 2011, killing eight, and pursuing Israeli forces killed six Egyptian security officials in Sinai, Defence Minister Ehud Barak apologised. "Egypt says it received formal apology from Barak's office", *The Jerusalem Post*, 13 October 2011.

⁷⁸ After rockets were fired from Gaza in April 2013, a senior Israeli security official said, "the issue right now is not how willing Hamas is to stop the fire but how able. And also how much effort they want to expend". Crisis Group interview, Tel Aviv, 28 April 2013.

est should be that Hamas is strong enough and stable enough and can maintain its power and can enforce law and order in Gaza”.⁷⁹

During the March escalation, something between the first and second view predominated: recognising a weakened Hamas’s apparent desire to avoid a wider flare-up, Israel slapped it on the wrist by targeting only a few of its facilities, while concentrating most firepower on Islamic Jihad.⁸⁰ Though there were calls to strike Gaza’s rulers harder, Foreign Minister Avigdor Lieberman’s view that “the only solution to this situation of a ceaseless cycle of terror is re-occupation of Gaza and a clean-out of the stables there” remained a minority position, not only due to the risk to flourishing ties with Egypt, but also because most Israeli security officials do not believe any group is more capable of holding Gaza and keeping the peace than Hamas.⁸¹ Defence Minister Moshe Ya’alon explained after the escalation that Israel can aspire only to manage the Gaza conflict and “produce lengthy periods of calm”.⁸² His reticence to consider larger changes in Gaza policy echoed 2013 remarks by the army’s southern commander (responsible for Gaza): “Hamas, currently the sovereign power in the territory, has the means and the know-how. I see no alternative to [its] control”.⁸³

Former National Security Advisor Eiland takes this argument to its logical conclusion, arguing that Israel should recognise the Hamas government in Gaza and do more to ensure its stability. The more Hamas has to lose, the more leverage Israel has over it, he wrote:

Gaza is a state in the full sense of the word from Israel’s standpoint, which meets the four conditions of statehood: it has recognised borders, it has a central government, it has an independent foreign policy, and it has its own military force. The more Gaza is like a state, and the more we relate to it as such, the more lev-

⁷⁹ Eiland added: “At the end of the day, Hamas is the only organisation that has some kind of government accountability, and the more accountability they have, the more careful they will be”. “Leaders deny report of a truce in Mideast violence”, *The New York Times*, 13 March 2014.

⁸⁰ An Israeli security official warned that Hamas should not draw too large a lesson from Israel’s restraint: “I believe that in coordination with Egypt it was decided in Israel that Hamas should not be hit hard But Hamas makes a mistake in how they assess Israel. They see that Israel did not use force as it used to and therefore deduce this and that. They fail to sufficiently appreciate that Israel’s motivations include keeping them alive! If they don’t get this, then they need to do more homework”. Keeping Hamas alive, he added, did not preclude hitting them harder next time. Crisis Group interview, Jerusalem, 17 March 2014. During the fighting, an Israeli security official said he believed Islamic Jihad, too, wished to avoid a wider confrontation: “I don’t believe this will escalate. Spokespersons from both Hamas and Islamic Jihad say they don’t want escalation. Nor do we. For us, escalation means risking excellent relations with Egypt”. Crisis Group interview, Jerusalem, 13 March 2014. However, the same official was bothered that Hamas statements did not go far enough: “Hamas did not condemn Islamic Jihad’s attacks for being against the [Palestinian] national interest, as it did in the past. This is significant. Hamas didn’t condemn the attacks because they feel weak. But they need to do it”. “Hamas says rocket fire into Israel is self defense”, Reuters, 13 March 2014.

⁸¹ “Gaza rockets pepper Israel though truce called”, Reuters, 13 March 2014. Responding to Lieberman’s proposal to reoccupy Gaza, Defence Minister Ya’alon said in an interview on Israel’s Channel 2 Television, “we can do that, but what then?”. Interview, Mako.co.il, 16 March 2014.

⁸² Ibid.

