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Executive Summary

The Gaza war and the current deterioration of the security situation between Palestinians and Israelis can only be understood as a function of the erosion of the peace process. The direct causes of the war can be traced to Hamas' violent takeover of Gaza in 2007 and to the Israeli siege of the Gaza Strip.

The war was triggered by Hamas' reckless provocations and was characterized by Israel's disproportionate use of force. By the end of the war, though, the status quo ante was not fundamentally changed. Hamas remained in control of Gaza, the PA in charge of the West Bank, and the cause of peace continued to erode.

The war extracted a heavy human toll, and resulted in extensive destruction in Gaza. As happened in Lebanon after the 2006 war, a failure by the international community and the legitimate government to respond to reconstruction needs would create a vacuum that could be filled by and benefit Hamas.

Responding to humanitarian and reconstruction needs requires Israel to open the Gaza border crossings, and Hamas not to interfere with aid for political or financial gain. Any party that impedes aid and reconstruction must publicly bear the blame.

Provision of basic humanitarian needs must proceed immediately and in an unimpeded manner through existing channels, whether the United Nations Relief and Works Agency (UNRWA), other UN agencies or international NGOs. Basic humanitarian aid should remain apolitical.

Reconstruction can proceed through a number of channels. Reconstruction of damaged private properties and businesses can be funded through direct bank transfers from the Palestinian Authority (PA) to beneficiaries. Larger projects can be undertaken by international agencies that exist on the ground.

In addition, a new international mechanism composed of the Quartet, Egypt and the PA and coordinated by the US Special Envoy to the Middle East should be created to function as an umbrella for the reconstruction efforts, ensure the continued flow of needed materials, and guard against interference by Israel or Hamas at all stages of the reconstruction process.

Aid and reconstruction efforts would benefit from Palestinian national unity, or at least from an agreed-upon, non-partisan government. Any unity arrangement, however, must accept the Quartet conditions. Short of that, national unity would be counterproductive.

The extent to which Hamas will politically benefit from the war in Gaza remains to be seen and will depend on the conditions that develop in the aftermath of the conflict. The PA, and its platform of seeking a negotiated, peaceful two-state solution, has suffered political damage. It needs to be supported and its political message validated. The peace process needs to be resumed to create the political context for progress. A settlement freeze is essential to preserve the physical viability and political credibility of, and to revive public confidence in, the peace process. Economic and security assistance and development need to continue and intensify. The Fatah movement needs to be reformed.

The Gaza Strip and the West Bank are part of one political, cultural, and national unit. Though they are divided today between two competing parties with incompatible agendas, they must ultimately be reunited, as neither is viable without the other. This reunification needs to happen through elections.

1. Historical background/political context of the Gaza war

The immediate history leading to the war in Gaza can be traced to the situation prevailing after the Hamas takeover of the Gaza strip in June 2007. However, to fully understand the conflict, its wider implications, and ways to ensure that it does not recur requires an examination of its larger political context.

The rise of Hamas, and the ongoing deterioration of the political and security environment between the Palestinians and the Israelis, is organically linked to the deterioration of the peace process.

a. 1988-1993: the PLO and a negotiated two-state solution

The period between 1988 and 1993 saw a fundamental shift in the Palestinian definition of their national aspirations and the means to achieve them. In 1988, the PLO formally accepted UN Security Council Resolution 242, giving up claims to all of mandatory Palestine and instead seeking to establish a Palestinian state in the territories occupied by Israel in 1967. Concurrent with this, the PLO renounced violence and terrorism, giving up armed struggle and adopting diplomacy and negotiations as the means for ending the conflict and achieving statehood. The PLO, and its dominant faction, the centrist national secular Fatah movement, linked their political future to the peace process.

This approach seemed to be validated by the signing of the Oslo Accords in 1993 and the subsequent establishment of the PA. In the period immediately following, support for the peace process among Palestinians was overwhelming, as negotiations were seen as a credible path towards independence.

In the ensuing negotiations, the minimum contours of a peace deal that the Palestinians could accept emerged: a non-militarized Palestinian state along the 1967 borders, with limited, mutually agreeable and equal land swaps for some heavily settled occupied territory to be annexed by Israel. East Jerusalem would serve as the capital of a Palestinian state. An agreed upon solution to the refugee problem would be found, balancing refugee rights and interests with Israel's sovereign prerogatives and demographic imperatives. Anything short of this formula would not be acceptable to the Palestinian public and cannot be agreed upon by the Palestinian leadership.

However, as the Oslo process stalled, and as Israeli settlements continued to expand, the initial euphoria began to dissipate.

b. The origins of Hamas

Hamas is a Palestinian national-religious group opposed to the two-state solution and committed to using violence as a means to achieving its goals. Its *raison d'être* is to serve in so far as possible as the complete antithesis of, and alternative to, the PLO.

Founded in 1987 by Palestinian members of the Muslim Brotherhood movement based in Gaza, Hamas is a multi-dimensional organization. It has a domestic Palestinian agenda, namely the establishment of a theocratic state in Palestine. It is part of the larger regional Muslim Brotherhood movement, and shares the aim of replacing secular regimes with “Islamic” governments. As such it is an integral part of the ongoing challenge to the state system in the Arab world.

However, it primarily defines itself domestically by its opposition to the two-state solution and to negotiations with Israel, and by its commitment to the use of violence and terrorism to achieve these goals. As such, the rise and fall of its political fortunes are organically linked to the credibility – and the loss thereof – of the peace process.

In its early years, Hamas occupied a fairly minor place within the Palestinian political map. Its initial attempts to undermine the peace process through terrorism were opposed by most Palestinians. Indeed, following a series of suicide attacks against Israeli civilian busses in 1996, the PA undertook an extensive security crackdown against Hamas. These security actions were generally supported by Palestinians, as the PA succeeded in framing Hamas' actions as detrimental to Palestinian national interest.

c. Hamas' rise to power

The collapse of the peace process in 2000, and the ensuing militarized second Intifada, which began at the end of September, marked the resurgence of Hamas. During this period, the personal safety of Palestinians was tenuous (of the 4,281 Palestinians killed by Israeli forces and civilians during the second Intifada, over 2,038 were Palestinian civilians according to the Israeli human rights group B'Tselem), their freedom of movement curtailed (through numerous and onerous checkpoints, highways reserved for Israeli citizens in the occupied territories, the separation barrier and other serious restrictions of movement and access) and their dignity routinely violated in countless ways. This period saw widespread despair and a total loss of confidence among Palestinians in the peace process and in Israel's intentions.

During the first few months of the second Intifada, especially October and November, the great majority of civilian casualties incurred were on the Palestinian side, including numerous children. Hamas, along with other Palestinian factions, beginning in December, embarked on a campaign of suicide bombings and other terrorist attacks against Israel, killing numerous Israeli civilians, while asserting the futility of negotiations. It is estimated that during the second Intifada, 1,053 Israelis were killed, including 334 combatants and 719 civilians. Israel responded to the suicide bomb attacks primarily by targeting the PA's security agencies.

The unilateral Israeli disengagement from Gaza in 2005 provided another boost for Hamas, which claimed that Israel withdrew as a result of its “resistance.” Attempts by the newly-elected Palestinian President Mahmoud Abbas to turn this from a unilateral to a negotiated process were rejected by Israel. As a result, the PA was unable to politically

capitalize on this event. In the end, Hamas was able to claim that “three years of resistance beat ten years of negotiations.”

Hamas participated in the January 2006 Palestinian Legislative Council (PLC) elections. It ran on a campaign of change and reform that capitalized on the failure of the peace process, and on the corruption and mismanagement that marred Fatah's rule. It emerged as the largest party in the PLC.

d. Hamas in power

Upon winning the elections, Hamas refused to renounce violence or recognize the framework that brought it to power – namely prior Palestinian-Israeli agreements, including the letters of mutual recognition between the PLO and Israel. In response, the international community – through the Quartet – announced that it would not engage Hamas until it renounces violence, accepts existing Palestinian commitments, and recognizes Israel's right to exist.

Hamas relied on support from Syria, in which a number of its senior leaders reside; Iran, which provides it with financial and military supplies, as well as training; and, increasingly, Qatar, which provides it with financial and diplomatic support.

The first government formed by Hamas in 2006 was boycotted by the international community, leading to its inability to pay salaries and provide basic services. Similarly, the Hamas members of the so-called “national unity” government, which was formed in early 2007 as a result of Saudi sponsored talks in Mecca, were boycotted by the international community.

In June 2007, Hamas initiated a bloody takeover in Gaza and seized control of the Strip. In response, Israel tightened its already onerous closure of Gaza, imposing a full blockade against the movement of goods and individuals.

The aim of the blockade was to weaken Hamas' control and to foment dissent against it. This failed. Instead of driving a wedge between Hamas and the civilian population, Gazans felt targeted by the blockade. According to B'Tselem, “since June 2007, no raw materials have entered Gaza, forcing 90 percent of the enterprises to cease operations. 3,500 businesses ... closed down and over 75,000 workers, who support half a million dependants, ... lost their jobs.” In addition, “80 percent of Gazan households [lived] below the poverty line... Households in deep poverty, living on less than 1,837 shekels a month, ... comprised 66.7 percent of the population. 80 percent of all Gazan families would literally starve without food aid from international agencies.” On March 7, 2008, several international aid groups, including Amnesty International, CARE International UK, and Oxfam, issued a report saying that the humanitarian situation in the Gaza Strip was more acute than at any time since the beginning of the Israeli occupation in 1967. They characterized the blockade as “collective punishment” against the 1.5 million residents of the territory. Palestinian anger and mistrust were directed at Israel and the West. The failure of the Annapolis process to produce tangible results compounded the situation.

e. The lost opportunity at Annapolis

After the Hamas takeover of Gaza, the international community under US leadership sought to reverse this dynamic by reviving the peace process. The Annapolis process aimed to make parallel progress on reaching a permanent status agreement while creating tangible improvements on the ground. The logic was to contrast an isolated Gaza under Hamas with the political, economic and security progress that was to take place in the West Bank under the PA.