⁸³ “IDF officer: Hamas control of Gaza benefits Israel security”, Ynetnews.com, 25 September 2013. Responding to this statement after the March escalation, Defence Minister Ya’alon asked: “What are the alternatives? In this situation, in which Hamas is committed to a ceasefire, operates against groups that violate the ceasefire – let’s see it honour that. But if not, then it too bears responsibility and, therefore, when there is a violation, it gets attacked too”. Interview, Mako.co.il, 16 March 2014.

erage we have over it, leverage that can compel it to maintain quiet, which is our primary interest If Hamas does not rule Gaza, it stands to reason that Islamic Jihad will grow stronger in its stead, or even worse, al-Qaeda factions with no state responsibility Hamas is the lesser of two evils.⁸⁴

Today such ideas remain distant from the thinking of most Israeli decision-makers.⁸⁵ Seeing signs of a possible Hamas rapprochement with Iran, their instinct is to seek arrangements that give Hamas less, not more.⁸⁶ As long as both parties see each other as serial violators of the essence of the ceasefire they have been imperfectly upholding, Israel is not likely to significantly reverse its isolation policy.

⁸⁴ Giora Eiland, "Recognise the Hamas Government", *Yediot Ahronot*, 17 March 2014.

⁸⁵ Most but not all. Two months after the November 2012 ceasefire, a senior Israeli security official acknowledged the connection between Gaza's economic conditions and maintenance of the ceasefire: "One of the things the [Israeli] prime minister is very proud of is that Gaza has undergone double-digit economic growth in the last few years [from an unnatural low following years of closure and the 2008-2009 Gaza escalation, Operation Cast Lead]. Some of the deeper reasons for the quiet from Gaza now are the cumulative effect of these economic changes. Hamas now has more to lose". Crisis Group interview, Jerusalem, 4 February 2013.

⁸⁶ An Israeli security official said, "Hamas is being pushed by [its ban in] Egypt and [the Muslim Brotherhood ban in] Saudi Arabia into an Iranian corral". Crisis Group interview, Jerusalem, 13 March 2014. He added: "Iran will demand a high price for this: perhaps more resistance and more noise from Gaza; more military actions in Judea and Samaria; and announcing that Hamas was mistaken about Assad If Hamas stays loyal to its principles, then it will be very difficult to convince them to submit to such a dictate from Iran. But if in dire need, and there are no other sources of income or other regional allies, and they think they can lose control over Gaza, they could pay. Whatever happens, though, I don't see this going as far as Hamas becoming a satellite of Iran, like Islamic Jihad".

V. Conclusion

The easiest route to returning to the relative quiet that reigned in the wake of the November 2012 escalation would not be through a formal agreement but rather by reinstating the informal arrangements that allowed people and goods to cross the border more freely just after the ceasefire was agreed. Indeed, the campaign waged by Egypt since July 2013 and welcomed by Israel – destroying tunnels under the border, tightening the closure of the Rafah crossing and interdicting Gaza-bound fuel and other goods in Sinai, as well as politically pressuring Hamas – is arguably the chief factor behind the recent flare-up. To Hamas's chagrin, Egypt has largely succeeded in transferring responsibility for Gaza to Israel, where Cairo believes it belongs.⁸⁷ The arrangement that existed following the November 2012 ceasefire, with its relatively unrestricted flow of persons and goods, including weapons anathema to both Egypt and Israel, stands virtually no chance of being revived.

That does not mean a limited understanding that includes the elements of a ceasefire most crucial to each side cannot be contemplated. Several conditions are necessary, though perhaps not sufficient, to ensure a longer cessation of violence. Most fundamentally, Israel and Hamas must ensure quiet. Beyond that, for life to be tolerable in Gaza, three essential needs must be met: the Rafah crossing should open regularly and predictably to allow Gazans entry and exit; Gaza's neighbours should facilitate the import of sufficient fuel, especially diesel, used for electricity generation at the power plant, home generators, hospitals, sanitation plants, and much of public transportation;⁸⁸ and Gaza – including its private sector – should receive more building materials, the lifeblood of the economy and crucial for construction, jobs, accommodating a rapidly growing population and creating and repairing homes and infrastructure. Dozens of UN projects await Israeli approval or have received it but remain stalled.⁸⁹

Some other provisions included in or contemplated as an extension of the 2012 agreement are important, including permission to farm in the buffer zones that constitute some 35 per cent of Gaza's agricultural lands, to fish beyond the 25 to 30 per cent of Gaza's waters now allowed, and, most crucially, to increase exports. They are

⁸⁷ Crisis Group interviews, Egyptian officials, Cairo, October 2013, January 2014.

⁸⁸ In the longer run, alternative sources of electricity for Gaza should be found. These might include adding further links to Israel's electricity grid; converting the Gaza power plant so that it runs on natural gas, as originally intended; and developing the natural gas field, estimated to contain around a trillion cubic feet of natural gas and known as Gaza Marine, that lies off Gaza's shore. During the past year, the PA and Israel have been negotiating its exploitation (in a concession agreement with British Gas and Consolidated Contractors Company) without the participation of the Gaza government. But Gaza's participation is essential, for one of the primary risks to the endeavour is the possibility that militants could target pipelines or installations. Simon Henderson, "The Diplomatic Bonus of Gaza's Offshore Natural Gas", The Washington Institute for Near East Policy, 10 October 2013. A diplomat involved in the discussions said, "no one is talking to Gaza about it right now. Ramallah believes that if it announces that the gas will benefit Gaza – without having to be specific about how it will be shared with Gaza – that will be enough. The PA doesn't think it needs Hamas participation or acceptance". Crisis Group interview, Jerusalem, 20 November 2013.

⁸⁹ "[W]ork on previously commenced UN projects has not resumed as originally agreed to with the Israeli authorities and about 15 projects worth USD 14 million remain stalled. Another 42 projects valued at around USD 96 million are still awaiting Israeli approval". "Briefing to the Security Council on the Situation in the Middle East by UN Under Secretary-General for Political Affairs Jeffrey Feltman", 18 March 2014.

secondary, however, in the sense that while Gazans fervently seek them, their absence is unlikely to drive Hamas or other major factions to brinkmanship.

The minimal scope of arrangements that can be realistically sought – significantly smaller than what could be imagined six months ago – reflects not just the regime change in Egypt and Hamas’s resultant loss of leverage, but also the parties’ conviction that a new round of fighting is highly probable. So long as they believe violent conflict is coming, their priority will be to prepare. Hamas will not agree to stop production and smuggling of weapons, nor commit to refrain from what it sees as defensive reactions to Israeli incursions, nor abandon the struggle to liberate Palestine. Israel will continue incursions, targeted killings and destruction of stockpiles and manufacturing facilities as it determines is militarily necessary and will work with Egypt, the U.S. and others to interdict weapons. Egypt is unlikely near-term to reopen Rafah and so lessen dissatisfaction in Gaza, as it seeks to cut Hamas down to size. Some Egyptian officials fear that squeezing Hamas too hard could weaken it to the point that Gaza becomes another Somalia, with warring militias and little central authority, but so far they, like Israeli officials, believe they are containing the risk.⁹⁰

Certain adjustments could help work around the constraints. With fuel delivery encumbered by Palestinian Authority (PA) involvement, Israel might acknowledge Gaza’s changed circumstances, no longer controlled by the PA or treated in full accordance with the Oslo Accords’ economic provisions, and consider ways to reduce the price of Gaza-bound diesel. This might include exemptions on Israeli-imposed taxes; circumventing the PA and selling fuel directly to merchants unaffiliated with Hamas; or permitting UN organs – understandably reluctant to take responsibility for Gaza’s electricity⁹¹ – to bring in limited quantities of fuel under UN exemptions, as with an \$850,000 Turkish donation to fund UN purchase and distribution of fuel for emergency services, including hospitals and sewage treatment, in 2013.⁹²

Similarly, although the military is concerned building materials may be used for military purposes, it has permitted cement and steel to go to the private sector as recently as September 2013; it could do so again with the same arrangements.⁹³ In all cases, mechanisms are less important than the principle: so long as Gazans are denied relative normalcy, they will seek to deny Israelis the same.