The promise of Annapolis never materialized in a significant, tangible manner. A peace deal was not reached and quality of life in the West Bank did not improve. While advances were made in governmental reform – in terms of financial accountability and institutional reform – these remained largely at the macro level. Significant progress was made in improving law and order, due to the exceptional efforts and dedication of the Palestinian security services and US Security Coordinator Lieutenant-General Keith Dayton. However, these achievements were overshadowed by lack of progress on other fronts. Settlements continued to grow with 1,518 new structures built or set up in settlements and outposts in 2008, compared to 898 structures in 2007. Checkpoints proliferated, with more than 600 checkpoints and roadblocks imposed throughout the West Bank. The economic wellbeing of average Palestinians in the West Bank was not improved.

Palestinians were left coping with an isolated Gaza, a stagnant West Bank, and a moribund peace process.

This outcome further eroded the credibility of the PA's policy of negotiations. Hamas, which always claimed that Israel and the United States were never genuine about wanting a reasonable peace agreement, claimed vindication.

f. Build up to the Gaza War

After June 2007, Hamas and Israel became locked in a dynamic that led, inevitably, to the war in Gaza. It gives me no satisfaction to point to two publications by the American Task Force on Palestine in March and June of 2008, submitted as supporting documents at the end of this written testimony, that predicted and strongly warned against these developments.

Hamas and Israel were engaged in ongoing low intensity confrontations, defined by what seemed at that time as politically manageable levels of violence. This ongoing pattern was repeatedly punctuated by episodes of intense confrontations triggered by actions by both sides. Such flare ups followed a progressively worsening trend, where each episode became more intense than the previous one. Both Israel and Hamas were rapidly exhausting the means to maintain the armed conflict at manageable levels. Each time a

new tool was used, it lost its deterrence value, and created public demand for harsher measures the next time around.

Israel exhausted many of its non-military or limited military options. The full scale blockade – cutting off humanitarian, fuel and electricity supplies – it employed against the Gaza Strip proved ineffective. The international response, along with the skillful way Hamas turned the blockade to its tactical political advantage, removed its strategic utility for Israel. Similarly, progressively increased levels of localized use of Israeli ground and air forces failed to produce increased security for the inhabitants of the Western Negev. Instead, they gradually increased Israeli public demands for harsher responses.

Hamas also moved beyond manageable levels of violence. As long as Hamas was using short-range, low-impact Qassam rockets against sparsely populated areas in the south of Israel, Israeli response was likely to be limited. By introducing Grad missiles into the equation – which are capable of hitting more significant population centers and to inflict greater damage – Hamas also raised the threshold. As Israeli reprisals increased and intensified, Hamas was under similar pressure from its own constituents to step up its responses.

This dynamic was briefly interrupted through a temporary six-month lull – *tahdiya* in Arabic – that was brokered by Egypt and started on June 19, 2008. This lull, however, did not change the status quo ante: Hamas did not commit to ending arms smuggling and Israel did not commit to lifting the siege of Gaza. Both sides committed significant violations of the cease-fire inherent in the lull, with the most dramatic incident being an Israeli raid on November 4, in which six Hamas fighters were killed.

Towards the end of the agreed-upon lull, which expired on December 19, Hamas opted not to renew it, and resumed firing rockets into Israel. Predictably, Israel launched its wide-scale attack on Gaza on December 27.

2. Timeline of the conflict

27 December, 2008

Israeli armed forces began operations at approximately 11:30 a.m., using more than 50 fighter jets and attack helicopters. An estimated 225-292 Palestinians were killed and more than 1,000 wounded in the initial bombardment, the heaviest loss of life in the occupied territories since the 1967 war. The Israeli military said that it had attacked Hamas bases, training camps, and various rocket launching facilities, but attacks were also launched against equipment and government offices, police stations, and the Hamas headquarters. The bombed areas included a ceremony for new police officers. About 40 graduates were killed. At least 15 Palestinian civilians were killed.

Hamas launched approximately 70 rockets and mortars at Israel. A rocket hit an

apartment building in Netivot, killing one man, Beber Vaknin, and wounding six. Another rocket hit a synagogue in the Eshkol Regional Council on the same day, injuring two.

Israel closed access to the entire Gaza Strip to all international journalists at the outset of its operations, and continued to enforce the ban at almost all points during the hostilities, eventually in defiance of Israeli court orders.

28 December, 2008

Twenty-five airstrikes were conducted bringing the Palestinian toll to 287 dead and 900 wounded. Israeli jets also bombed tunnels in the Rafah area. Attacks also destroyed a metal workshop, and damaged the headquarters of the Al-Noor organization, and the Hamas-owned Al-Aqsa TV station.

Hamas rockets landed near the cities of Ashdod and Nahal Oz. An Ashdod woman, Irit Sheetrit, was killed at a bus stop and another person near Nahal Oz was also killed. Five other civilians were also wounded, two seriously.

In a clash at the Gaza-Egypt border, an Egyptian border security officer was killed by Palestinian gunmen, and several Palestinians were wounded by Egyptian gunfire.

The United Nations Security Council issued a statement calling “on the parties to stop immediately all military activities ... [and] to address the serious humanitarian and economic needs in Gaza and to take necessary measures, including opening of border crossings...”

29 December, 2008

The Israeli Air Force attacked the Islamic University of Gaza, claiming that it was both an important “cultural symbol” of Hamas authority in Gaza, but also that it was involved in paramilitary activities and was therefore “a fair target.” The Palestinian interior ministry was also struck, as well as a mosque in the Jabaliya refugee camp.

The Palestinian death toll reached an estimated 415, including five young girls whose house was adjacent to the bombed mosque, as well as Ziad Abu-Tir, a senior member of the Islamic Jihad organization. The International Red Cross reported that hospitals in the Gaza Strip were overwhelmed and unable to cope with the casualties.

The Israeli city of Ashkelon was hit by a Hamas rocket, killing a Palestinian citizen of Israel, Hani al-Mahdi, and seriously wounding three other people.

30 December, 2008

Israeli air-strikes struck five ministerial buildings, another structure owned by Islamic University, a sports center, two Hamas training camps, the home of a senior Hamas

commander, and offices of the Popular Resistance Committees. The “whole compound” of ministerial buildings in Gaza City, including the Ministries of Finance, Interior and Education, were “completely destroyed.” The headquarters of the Gaza Community Mental Health Program was also destroyed.

A Grad missile launched from Gaza landed in an empty kindergarten in Beersheba, causing damage.

Israel permitted 100 trucks carrying humanitarian supplies, and five ambulances donated by Turkey, to enter the Gaza Strip via the Kerem Shalom border crossing.

31 December, 2008

40 more Palestinians, including at least five civilians, were killed, and another mosque in Gaza, which Israel claimed was being used as a military storage site, was bombed.

Additional rocket attacks continued against Israel. A rocket hit the Makif Alef high school in Beersheba, with no injuries reported.

Ninety-three trucks carrying medicine, medical supplies and food donated by Jordan and international organizations were allowed entry to the Gaza Strip, through the Kerem Shalom border crossing.

January 1, 2009

Israeli air strikes hit Gaza's parliament building, and the offices of the education and justice ministries, leaving four dead and 25 wounded, among numerous other sites. The Israeli Air Force dropped a one-ton bomb on the home of Nizar Rayyan, a senior Hamas political leader, in the Jabaliya refugee camp, killing him, and reportedly also 9 women (including at least two of his four wives,) and 11 of his children, and wounding another 30 persons.

Additional rocket attacks on Israel caused limited damage.

Ninety trucks carrying food and medical supplies provided by international organisations entered the Gaza Strip through the Kerem Shalom border crossing.

January 2, 2009

Israel bombed the homes of 20 Hamas officials and one of these attacks, in Khan Yunis, killed five civilians. Israel briefly opened the Erez crossing to allow about 440 residents with foreign passports to leave the Gaza Strip. In a particularly disturbing incident near Deir al-Balah, a Red Cross ambulance, which had arrived to transport survivors following an initial attack, was destroyed by a secondary Israeli attack. The two crew members in the ambulance were injured and hospitalized.

Thirty Hamas rockets were fired at Israel, resulting in three people being lightly injured.

January 3, 2009

Israeli ground troops entered Gaza for the first time since the outbreak of hostilities on December 27. Israel also bombed the Maqadna Mosque in Beit Lahiya, in which 200 Palestinians had gathered, killing 13, including six children, and wounding many more. The American International School in Gaza was also destroyed in an Israeli attack that killed one person. Abu Zakaria al-Jamal and Jamal Mamduh, along with other senior Hamas figures, were killed in attacks on their homes along with various family members.

At least 34 rockets were fired at Israel, damaging several buildings, and lightly injuring one woman in Netivot. An apartment building in Ashdod was hit, wounding two, as well as a playground in Ashkelon and a cafeteria in a kibbutz bordering the Gaza Strip.

January 4, 2009

Israeli ground troops entered Beit Lahiya and Beit Hanoun, bisected Gaza and surrounded Gaza City, which was the scene of heavy fighting. Senior Hamas figures Hussam Hamdan and Muhammad Hilou, among others, were killed in Israeli attacks.

At least 17 people were reportedly killed and 130 injured when Israeli shells fell near a school and the central market in Gaza City. An Israeli tank shell fired in northern Gaza killed 12 people, apparently including civilians. An Israeli missile hit a house in the Shuja'iyya neighborhood, killing a mother and her four children. An ambulance operating out of Al-Awda hospital in the northern city of Beit Lahiya was shelled, seriously injuring four medical staff. The Israeli military fired tank and naval shells into houses in the Tuffah district and Shati refugee camp, killing numerous civilians. In the notorious "Zeitoun incident," at least 30 Palestinian civilians including 11 members of the Samouni family, were killed by Israeli forces after reportedly being herded, without explanation, into a warehouse and then attacked.

Fatah officials in Ramallah accused Hamas operatives of a systematic campaign of maiming and killing its Palestinian political rivals in Gaza during the hostilities with Israel, while Hamas announced that it had killed 35 Palestinians suspected of collaborating with Israel.

At least 41 rockets and mortars were fired into Israel, lightly wounding three civilians.