⁹⁰ Crisis Group interviews, Cairo, October 2013, January 2014.

⁹¹ Crisis Group interview, UN official, Jerusalem, January 2014.

⁹² For more on taxation of Gaza fuel, see Omar Shaban, “Fixing Gaza’s electricity crisis”, Al-Monitor.com, 19 November 2013. The Turkish funds passed through the Palestinian Authority to the UN Relief and Works Agency (UNRWA), which purchased the fuel. According to UNRWA’s Gaza director, Robert Turner, UNICEF and the World Health Organisation handled distribution and monitoring. “Turkey to fund fuel for stricken Gaza utilities”, Reuters, 28 November 2013.

⁹³ “Israel plans to allow 70 truckloads a day of private sector building material into Gaza”, *The Jerusalem Post*, 17 September 2013. Israel reversed its September 2013 allowance of construction materials for the private sector after discovering a cement and concrete Gaza-Israel tunnel intended for military purposes. A UN official said he had been told by Israel that some materials used to build the tunnel had been diverted from UN projects. Most of the tunnel was constructed long before entry of the private sector construction materials, however. Almost all cement in Gaza over the last several years has come through the tunnels connected to Egypt. With respect to Israeli cement, some exceptions were made for UN- and other international-funded projects, but the quantities were small and the approval process difficult. UN, U.S. and former Israeli security officials said the tunnel was built primarily with materials imported through Gaza-Egypt tunnels Egypt closed in summer 2013. Crisis Group interviews, Jerusalem, Tel Aviv, November 2013. “IDF uncovers Palestinian terrorist tunnel leading from Gaza to kibbutz in Israel”, *The Jerusalem Post*, 13 October 2013.

Israel, of course, seeks complete cessation of rocket fire. But just as Gaza is unlikely to obtain all it wants from a ceasefire, so too is Israel. After the 2012 fighting, Hamas established a police force dedicated to stopping rockets. That was made possible by agreement among the factions, including Islamic Jihad. The pact cut rockets to a minimum and prevented virtually all of significant range and higher payload from falling in Israel. While 2013 saw the least rocket fire of any year since 2001, there were individuals who could not be stopped.⁹⁴ These included members of various Salafi-jihadi groups, which are often tied to other regional actors, and militants directly in the employ of Iran, Hizbollah or others. Without a faction to give them cover, their activities were limited and the consequences, when they were caught, severe. While Hamas never achieved – some would say never sought – 100 per cent success in preventing rocket fire, Israeli officials affirm that its efforts were extensive and persistent.⁹⁵ As the gains from the 2012 ceasefire were steadily reversed, however, Hamas saw fewer benefits in upholding its end of the deal.

This is not to say that Gaza's closure is the only reason for attacks from the territory. Even were these alleviating measures to be implemented, occasional flare-ups would likely continue, for reasons both external and internal to the Gaza-Israel relationship. Without a comprehensive Israeli-Palestinian settlement – as distant as ever – Hamas will find it difficult to abandon resistance, a core component of its identity, mission and popular support; Israel will attempt, as it has since Hamas won the 2006 legislative elections, to keep the movement relatively weak, which, given its vulnerable position in the region, Israeli officials believe will not be too difficult. Moreover, Gaza will remain an all too easy arena for Hamas, Islamic Jihad and others to play the spoiler of diplomatic initiatives that currently pose no threat but might in the future.

The Palestine question used to shape events in the region by mobilising constituencies and shaming leaders; it is now largely shaped by them. Though forsaken by relevant powers both near and far in a region beset by more active conflicts and deepening transnational schisms, Gaza has remained a venue in which regional contests are fought. Its fortunes will continue to be influenced heavily by the fate of the Muslim Brotherhood, the intensity of cooperation between Israel and Egypt and the rivalry between Israel and Iran. For the foreseeable future, Hamas sensibly will be reluctant to bet that regional heavyweights will come to Gaza's aid in any meaningful way.