January 5, 2009

Israeli ground forces seized control of large parts of the Gaza Strip, and tens of thousands of Palestinian civilians sought refuge in Gaza City, which was reportedly the scene of numerous street battles. Reports began to emerge that Israel might be using white phosphorous munitions and cluster bombs in the operation.

Israeli tank shelling killed at least 24 civilians in the Gaza Strip, 13 of them children. A family of seven were killed by an Israeli airstrike in al-Shati Camp east of Gaza City. In Gaza's Zeitoun neighborhood, seven members of another family were killed and in separate incident, a pregnant Palestinian woman and her four children were also killed. Three paramedics were killed in an Israeli attack on a Palestinian ambulance.

Israel claimed to have killed approximately 100 Hamas fighters, and Hamas claimed to have killed nine Israeli soldiers. Israel claimed most of its losses were the consequence of “friendly fire” errors.

Over 40 rockets were fired at Israel, injuring four Israelis.

January 6, 2009

In the third Israeli military attack on a UN-operated school since the beginning of hostilities, tank shells exploded outside the Al-Fakhura school in which hundreds of Palestinians had sought refuge, killing at least 43 civilians and injuring many more.

An Israeli military attack on Deir al-Balah and the Bureij refugee camp reportedly killed 10 Palestinian civilians, including a father and his three children, and at least 10 more Palestinian civilians were killed in other incidents. One Israeli soldier was reported killed.

An Israeli attack on an apartment building the previous evening reportedly killed 12 members of the same extended family; the bodies of 7 children aged one to twelve years old, 3 women and 2 men from the Daya family were reportedly retrieved from the wreckage.

At least 30 rockets were fired into Israel, one hitting Gedera for the first time and lightly injuring a 3-month old girl.

January 7, 2009

At least 12 Palestinians were killed in Israeli military attacks, while at least 15 rockets hit Israel, causing no casualties.

Following the strikes, Israel initiated a three-hour “humanitarian truce.” During the temporary truce, 80 aid trucks were allowed to enter the Strip, some of which delivered industrial fuel to Gaza's power plant.

January 8, 2009

At least four Palestinians were killed and at least 22 wounded in additional Israeli military actions. Two Israeli soldiers were also killed.

A UN aid convoy was fired upon by Israeli forces, killing a driver. The UN claimed the attack happened in spite of coordinating its movements with the IDF, and suspended all

relief activities in Gaza pending security guarantees from Israel.

Three Katyusha rockets were fired from Lebanese territory into northern Israel, injuring three civilians.

The UN Security Council adopted Resolution 1860, “stressing the urgency of and calls for an immediate, durable and fully respected ceasefire, leading to the full withdrawal of Israeli forces from Gaza,” and welcoming Egyptian mediation and cease-fire efforts. The United States abstained.

January 9, 2009

Both Israel and Hamas rejected the UN Security Council Resolution. The UN said it would resume relief efforts in Gaza, since it had received regrets and security guarantees from Israel. The Israeli attacks continued to sustain Palestinian casualties, while at least 30 rockets were fired deeper than ever into southern Israel, with no casualties reported.

January 10, 2009

Israeli attacks in Gaza continued, with at least eight Palestinian civilian killed by tank fire in the town of Jabaliya. Israel claimed to have killed at least 15 Hamas fighters, including a senior Hamas leader, Amir Mansi.

A relatively small number of rockets were fired into Israel, lightly wounding two people.

The Israeli military continued its policy of daily three hour cease-fires to allow for food distribution and other essential activities.

January 11, 2009

Israel bombed a mosque in the town of Rafah, which it claimed was being used for military purposes. Reports suggested that heavy fighting in the Gaza City neighborhood of Sheikh Ajalin left at least 40 Hamas fighters dead, among numerous other instances of intense violence. Palestinian medical officials accused Israel of using white phosphorous munitions in attacks near the village of Khouzaa to the east of Khan Younis.

Two rockets landed in the Israeli city of Beersheba, and several other cities were also targeted, one rocket hitting the outer wall of a kindergarten in Ashdod and another exploding adjacent to a school in Sderot.

January 12, 2009

At least nine Palestinians, including five civilians, were killed by Israeli forces. Four Israeli soldiers were wounded, and Hamas claimed to have destroyed two Israeli tanks, which Israel denied. Some sources reported that Hamas seized 100 trucks with humanitarian aid meant for civilians.

January 13, 2009

Israeli bombardment of numerous sites in the Gaza Strip continued, while its ground forces advanced into the southern and eastern suburbs of Gaza City. Three Israeli soldiers were reportedly injured, and numerous Palestinians killed.

January 14, 2009

Israel persisted with heavy bombardment of the Gaza Strip, including areas along the border with Egypt and at a cemetery in Gaza City. Numerous reports suggest that Israeli army fired upon the UN headquarters in Gaza, schools, ambulances, hospitals and media offices, and UN Secretary-General Ban Ki-moon officially protested the actions.

January 15, 2009

Following intense artillery and air bombardments, Israeli ground forces advanced into the center of Gaza City. The UN headquarters in Gaza city was attacked, destroying tons of humanitarian aid and injuring three civilians. Tank shell attacks prompted the evacuation of the Al Quds hospital.

An exceptionally high ranking member of Hamas and its interior minister, Saeed Siam, along with his brother, Iyad Siam, were killed in an Israeli attack on Iyad Siam's house. Palestinian sources reported that two other senior Hamas figures, Salah Abu Shreh, and Mahmoud Watfah were also killed and that 20 other people were injured in the attack. The attack also heavily damaged a neighboring house, killing five civilians including four children. Numerous other attacks resulting in civilian deaths were reported throughout the day in Gaza City. Israeli forces claim to have killed an additional 40 Hamas fighters, and one Israeli soldier was reported killed and another severely wounded.

Two rockets fired into southern Israel wounded five people, including a 7-year-old boy.

January 16, 2009

The bodies of 23 Palestinians were pulled from the rubble in the Tel al-Hawa district of Gaza City after Israeli tanks withdrew from the area. 15 rockets fired into southern Israel caused numerous, mostly light, injuries. A 14-year-old Palestinian boy was killed by a missile fired from an Israeli drone.

January 17, 2009

As speculation increased about an imminent cease-fire, Israeli bombardment intensified. The United Nations reported that two children, aged five and seven, were killed when Israeli tank fire hit yet another UN school where hundreds had taken shelter in the northern town of Beit Lahiya. 14 other civilians were wounded in the attack.

January 18, 2009

Israel announced and implemented a unilateral cease-fire claiming success, and reserving the right to resume hostilities at any moment. Hamas responded by issuing a unilateral cease-fire of its own, and demanded that Israel withdraw all forces from Gaza within a week, reopen border crossings and deliver aid.

In the first death following the cease-fire announcements, a Palestinian farmer was killed by an Israeli soldier at his farm in Khan Younis period

January 20, 2009

Another Palestinian farmer was killed by the Israeli military while attempting to return to his farm in Jabaliya and two children were killed by Israeli bomb left behind in Gaza City.

January 22, 2009

Hamas accused Fatah of spying for Israel, while Fatah said that at least 175 of their members had been rounded up and tortured by Hamas in recent days.

January 27, 2009

One Israeli soldier was killed and three others wounded in a bomb attack along the border near the Kissufim crossing. A Palestinian was killed by Israeli helicopter fire east of Khan Yunis.

February 1, 2009

Several rockets fired at Israel lightly injured two Israeli soldiers and a civilian. Israel responded by bombing numerous sites in central and southern Gaza.

February 3, 2009

The UN reported that Hamas forces raided a UN warehouse in Gaza City, stealing “3,500 blankets and 406 food packages ready to be delivered to hundreds of poor Gaza families.”

February 5, 2009

Hamas reportedly stole 220 tons of rice and 110 tons of flour from the UN relief services in Gaza, with UNRWA then announcing that relief work in Gaza would be suspended until the stolen supplies are returned, and the agency is “given credible assurances from

the Hamas government in Gaza that there will be no repeat of these thefts.”

February 9, 2009

UNRWA announced that all of the supplies stolen by Hamas on February 3 and 5 had been returned, and that, as a consequence, it was lifting its February 5 suspension of humanitarian relief efforts.

3. Humanitarian and infrastructure impact of the Gaza war

a. Deaths and injuries among Palestinians, including civilians

The Palestinian Ministry of Health reported that between December 27, 2008 and January 31, 2009, 1,380 Palestinians had been killed, including 431 children and 112 women. A majority of those killed were reportedly civilians. Approximately 5,380 Palestinians were reported injured, including 1,872 children and 800 women. This number does not include those who died due to lack of access to regular health care. The Israeli military, on the other hand, claims that between 1,100 and 1,200 Palestinians, comprising 700 militants and 250 civilians, were killed in the hostilities. Numerous eyewitness reports in both the international and Israeli media cite various instances in which Palestinian civilians carrying white flags were allegedly shot and killed by Israeli soldiers.

Various reports also suggest that during the hostilities Hamas fighters may have killed numerous Palestinians either accused of collaboration with Israel or because of membership in rival political organizations, and wounded many more. A report issued on February 10 by Amnesty International said that “Hamas forces and militias in the Gaza Strip have engaged in a campaign of abductions, deliberate and unlawful killings, torture and death threats against those they accuse of ‘collaborating’ with Israel, as well as opponents and critics,” including members of Fateh and Palestinian Authority security forces. The report added that “Scores of others have been shot in the legs, knee-capped or inflicted with other injuries intended to cause severe disability, subjected to severe beatings ... or otherwise tortured or ill-treated.”

b. Deaths and injuries among Israelis, including combatants

Four Israeli civilians were reportedly killed during this conflict, along with 11 Israeli soldiers. At least 80 Israeli civilians were injured by rocket attacks during the same period. Israeli military sources estimate that Palestinian groups launched approximately 565 rockets and 200 mortars at southern Israel between December 27 and January 13.

c. Use of civilians as human shields by both sides

There have been credible reports of the use of civilians as human shields, in some form or another, by both sides in the conflict. Israel's definition of "legitimate targets" included a great deal of what would normally be considered civilian, normal government and social infrastructure, institutions and amenities. In addition, numerous eyewitness reports suggest incidents in which Israeli troops used Palestinian civilians as literal human shields or for forward entry into potentially mined or booby-trapped areas. Fred Abrahams, a Human Rights Watch senior researcher said, "There is powerful evidence that Israel used the tactic [of using civilians as human shields] that they are accusing Hamas of using." The Israeli human-rights group B'Tselem agreed, saying, "The testimony seems pretty extensive and presents grave suspicions that Israeli soldiers forced Palestinians to perform dangerous tasks, and the fact that we're seeing these allegations on such a wide scale leads us to suspect that this was policy and not the decisions of one or two random soldiers."

The BBC reported that, "Witnesses and analysts confirm that Hamas fires rockets from within populated civilian areas, and all sides agree that the movement flagrantly violates international law by targeting civilians with its rockets." Amnesty International has also accused both Israel and Hamas fighters of using Palestinian civilians as human shields. The organization said it had evidence that Israeli troops had forced Palestinian civilians to stay in their homes after taking them over as sniper positions or bases. "This increases risk to families and means they are effectively being used as human shields," Amnesty International said. Hamas fighters also put civilians in danger by firing from homes, the organization claimed. "The use of these tactics at a time when armed confrontations are taking place in streets in the middle of densely-populated residential areas underlines the failure of both sides to respect the protected status of civilians in armed conflict," said Amnesty official Malcolm Smart.

Israeli officials and others frequently claimed throughout the war that Hamas leaders and fighters used hospitals and mosques as hiding places and military storage sites. Shin Bet Chief Yuval Diskin reportedly told the Israeli cabinet that many Hamas operatives were hiding in hospitals and some were posing as medical staff, and that others were hiding in mosques and using those buildings as weapons storage sites. On February 1, the Israeli newspaper *Ha'aretz* reported that "senior Hamas officials in Gaza are hiding out... in the basements of the Shifa Hospital complex in Gaza City..." This allegation was denied by both UNRWA and the hospital's administrators, although additional independent news reporting seemed to add credence to the allegations.

Certainly, Israel treated some hospitals and mosques as targets, attacking both on numerous occasions. On January 3, the IDF shelled the Ibrahim al-Maqadna mosque in Beit Lahiya, killing 13 people, among numerous other attacks on mosques during the war. There were also many Israeli attacks on Palestinian hospitals and medical facilities. On January 4, 2009, Israel attacked the Al-Raeiya Medical Center and its mobile clinics. On January 11, Israeli forces destroyed a clinic run by Catholic relief group Caritas in al-Meghazi. The Al-Quds hospital was shelled on January 16. On January 11, a senior Israeli military official accused Hamas fighters of using Red Crescent ambulances, after several of these ambulances were attacked. On January 14, Israel's Ambassador to the United Nations filed a formal complaint with the UN

regarding the alleged discovery of a “war room” in the basement of the Al-Shifa Hospital, accusing the Hamas leadership of using patients there as “human shields.”

d. Particularly troubling incidents involving civilians

Samouni family incident

According to numerous reports, early in the morning of January 4, Israeli troops, without explanation, apparently ordered about 110 members of the Samouni family and others into a warehouse, where they waited without running water or food for 24 hours. Starting at 6:35am on the 5th, the house was repeatedly shelled. Some of the victims were reportedly killed inside the building by falling masonry; although the rest attempted to flee the warehouse, the majority of the dead were apparently killed outside the building by shrapnel. There have also been eyewitness reports suggesting that civilians attempting to leave the building were deliberately shot by Israeli soldiers. Initial reports were of 60 to 70 killed; the UN count of the total killed was 30, with 11 Samouni family members dead. A few survivors, some wounded, others carrying some of the dead or dying, managed to reach Gaza's main north-south road where passing cars stopped to take them to the hospital. A Red Crescent volunteer said that injured people were left behind: “we could not get to them and it was no longer safe for us to stay.” According to the Red Cross, ambulances were not given permission to enter the neighborhood to retrieve the injured from the building until a day later. Three children later reportedly died after they were transported to hospital. No credible explanation for, or investigation into, this incident has been made public.

Al-Fakhura school incident

At least 43 Palestinian civilians were killed and many more injured in an Israeli tank shell attack outside the UNRWA-operated Al-Fakhura school in which at least 350 Palestinian civilians were seeking shelter from the fighting. Two tank shells exploded outside the school, spraying shrapnel on people inside and outside the building. As investigations have proceeded, it has become increasingly apparent that most of the dead were killed outside rather than inside the building. The Israeli military claimed that mortars were fired from inside the school and that Israeli soldiers were responding to them. Both the United Nations and Hamas rejected the claims of any fire from the school. The UN buildings that had been fired upon displayed the UN flag, and the UN had provided GPS coordinates of UN schools sheltering civilians to the IDF. Secretary-General Ban condemned the attack as “totally unacceptable.”

The attack against the home of Dr. Izzeldeen Abu al-Aish

While this may not have been among the most deadly incidents involving the Israeli killing of Palestinian civilians during the hostilities, it was certainly among the most dramatic in terms of its public impact and pathos. Dr. Abu al-Aish, an Israeli trained and Hebrew speaking physician was a frequent guest in the Israeli media. On January 16, two Israeli tank shells hit his home in Jabaliya, killing three of his daughters - Bisan, aged 20, Mayar, 15, Aya aged 13 and his 17-year-old niece Nur - and severely injuring a surviving daughter, Shatha, and two other relatives. Because of his direct contacts with the Israeli media, Dr. Abu al-Aish was able to immediately telephone a live Israeli news broadcast to report the tragedy. Dr. Abu al-Aish had been acting as an unofficial correspondent for a Tel Aviv-based TV station, giving daily updates by phone. Minutes after the shell hit his house, Dr. Abu al-Aish phoned the station's presenter to describe what had happened, crying: "My daughters, they killed them, Oh Lord. God, God, God." The visibly shaken Israeli television anchor Shlomi Eldar commented, "It feels to me as if some of our audience is seeing and hearing about the high price ordinary Palestinians are paying in this conflict for the first time." The wrenching documentation of his anguish and devastation served, and continues to serve, as one of the most powerful representations of the suffering of the innocent civilian population of the Gaza Strip during this conflict. A subsequent Israeli military investigation into the attack admitted responsibility and extended condolences, but described the action as "reasonable" under the circumstances.

e. Targeting United Nations relief efforts and workers

United Nations relief efforts and workers were not spared during the Gaza war. On January 8, the UN temporarily suspended essential food delivery operations after Israeli strikes killed one of its drivers and injured a second after they had received Israeli clearance to proceed with their relief convoy. The body of another UN worker killed in a bombing several days before was discovered on the same day the driver was killed, and UN officials said the suspension would continue until they received adequate assurances from Israel that such incidents will not be repeated. UNRWA said the clearly marked convoy carrying a UN flag and picking up supplies at the Erez crossing into Gaza had been coordinated with Israeli liaison officers who gave the green light. A second equally coordinated and marked UN medical convoy on its way to fetch the body of an UNRWA staffer killed in an earlier bombardment came under light arms fire in Gaza City.

On January 15, at about 10 a.m., an Israeli tank or artillery shell crashed into the United Nations headquarters in Gaza City. The UN reported that within an hour there was a large explosion and fire erupted in a workshop area where trucks were parked. As the trucks were moved, six other rounds were fired into the same area and international staff identified them as burning like phosphorous. "It looked like phosphorous, it smelled like phosphorous and it burned like phosphorous, so that's why I'm calling it phosphorous," said UNRWA head John Ging. Three people were injured in the attack, and tons of food and other aid were destroyed. Israel said it was responding to Hamas fire from the vicinity of the UNRWA headquarters. Mr. Ging stressed that there were no militants in or

firing from the compound. Secretary-General Ban, upon touring the site of the devastated headquarters, said “I am just appalled. I am not able to describe how I am feeling, having seen this site of the bombing of the United Nations compound. This was an outrageous and totally unacceptable attack against the United Nations.”

Hamas too has been guilty of targeting UN relief efforts intended to benefit Gaza civilian residents. On February 3, Hamas fighters seized at gunpoint 3,500 blankets and over 400 food parcels from a distribution store in Beach Camp in Gaza. During the night of February 5, 10 truckloads of flour and rice were taken from the Palestinian side of the Kerem Shalom Crossing into Gaza, according to UNRWA, which said in a statement that “The food was taken away by trucks contracted by the Ministry of Social Affairs. Two hundred metric tons of rice and 100 metric tons of flour were taken.” On February 5, the UN suspended all imports of desperately needed aid after Hamas yet again stole hundreds of tons of food. Secretary-General Ban demanded that Hamas immediately return the food to UNRWA, which said its suspension would remain in force until such a return and until “the Agency is given credible assurances from the Hamas government in Gaza that there will be no repeat of these thefts.” His demands were subsequently met and UN aid work resumed in Gaza on February 9.

f. Economic and Infrastructure damage due to the conflict

Early independent estimates say that Gaza lost nearly \$2 billion in assets, including 4,100 homes destroyed and 20,000 severely damaged, about 1,500 factories and workshops, 24 mosques, 31 security compounds, and 10 water or sewage lines. Egypt is scheduled to host an international conference on reconstruction efforts on March 2.

The World Health Organization says that 34 health facilities (8 hospitals and 26 primary health care clinics) were damaged over the course of the offensive and the UNOCHA said that over 50 United Nations facilities sustained damage. 60 percent of Gaza's cement plants are now inoperable and a third of all metal workshops were destroyed. Israeli air strikes also targeted the territory's largest flour mill, wiping out 10,000 tons of wheat, as well as its Pepsi-Cola bottling plant and the locally made rival, Mecca Cola. It is estimated that rebuilding will urgently require building materials of all kinds, including 3.2 million square feet of glass to fix broken windows, along with 2,000 tons of aluminum and thousands of tons of cement.

Only 23 of Gaza's 3,500 industrial firms were still functioning and of the 35,000 industrial workers employed before the closure of the territory in October 2007, 33,000 had already been laid off before the offensive. The remainder are now also out of work, because none of the factories still standing have raw materials for production. The United Nations estimates that of the 6,000 businesses started up in Gaza by micro-loan programs since 2006, only 2,500 are still running at this point.