Because a new ceasefire cannot now be negotiated, and implementation of the old one is unrealistic, Israel and Gaza may well be headed for another large-scale conflict. Perhaps, as Israeli security officials suspect, this would not be a game-changing one, but it would still be another violent confrontation, loss of lives and threat to Israeli-Palestinian final status negotiations, regional alliances and stability. A next round might bring some small changes, but any longer-lasting calm would need to be embedded in a broader political understanding, perhaps as part of the conditions for continuing U.S.-brokered Israeli-Palestinian negotiations or, more ambitiously, as part of Israeli and Egyptian agreements with a reconciled and unified Palestinian Authority controlling both Gaza and the West Bank.

This would be Gaza's best chance at normalcy, ending the closure, and improving its economic, social and political life. It would not guarantee that militants would no

⁹⁴ "Rocket Attacks on Israel From Gaza", IDF Blog, 2014.

⁹⁵ Crisis Group interviews, Israeli security officials, Jerusalem, Tel Aviv, November 2013, January 2014.

longer fire rockets, nor would it prevent Israel from launching military operations when it sees fit, as it currently does in the West Bank despite its agreements and co-operation with the Palestinian Authority. But it would be the surest path to meeting Gaza's core needs and easing the isolation of its people and leaders. And when Gaza's population suffers less, Israel's likely will also.

Jerusalem/Gaza City/Brussels, 25 March 2014

Appendix A: Map of Gaza Strip



Appendix B: About the International Crisis Group

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Radical Islam in Gaza, Middle East/North Africa Report N°104, 29 March 2011 (also available in Arabic and Hebrew).

Palestinian Reconciliation: Plus Ça Change ..., Middle East Report N°110, 20 July 2011 (also available in Arabic and Hebrew).

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Back to Basics: Israel's Arab Minority and the Israeli-Palestinian Conflict, Middle East Report N°119, 14 March 2012 (also available in Arabic).

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Light at the End of their Tunnels? Hamas & the Arab Uprisings, Middle East Report N°129, 14 August 2012 (also available in Arabic).

Israel and Hamas: Fire and Ceasefire in a New Middle East, Middle East Report N°133, 22 November 2012 (also available in Arabic).

Extreme Makeover? (I): Israel's Politics of Land and Faith in East Jerusalem, Middle East Report N°134, 20 December 2012 (also available in Arabic and Hebrew).

Extreme Makeover? (II): The Withering of Arab Jerusalem, Middle East Report N°135, 20 December 2012 (also available in Arabic and Hebrew).

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Now or Never: A Negotiated Transition for Syria, Middle East Briefing N°32, 5 March 2012 (also available in Arabic and Russian).

Syria's Phase of Radicalisation, Middle East Briefing N°33, 10 April 2012 (also available in Arabic).

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Anything But Politics: The State of Syria's Political Opposition, Middle East Report N°146, 17 October 2013 (also available in Arabic).

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Popular Protests in North Africa and the Middle East (IV): Tunisia's Way, Middle East/North Africa Report N°106, 28 April 2011 (also available in French).

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Holding Libya Together: Security Challenges after Qadhafi, Middle East/North Africa Report N°115, 14 December 2011 (also available in Arabic).

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Kenneth Adelman	Jacques Delors	Shimon Peres
Adnan Abu-Odeh	Alain Destexhe	Victor Pinchuk
HRH Prince Turki al-Faisal	Mou-Shih Ding	Surin Pitsuwan
Hushang Ansary	Uffe Ellemann-Jensen	Cyril Ramaphosa
Óscar Arias	Gernot Erlor	Fidel V. Ramos
Ersin Arıoğlu	Marika Fahlén	
Richard Armitage	Stanley Fischer	
Diego Arria	Malcolm Fraser	
Zainab Bangura	Carla Hills	
Shlomo Ben-Ami	Swanee Hunt	
Christoph Bertram	James V. Kimsey	
Alan Blinken	Aleksander	
Lakhdar Brahimi	Kwasniewski	
Zbigniew Brzezinski	Todung Mulya Lubis	
Kim Campbell	Allan J. MacEachen	
Jorge Castañeda	Graça Machel	
Naresh Chandra	Jessica T. Mathews	
	Barbara McDougall	