Approximately 80% of the population of the Gaza Strip are dependent on international aid support for basic nutrition and other essentials. UNRWA has increased the number of its food aid beneficiaries from 750,000 to 900,000 and towards the end of the conflict was helping 10,000 homeless people with rental payment. At the height of the conflict, more than 50,000 people were seeking refuge in facilities of UNRWA. Tens of thousands of others whose homes were destroyed or damaged in the Israeli bombardment have sought refuge with relatives and friends, but there is a continued need for additional blankets and clothes even among those who have found alternative shelter.

The UN Food and Agriculture Organization (FAO) reported that almost all of Gaza's 13,000 families who depend on farming, herding and fishing suffered damage to their assets during the conflict, with many farms completely destroyed. "Farmers already struggling to make a profit before the outbreak of the conflict are now facing the possible irreversible loss of their livelihoods, as they are unable to replace or repair destroyed equipment, land and livestock," FAO Senior Project Coordinator in Jerusalem Luigi Damiani said. "For many women whose husbands were killed or injured during the conflict it is becoming increasingly difficult to provide food for their families."

4. Reconstruction requirements for the Gaza Strip

The scale and essential conditions for post-conflict reconstruction in the Gaza Strip were succinctly described by UN Under-Secretary-General for Humanitarian Affairs John Holmes, who said after his fact-finding mission following the initial cease-fire in early February, "The mission was struck by the scale and urgency of the needs of the people of Gaza, and the heavy and multi-faceted impact that this conflict has had on the civilian population." Crucially, however, he added that the success of relief operations would be largely dependent on three factors: "access for aid agencies, a durable ceasefire and no political interference from any party."

There are three distinct aspects to humanitarian relief and reconstruction in the Gaza Strip: 1) immediate human needs; 2) immediate infrastructure reconstruction requirements; 3) long-term infrastructure and reconstruction requirements. It should be understood that all aid and reconstruction efforts must be performed in a manner consistent with essential political and security imperatives discussed elsewhere in this written testimony

a. Immediate human needs

Food

Immediate problems:

- Significant shortages of all basic foodstuffs and supplies have been increasing since the closure of the Gaza Strip in 2007, but took a serious turn for the worse during the recent hostilities.
- The overall increase in price of fresh foods, including wheat flour, poultry, livestock, fish, fruits, vegetables, cooking oil and other essentials has increased the difficulty of daily life for Gaza residents significantly and posed a serious threat of under- and mal-nutrition.
- The UN is responsible for feeding 900,000 refugees in Gaza, yet can only get food packets out at a daily rate of 30,000, because, they say, “We have the infrastructure, we have the staff, but we don’t have the food” due to Israeli restrictions at border crossings. Israel has recently been impeding the importation of plastic required for the preparation of food packages the UN uses to distribute its food aid in Gaza, also compromising this essential mission.
- This situation has been additionally exacerbated by the theft at gunpoint of the UN relief supplies, including food, by Hamas gunmen on at least two occasions in early February.

Immediate remedies:

All parties must cooperate in increasing the importation of food and other nutritional necessities into the Gaza Strip by the United Nations and credible international NGOs. Israel should refrain from impeding this importation, and Hamas must immediately and permanently stop stealing humanitarian aid supplies.

Water, sanitation and hygiene

Immediate problems:

- An estimated 500,000 Gaza residents are still without access to a safe water supply.
- All two million liters of wastewater at Gaza City's treatment plant, bombed on January 10, leaked into surrounding agricultural land. Cross-contamination between water and wastewater networks poses an imminent public health risk.

Immediate remedies:

Immediate assistance is needed to repair and rebuild water/sewage infrastructure in order to reestablish minimum service and sanitation.

Electricity and power

Immediate problems:

- At the height of the crisis, two-thirds of Gaza residents were without power.
- At present, it is estimated that Gaza residents and institutions are receiving 84% of their electricity needs.
- Rolling blackouts continue in most of Gaza, with some areas having power for only half the day.

Immediate remedies:

According to the UN, 38 transformers needed for the repair of the electricity system are waiting for Israeli permission to enter Gaza; these need to be allowed in immediately. Necessary fuel, spare parts and other essential supplies for power and electricity must be allowed entry into the territory.

Shelter

Immediate problems:

- 2.6% of all homes in Gaza were completely destroyed, and 20% sustained light to heavy damage. It is estimated that a total of at least 20,000 homes have been destroyed or damaged.
- 51,000 people are estimated to have been displaced from their homes, with several thousand more living with host families.

Immediate remedies:

Sustainable alternate shelter, followed by repairs to these homes, are urgently needed so people can live decently until they can return to their residences.

Health care

Immediate problems:

- Quality of health care has been reduced by lack of maintenance and spare parts for equipment, shortages of drugs and medical supplies, and reduced training for medical staff – all urgently need to be addressed.
- Injuries sustained during the war are often multiple traumas with head injuries, thorax and abdominal wounds predominating.
- Medical authorities report that approximately 40% of interventions required amputations.
- Health care personnel were among the casualties, including 16 killed and 22 injured while on duty.
- Estimated that 40% of chronically ill persons in Gaza interrupted their treatments.
- More than 50% of people surveyed by Care International just after the ceasefire said they faced difficulties accessing basic medicines such as antibiotics and drugs for diabetes, and heart disease - 60% of them said their health had worsened as a result.

Immediate remedies:

All necessary medical supplies, equipment and spare parts for essential health-care work must be gathered through significant international relief efforts and allowed into Gaza by Israel.

Wages and salaries

Immediate problems:

Cash/liquidity is urgently needed to restart cash-for-work and cash assistance programs to social hardship cases, pay PA salaries, reactivate the private sector and prevent increasing dependence on aid. Agencies and mechanisms should concentrate on:

Immediate remedies:

Israel must allow cash transfers from the PA to Gaza banks to meet the needs of the guys financial and banking system. Aid organizations should focus on temporary financial support to those families most affected by the conflict, as well as payment support for those assisting in cleanup and rubble removal activities and other employment opportunities, contributing to rapid improvements of family finance and living conditions.

b. Immediate infrastructure reconstruction requirements

Early recovery/reconstruction efforts

- The immediate removal and recycling of war debris, clean up and disposal of unexploded ordnance. On February 4, the United Nations Department of Safety and Security (UNDSS) advised UN facilities in Gaza to remain closed and UN staff to remain at home while United Nations Mine Action Service (UNMAS) teams work to neutralize unexploded ordinance, which remains a serious threat to relief workers and local Gaza residents alike.
- Initial rehabilitation of essential infrastructure.
- The provision of immediate early recovery services in the areas of shelter and essential employment.

Operational security and access for humanitarian agencies working in Gaza

- Ongoing hostilities, attacks from both Israeli military and Hamas gunmen and unexploded ordnance pose significant physical dangers to both local Gaza residents and aid workers. Both sides must refrain from such abuses.
- Ten days after the ceasefires were announced, the UN said 30 international humanitarian workers had been about to enter Gaza, but there were outstanding requests to the Israeli authorities for permits for another 140. These and similar

requests for entry of humanitarian workers from credible international organizations should be honored.

Border crossings and essential supplies

Any long-term, sustainable solution to the humanitarian and reconstruction needs in Gaza requires the opening of the Gaza crossings under PA control with international supervision.

However, to address the immediate humanitarian needs of the civilian population of Gaza, a formula must be found to allow the Nahal Oz crossing to become fully and predictably open for the supply of fuel, because it is the only crossing that can facilitate large transfers of fuel needed to operate power plants and other fuel needs, including industrial diesel, as well as ordinary diesel, petrol and cooking gas. A similar formula needs to be found to allow the opening of the Karni crossing for the delivery of wheat via the conveyor belt. An overall method for allowing the use of the other crossings to facilitate the importation of the spare parts and other equipment required for the rehabilitation of essential civilian infrastructure must also be developed.

The UN says that the number of trucks being allowed through by Israel is “insufficient,” and that that only a limited array of items are being permitted to enter through the crossings, including bans on items such as plastic bags, which are needed for the distribution of food aid. The UN has also complained that Israel’s continued closure of most access points is depriving the UN of paper to print a human rights program to teach children to eschew violence.

Serious health risks during the post-ceasefire period, which must be addressed or avoided through immediate healthcare and other infrastructure reconstruction

- Of 122 Gaza health facilities assessed by the WHO, about 48% were found to have been damaged or destroyed; 16 hospitals (out of 27) and 38 primary health care clinics in the Strip were damaged during the hostilities. Repair work on such damage must begin immediately.
- 29 ambulances were partially damaged or destroyed, and must be repaired or replaced immediately.
- Lack of access to specialized tertiary medical care to patients in Gaza must be addressed in a systematic manner.

Education

Immediate reconstruction efforts focusing on education need to address the following serious challenges:

- 56% of population of Gaza are children and require proper and safe educational supplies and, in a more long-term contacts, facilities.
- All schools were closed from December 27, 2008 to January 24, 2009, causing approximately 540,000 students at all levels to miss at the least a month of school. Any repetition of this must be avoided.
- Immediate assistance is needed to provide essential teaching/learning resources and supplies, including items as simple as paper and pencils that have been restricted by Israel and should be allowed into Gaza immediately.

Potential long-term environmental and health impact of the military operation

Destruction of infrastructure resulted in large amounts of rubble, possibly containing asbestos and other hazardous chemical substances such as PCBs. This needs to be managed as safely and expeditiously as possible. The Gaza City Wastewater Treatment Plant continues to discharge 60 million liters of raw sewage into the sea every day due to damage sustained during the Israeli offensive. Other sewage leakage and cross-contamination between wastewater and other water poses significant potential health risks and must be a priority for public health purposes.

c. Long-term reconstruction and infrastructure requirements

Overall scale of reconstruction

- Over 21,000 homes were severely damaged or destroyed, along with numerous governments and other public buildings.
- About 1,500 factories and workshops, 20 mosques, and 10 water or sewage pipes were also damaged.
- Two separate Palestinian surveys have put the cost of the damage just under \$2 billion.
- No less than three years of reconstruction effort will be required under the best circumstances.

Agricultural infrastructure

Core problems in the agricultural sphere include:

- Essential inputs that are needed to sustain the agricultural sector are banned from import, while agricultural produce is banned from export.
- High demand for inputs is raising prices and production costs.

- Numerous agricultural fields were significantly damaged, and 140 agricultural wells were destroyed during the Gaza war.

Long-term remedies require that the international community and all responsible parties must assure a steady flow of essential agricultural inputs, repair wells and agricultural fields, facilitate the restarting of the growing season, and find means to encourage farmers and fishermen to return to work.

Long-term food security and nutrition

Beyond immediate humanitarian relief, long-term Palestinian economic development solutions are required to address the following challenges:

- More than 75% of the entire population is now considered “food insecure.”
- Critical shortages of basic supplies like wheat flour (the major staple the Gaza Strip), cooking oil, etc. must be addressed.
- Limited supply of cooking gas and water is hampering food preparation for families and institutions.

Water, sanitation and hygiene

Gaza's sewage and water authorities estimate it will cost \$6 million to repair the water and sewage network. Long-term repair and rebuilding of the Gaza water/sewage infrastructure is necessary in order to provide sustainable and acceptable levels of water, sanitation and hygiene for the population.

Health care

Rebuilding the health care system across the board, especially with regard to facilities, equipment, supplies, training and staffing, is required to ensure the restoration of minimally acceptable levels of medical care.

Psycho-social support and mental health

- Mental health and psycho-social well being depends on an overall sense of security that comes from living in both a safe and supportive environment.
- Addressing the widespread mental health and emotional issues created by stress, trauma and other inevitable consequences of the recent hostilities in Gaza will require a cross-disciplinary and multi-agency approach, and will depend in large part on other successful reforms and reconstruction for their long-term efficacy.
- UNICEF has stressed that children, who had nowhere to hide, were severely psychologically affected by the conflict. As a result, child protection – including mine-risk education, psychosocial support and recreational opportunities to create

a sense of normalcy – must be a long-term project in Gaza and has significant political as well as individual and social implications.

Education

- Seven schools in northern Gaza were badly damaged and approximately 157 primary schools were partially damaged, and repair work should begin as soon as possible.
- Coordination and advocacy for long-term Gaza education projects between multiple agencies, international bodies and credible and responsible Palestinian NGOs is required.
- Across the board educational needs assessment projects will be required.
- Reconstruction in the education sector must be geared to improving the overall emotional situation of affected/traumatized children, very likely to be an extremely high percentage of the children of the Gaza Strip.

Employment

- The UN estimates unemployment in Gaza at least 70% of the total workforce.
- The clearing of debris and other agricultural work will create jobs; other reconstruction efforts will likewise provide employment. Reconstruction of factories, housing and infrastructure and other sources of employment will provide and create additional jobs.
- Helping develop the private sector in the Gaza Strip, independent of Hamas and other sources of political manipulation and control, is a long-term requirement.

5. The political impact of the Gaza war

The Gaza war created an immediate set of new complications that require urgent action, particularly with regard to the provision of humanitarian aid and reconstruction. However, the basic dynamic regarding Hamas, Gaza and the balance of power within the Palestinian polity remain fundamentally unchanged.

a. A stronger Hamas?

In the short term, Hamas is predictably trying to extract political gains from the conflict by claiming victory. These claims have already found some credence among the wider Arab public. Mere survival and the posture of steadfastness, juxtaposed with powerful images of death and destruction aired daily by al-Jazeera and other satellite channels, shaped the sentiments of audiences throughout the wider Arab world – especially those who will not have to live with the real consequences of Hamas' recklessness and Israel's disproportionate response.

The extent to which such claims may gain traction among Palestinians, especially those in Gaza, largely depends on the political conditions that develop in the aftermath of the conflict. In particular, Hamas is seeking the following: opening the Gaza crossings under its control, being accepted as the address for the Gaza reconstruction efforts and funds, loosening its diplomatic isolation and acquiring the ability to claim and even exercise the right to resist (through a short-term ceasefire and the ability to rearm.) The extent to which it can point to achievements in any of these spheres will determine the degree of political credit it can claim in the near-term.

While the siege of Gaza must be lifted, and crossing points must be opened, this should not be done through, and therefore validate, the authority of Hamas. Instead, the 2005 Access and Movement Agreement should be applied, and crossing points should be operated by the PA and with international supervision. This would create a breathing space for Gaza civilians while accruing political credit to the strategy of diplomatic negotiations as opposed to violent confrontation.

Keeping Hamas out of the border crossings and away from reconstruction funds is crucial. If Hamas is able to claim credit for progress on these fronts, it will put the PA – and its efforts to resume negotiations – under further domestic political strain. As important is the message such an outcome would send to other extremist groups in the region. In the same way that Hamas was emboldened by the perceived Hezbollah victory in 2006, a credible claim of “victory” by Hamas will embolden other extremist and confrontationalist groups. This is particularly important for countries like Egypt, Saudi Arabia and Jordan that took a strong stance during the conflict and consequently endured withering political and rhetorical attacks.

b. Is there a future for the PA?

The PA, under the leadership of President Abbas, suffered significant political damage in the immediate aftermath of the Gaza conflict. With no recent diplomatic achievements to validate its strategy of pursuing peace, and no ability to offer any meaningful protection or assistance to its citizens in Gaza during the hostilities, the PA appeared ineffectual and impotent. Throughout the hostilities and until now, Hamas and its allies have consistently accused the PA of collusion with Israel. The PA's continued ties with Israel, and its close relations with the United States, were the only “proof” offered by those leveling these accusations. Yet such voices continue to enjoy access to a wide audience through al-Jazeera and other satellite channels.

Despite the political damage suffered by the PA, the power dynamics of the split between Hamas in Gaza and the PA in the West Bank have not changed in the immediate aftermath of the Gaza war. Irrespective of its popularity, Hamas' power in Gaza is secure as it has methodically and successfully eliminated all organized opposition to its rule, and there are no realistic threats of an externally-driven regime change in the immediate future. Similarly, and also irrespective of its popularity, the PA is fairly secure in the West Bank, with President Mahmoud Abbas and Prime Minister Salam Fayyad

continuing to enjoy support from the security services, regional actors and the international community.

While the political damage suffered by the PA does not pose any immediate threats to its survival, its continued inability to show diplomatic and economic achievements will ultimately and inevitably add to its political difficulties.

To begin restoring political credit to the PA, a number of measures are needed. Permanent status negotiations must be resumed immediately, even if chances of reaching immediate breakthroughs are not high. A collapse of the process would create additional political instability and would particularly weaken the responsible PA leadership that has invested its political legitimacy and credibility in the peace process. Such a collapse would enhance the position of those in Palestine and elsewhere in the region that advocate violence and confrontation.

As importantly – if not more so – is the urgent need to put in place an immediate settlement freeze. Such a freeze is essential for preserving the physical viability of the two-state solution, as well as its political credibility. As long as settlements continue to expand, Palestinians will never trust that Israel is negotiating in good faith. In addition, such a freeze would restore Palestinians' belief in the PA's strategy of a negotiated peace agreement with Israel.

Progress in improving the Palestinian economy and the PA's ability to provide essential services, especially in the realm of health and education, would enhance its responsiveness to the needs of its population along with its credibility as a governing body. Significant and close cooperation between American institutions operating in this field, with funding and support from Congress and the private sector would ensure that such services are not only quantitatively but also qualitatively improved, with a degree of political credit accruing to the United States.

The mission of US Security Coordinator Lieutenant-General Keith Dayton should be continued and expanded. The superb work undertaken by Lt-Gen. Dayton and his team has been central to improving law and order in the West Bank, and in helping the PA regain the monopoly over the means of force that is the prerequisite for any stable government. The professional, non-partisan security sector that the PA is building with the assistance of the US Security Coordinator will be a cornerstone in the creation of a future Palestinian state.

Progress on the peace process alone will not be enough to strengthen the pragmatists in Palestine. They have to help themselves. Since the establishment of the PA, the ruling Fatah party has acquired a reputation for corruption and inefficiency. This reputation was instrumental in their loss in the 2006 parliamentary elections. Fatah has not undergone any extensive reforms since 1989 when it held its fifth, and most recent, conference. Additionally, it has lost its political bearings after nine years of violent conflict. Extensive, serious and significant Fatah reforms are needed.

The party needs to be mobilized around both a clear platform that advocates a negotiated two-state solution, and a vision that provides answers to the myriad of domestic issues

facing Palestinians today. This will require the injection of new, credible and energetic leadership that is not tainted by corruption. Without an effective, disciplined and dynamic Fatah, progress in the peace process will lack an essential vehicle that can utilize such valuable and hard-won political capital to effect major transformations within Palestinian society and between Palestinians and Israelis.

Such reform will be difficult, and will be opposed by many in the traditional establishment, who have a vested interest in maintaining the status quo. Yet without such change, pragmatists in Palestine will be unable to build an effective and responsive political apparatus. Some progress has already been made in holding party elections at the regional level. What is needed immediately is more extensive reform that can only be achieved at a sixth Fatah conference.

c. Palestinian national unity: desirable and possible?

The political and geographic divisions among Palestinians have harmed Palestinian national interests, complicated the quest for peace, and enabled external actors – especially Iran and Syria – to manipulate the Palestinian cause to serve their own agendas. While Palestinians should be encouraged to pursue national unity, it should also be clear that a unity arrangement should not jeopardize the PA's commitment to a negotiated two state solution, to existing Palestinian agreements, and to the renunciation of violence. It should also be clear that such a Palestinian political reunification arrangement should be rendered sustainable by including concrete provisions for the removal of guns from Palestinian politics. Short of that, a unity arrangement would reimpose international isolation upon the Palestinians and would set back their aspirations for a peace agreement that ends the occupation and secures their independence.

While a unity arrangement is preferable to a continued split between the PA and Hamas, chances of reconciliation are now even lower than before the Gaza conflict. As both are secure in their respective territories, neither side feels any urgency for "national unity." On the contrary, each side will try to leverage the Gaza confrontations to their benefit by trying to extract more favorable terms in any reconciliation, resulting in more inflexible – and therefore less achievable – demands. In particular, Hamas will seek to maintain its separate military and security assets. Any agreement that allows it to do so will be highly unstable, as Hamas will maintain the option of using violence to disrupt the political and diplomatic process whenever it chooses, in a manner analogous to Hezbollah's behavior in Lebanon. While Hamas might emerge from the Gaza war with more domestic political credit, its relations with neighboring states have suffered. It has strongly antagonized its Arab neighbors – particularly Egypt which was politically targeted by Hamas and its Iranian and Muslim Brotherhood allies – and will be in a weaker negotiating position as a result.

An alternative to a "national unity" arrangement would be the creation of a non-partisan, "national accord" government, composed of individuals who are not members of the major political parties but who are approved by them. Such a government would not resolve the underlying ideological and security differences between Hamas and the PA,

but could be helpful in the short term for handling the immediate Gaza reconstruction needs. As a minimum, though, such a government should operate clearly under the authority of President Abbas, meet the Quartet conditions, and exert security control in both the West Bank and Gaza Strip. Such a government should be an interim one and have the specific mandate of overseeing Gaza aid and reconstruction and preparing for elections at a specified date.

d. Is it time for the international community to directly engage Hamas?

The international community, under US leadership, must continue to be clear and firm regarding its conditions for engaging with Hamas. Any engagement that takes place before Hamas accepts the long-standing international conditions will be seen as a victory and a signal to others that – with time and some violence – the resolve of the international community can be eroded. Hamas – whether on its own or as part of a national unity arrangement – must accept the goal of a two state solution and legitimacy of existing Palestinian-Israeli agreements, including the letters of mutual recognition between the PLO and Israel, and should disarm and renounce violence.

e. Is the schism between Gaza and the West Bank beyond repair?

In the long term, Gaza and the West Bank will have to be part of the same polity. No Palestinian leader, whether from Fatah, Hamas or any other political party, can afford to accept lasting separation between the two territories. The idea of a Palestinian state in one of the two segments is not politically viable. Indeed, the very mention of such a possibility generates forceful public reaction and would be seen as a conspiracy against the Palestinian national interest. The PA cannot sign a peace deal that only covers the West Bank, though the implementation of such a deal could proceed at a different pace in the two areas.

Ultimately, the two areas will need to be re-united through new elections, when the conditions allow for that. The Palestinian people of the Gaza Strip, West Bank and East Jerusalem are the same people, with the same culture, national interests and national ambitions. Neither the Palestinians in the Gaza Strip nor those in the West Bank can pursue a viable national future on their own, and do not wish to, or have the option of, becoming part of Egypt, Jordan or Israel. Their political and national future is linked together irrevocably. They are, however, presently divided between two competing political organizations, Hamas in the Gaza Strip and the PA in the West Bank, that are pursuing incompatible and contradictory national projects. The PA is determined to pursue a negotiated peace agreement with Israel based on two states living side by side in peace and security, while Hamas is committed to confrontation and armed struggle until victory, the creation of a Palestinian “Islamic state.” The competition between these two incompatible visions and strategies can only be resolved through internal Palestinian political processes and elections.

6. Lessons from the politics of reconstruction in Lebanon following the 2006 conflict

The parallels between the situations following the 2006 conflict between Israel and Hezbollah in Lebanon and the recent Gaza war are striking and instructive. Following the 2006 conflict in Lebanon, the politics of reconstruction played a major role in determining the long-term political consequences of the war. In addition to its ability to claim military victory over Israel, Hezbollah was able to make significant political gains among its core Lebanese Shiite constituency, within the broader Lebanese society, and within the Arab world more generally, through its management and, at least initial, domination of the process of reconstruction.

In the immediate aftermath of the devastation, Hezbollah turned its resources, and some of its military personnel, to taking charge of the reconstruction effort in southern Lebanon and parts of Beirut. *The Washington Post* reported that, "A day after a cease-fire quieted the guns in Lebanon, Hezbollah opened another front in its struggle: rebuilding its state within a state in the poor southern suburbs of Beirut and the tattered villages of southern Lebanon and the Bekaa Valley." The article summed up the essential political problem succinctly: "[Hezbollah leader Hassan] Nasrallah's order Monday to begin rebuilding -- without government coordination or approval -- poses one of the biggest tests for Lebanon's already weak government, which in the aftermath of the war has pledged to exercise its uncontested control all the way to the Israeli border. In just a day, the question has become: Can both the Lebanese state and Hezbollah wield authority in Lebanon?" *The Post* reported that, "An informed source said the group planned to spend \$150 million, already provided by Iran, in coming days."

The British newspaper *The Independent* reported that, "Hezbollah has trumped both the UN army and the Lebanese government by pouring hundreds of millions of dollars - most of it almost certainly from Iran - into the wreckage of southern Lebanon and Beirut's destroyed southern suburbs. Its massive new reconstruction effort - free of charge to all those Lebanese whose homes were destroyed or damaged in Israel's ferocious five-week assault on the country - has won the loyalty of even the most disaffected members of the Shia community in Lebanon." *The New York Times* added that, "Iran would provide Hezbollah with an 'unlimited budget' for reconstruction." Many reports suggested that Hezbollah was providing cash payments of up to \$12,000 to each family whose homes were damaged or destroyed in the conflict.

The project was not a complete success for Hezbollah, since, as *The International Herald Tribune* reported five months into the reconstruction, the "group was simply overwhelmed by the destruction." However, it continued to benefit from the inability of the Lebanese central government to upstage or even match the reconstruction activities of this non-state political party and militia. The organization was even able to shift the blame for the slowness of the reconstruction onto alleged obstructions and inefficiencies by the government. Hezbollah boasted that one year following the end of hostilities, it had spent \$381 million to provide temporary shelter for 25,000 families, restore infrastructure and buildings and revive the economy, and accused the government of slowing down payments of \$1 billion it had collected from international donors. The

reconstruction effort quickly became enmeshed in the internal Lebanese political wrangling that followed in the aftermath of the conflict.

As a consequence, by the middle of 2007, ambitious regional actors such as Iran and Qatar decided to directly contribute to the reconstruction in Lebanon and supervise their aid directly. The two countries spent millions of dollars on high-profile projects without the Lebanese government's imprimatur or cooperation, and made sure that their contributions were well-publicized with the general public. At that time, according to its own public statistics – almost certainly a significant underestimate – in addition to its large transfers of funds to Hezbollah, Iran had directly spent \$155 million in Lebanon, about \$25 million more than the U.S. government had allocated through USAID. Iran was also much more successful in accruing political credit for itself and its clients in Lebanon through the reconstruction aid. By contrast, Lebanese Prime Minister Fouad Siniora urged an international donors' conference in Sweden in the immediate aftermath of the war to raise \$500 million to help the Lebanese government's reconstruction efforts, but the amount raised was significantly less than this request, and overall damage was estimated at \$3.6 billion.

The United States could have helped the government of Lebanon counteract Hezbollah's influence throughout the country, including in Shiite majority areas of Lebanon, by helping the government build effective development projects and extend social services through increased aid to and engagement with the Lebanese government. This was not accomplished at a sufficient level to offset the negative political consequences from the politics of reconstruction described above. Political considerations, including issues involving Lebanon's bilateral relationships with Syria and Israel, influenced the decision making process in the United States. The funds allocated to the reconstruction in Lebanon fell short of what is needed to offset the benefits accrued by American foes and rivals in the process, and the insufficient response proved counterproductive.

While it may be more difficult for Hamas to repeat Hezbollah's political successes in post-conflict reconstruction due to much more onerous restrictions on the transfer of funds to Gaza, there is still a significant danger that the politics of reconstruction might nonetheless, at least partly, reproduce the failures and errors associated with reconstruction in Lebanon. On February 2, the Palestinian Ma'an News Agency reported that Hamas, mimicking Hezbollah's strategy, had already handed out over 4,000 euros to Palestinian residents in Gaza whose houses were destroyed in the Gaza war. It quoted a Hamas spokesperson as saying that homeowners whose houses were damaged would be receiving 2,000 euros each, and \$1,000 would be paid to the families of "martyrs" killed in the conflict. While it is by no means certain that the organization will be capable of fulfilling such pledges, it suggests that Hamas is moving quickly to take advantage of the politics and the perceptions of post-conflict reconstruction in a manner similar to that adopted by Hezbollah in the immediate aftermath of the 2006 war. The private home and business reconstruction project and other proposals suggested by the PA should therefore be sufficiently funded and supported in the post-Gaza war reconstruction effort.

7. Recommendations on modalities for funding reconstruction in the Gaza Strip

A distinction needs to be made at the outset between essential humanitarian assistance and reconstruction. The former needs to proceed unimpeded along the same lines and through the same channels that already exist, specifically UNRWA, other UN agencies, and credible NGOs. Such aid should not be politicized as it touches on the most basic components of human life and dignity.

Reconstruction, on the other hand, presents a more complicated set of issues. It entails a significantly larger magnitude of funds. It requires a degree of management and oversight, necessitating unavoidable interaction between agencies undertaking reconstruction and the authorities in charge on the ground, especially in terms of security.

Reconstruction cannot succeed if there is no free and unimpeded entry of construction materials into the Gaza Strip. If Israel continues the siege of Gaza and the closure of borders, then any reconstruction efforts would be doomed to failure.

Reconstruction also holds the potential for Hamas to help chip away at its diplomatic isolation. The very fact that Hamas is in charge on the ground would grant it a degree of political credit for any reconstruction efforts. Put simply, if no political gain can be allowed to accrue to Hamas, then reconstruction cannot proceed. Modalities and institutional channels can be created, however, to balance the essential humanitarian requirements of the people of Gaza with such important political considerations.

It is essential for the success of reconstruction that all parties act responsibly. Attempts by any party, whether Hamas, Israel or others to manipulate or impede international reconstruction efforts should result in the suspension of work until such interference is ended. The responsible party must publicly bear the blame.

There are three possible modalities for reconstruction:

a. Reconstruction through the private sector

This is the model presented by Palestinian Prime Minister Fayyad, who proposed the transfer of \$600 million in loans and grants directly through banks to private individuals whose property was damaged or destroyed. In turn, these individuals would undertake any reconstruction through the private sector.

This model has the advantage of by-passing Hamas in the disbursement process, and ensuring that political credit accrues directly to the PA and international donors. In addition, it would provide a stimulus to the Gaza economy and would help re-establish the private sector, which has all but collapsed since the Hamas takeover. This model is best suited to certain types of property such as private homes and businesses, and is not designed for major infrastructure reconstruction.

Any interference by Hamas with the integrity of the program would be at the expense first and foremost of the direct beneficiaries, but additionally the contractors, workers and

other secondary and tertiary beneficiaries of the positive economic consequences of this kind of large-scale private grant and loan investment program for reconstruction. Efforts by Hamas to politicize, disrupt, manipulate, control or compromise the program could easily result in its suspension or even cancellation. Hamas would then have to bear the full responsibility for the loss of such benefits and their overall stimulative effect on the Gaza economy, and would almost certainly pay a heavy political price for such irresponsible and disruptive actions.

b. Using existing international aid mechanisms

Large existing international mechanisms and organizations, particularly UNRWA or large aid and development NGOs, could be utilized as a vehicle for managing reconstruction.

These organizations already exist on the ground, have extensive staffing, networks, and local knowledge. They have generally managed to operate outside Hamas' authority and to provide assistance without accruing political credit to Hamas. They also have established means of interacting with Hamas on the operational and security level, and can continue these types of interaction without Hamas being able to claim that it has made new inroads into the international community.

None of these existing operations, however, is geared towards large-scale reconstruction projects. If any of these organizations are chosen to take the lead in such work, they would have to make significant investments in building reconstruction capacity and expertise.

A major drawback to the utilization of such organizations relates to potential tension between their humanitarian mandates and a newly-introduced reconstruction mission. Managing reconstruction would entail inevitable tensions with Hamas, which will certainly seek to test the resolve of the international community. It could literally try to force a role for itself through direct theft, as it has recently done by expropriating some UNRWA humanitarian supplies at gunpoint. It can also use more sophisticated methods such as demanding “protection money” or trying to control the construction materials market and contracts for construction work.

Any agency managing reconstruction should be able to counter such efforts at political manipulation, and should have the ability to resort to the ultimate measure: halting assistance and withdrawing its operations if necessary. Such measures could jeopardize their essential humanitarian missions. Even if such organizations have the political will to confront and defy Hamas – as UNRWA has recently demonstrated its own will and ability to do – the humanitarian damage might outweigh such a benefit. In other words, Hamas could potentially hold reconstruction hostage to continued provision of humanitarian aid.

Of course, this can cut both ways politically as such organizations could use the threat of suspending their humanitarian missions as leverage against coercion by Hamas. Either way, this would politicize humanitarian efforts that should remain apolitical.

c. Creating new international mechanisms

In order to augment and expand the benefits offered by the two previous models, a new international mechanism could also be created. Such a mechanism would deal solely with reconstruction, as opposed to humanitarian aid.

The creation of new, mission-specific mechanisms is not a new phenomenon in the Palestinian context. Recently the Temporary International Mechanism (TIM), which became operational on September 1, 2006, was created to continue paying the PA's essential health and education staff while bypassing the government formed by Hamas. Lessons can be learned from the failures and successes of this mechanism.

Such an approach is obviously cumbersome. It takes time and resources to set up. It would take time for it to establish its mode of operation, and to develop its local networks and knowledge.

The mechanism should be coordinated by the new US Special Envoy to the Middle East and composed of the Quartet, Egypt and the PA. The composition is of the utmost importance, as it will be called upon to perform seemingly contradictory tasks. It should combine three elements.

First, it should ensure that Israel does not block the flow of goods into Gaza. It should also have the political ability to ensure that Hamas does not divert or otherwise utilize reconstruction funds and efforts to its financial, diplomatic, and – to the extent possible – political advantage. Accordingly the Quartet, under American leadership, should be a member of such a mechanism in order to ensure that the international conditions for engaging Hamas are not eroded. The Quartet will also be able to take punitive measures – if required – to ensure that Hamas does not interfere in reconstruction. It can also use its leverage vis-à-vis Israel if needed.

Second, the new mechanism must have the ability to interact with Hamas authorities on the ground for essential operational and security needs, while ensuring that Hamas does not utilize such interaction to claim new inroads into the international community. This requires the inclusion of a state that has existing relations with Hamas and which can interact with it without providing it with new diplomatic gains. Egypt is the ideal party for such a role as it has repeatedly shown its ability to interact with Hamas without compromising its own, or the international community's, interests. Egypt's leading position in the Arab world brings additional political and diplomatic benefits to such a role.

Third, the PA must be a party to such a mechanism to clearly indicate the international position that the Authority remains the legitimate address for any international efforts in Palestine, whether in the West Bank or Gaza Strip.

Such a mechanism would need to fulfill a number of missions. It would need to ensure that construction materials continue to flow into Gaza in sufficient quantities and at an acceptable pace, and – once there – that they are secure from Hamas interference and

manipulation. It would grant contracts and vet their recipients. Finally, it must have security and logistics components that ensure the security of the reconstruction process.

Most importantly, this model provides a flexible umbrella and can be combined with the two other models. Grants can continue to be made directly by the PA to individual recipients, while the international mechanism ensures that the construction market remains unimpeded and free from political manipulation. Similarly some of the larger contracts can be afforded to qualified existing international organizations, which can utilize their local knowledge to undertake the reconstruction in an efficient manner, to the fullest extent possible.

8. Supporting documents

a. What Lies Ahead for Gaza?

Policy Focus by ATFP - March 5, 2008

The confrontations last weekend between Hamas and Israel in Gaza have brought two facts into sharp focus. First, Hamas and Israel have locked themselves into a logic of progressively increasing violence that – unless broken – will inevitably lead to a wide scale land operation against Gaza. Second, unless accompanied by a policy of strengthening the Palestinian Authority (PA) under President Abbas and Prime Minister Fayyad by enabling them to deliver concrete results, the strategy of pressuring Hamas will not work and would likely be counterproductive. Violence in Gaza, accompanied by a worsening or even static situation the West Bank, will make it impossible to sustain permanent status negotiations.

What is the Problem?

Since Hamas took over Gaza in June 2007 in a bloody coup, the security situation between Gaza and Israel has been worsening. The default situation can be characterized as ongoing low intensity confrontations, defined by levels of violence that are politically manageable. This "normality" is punctuated by episodes of intense confrontations triggered by action from either side. Such flare ups follow a progressively worsening pattern, where each episode is more intense than the previous one. Both Israel and Hamas are rapidly exhausting the means they have so far employed to maintain the armed conflict at manageable levels. Each time a new tool is used, it loses its deterrence value, and it creates public demand for harsher measures next time around. If the current trajectory continues, it will inevitably lead to a wide scale land confrontation.

Israel has used up many of its non-military or limited military options. The full scale blockade – cutting off humanitarian, fuel and electricity supplies – it recently employed against the Gaza Strip has failed and is no longer an option. The international response, along with the skillful way Hamas turned the blockade to its tactical political advantage, has written it off the agenda. Similarly, progressively increased levels of localized use of armed force are failing to produce tangible results for the inhabitants of the Western Negev. Instead, they are gradually increasing the threshold of Israeli public demand for harsher responses. Some military options short of a wide-scale land operation remain: most notably assassinations of political figures in Hamas. But these, like other forms of force, will lose their potency once exercised. Once this box is ticked, and assuming that rocket fire continue, the pressure will mount towards larger operations.

Hamas is also stepping beyond manageable levels of violence. As long as Hamas was using short-range low-impact Qassam rockets against sparsely populated areas in the

south of Israel, Israeli response could be counted on to be a predictable tit-for-tat. By introducing Grad missiles – capable of hitting more significant population centers with more significant damage – into the equation, they also raised the threshold a notch. As Israeli reprisals increase and intensify, Hamas might not be able to withstand pressure from its constituency to employ the ultimate weapon in its arsenal: resumption of full-scale suicide bombings and other forms of terrorism in Israel.

Where Is It Going?

While military force sometimes has its place in international relations, it must be employed carefully with an eye towards the political consequences of such actions. They must be designed and implemented to meet specific strategic political objectives. Military action that is reactive or designed as a public opinion management tool almost always backfires. The most recent case in point is the Israeli war in Lebanon in the summer of 2006, the political implications of which continue to reverberate till today.

The objectives of Israeli military action against Gaza have been defined as ending rocket fire against Israel, dismantling Hamas' ability to conduct violence and terrorism against Israel, and weakening its hold on Gaza. These objectives can only be effectively achieved by a wide scale long-lasting land operation.

By its very nature, though, such an operation is untenable. The human and humanitarian costs of such an operation should in their own right preclude it. By necessity, such an operation in the overcrowded Gaza Strip will entail a high level of casualties among civilians as well as combatants from both sides. The cost in terms of the economy, infrastructure and humanitarian conditions will be steep.

But even if the inevitable human and humanitarian costs were to be put aside, there are political reasons to render such an operation unsustainable. High levels of casualties will create political pressure from Israel and elsewhere in the world. While such pressure can be withstood for a limited period of time, it cannot be sustained for the prolonged period of time necessary to achieve the political objectives of such an operation.

Even after the initial high intensity, high casualty confrontations, achieving the political objectives will require a prolonged Israeli presence in Gaza to conduct follow up counter-terrorism operations. As "Operation Defensive Shield" has demonstrated, this can extend for a long period of time and can turn into an indefinite re-occupation. It is hard to find political appetite anywhere in Israel for such an outcome. It would contradict the current political logic prevailing in Israel which supports separation from Palestinians for demographic reasons. This logic has led to the unilateral disengagement from Gaza only three years ago, a strategic decision that is hard to reverse.

Moreover, the spillover effect can spiral out of control. The limited operation last weekend has already caused a spike in unrest in the West Bank. A longer term operation could alter the security situation there more profoundly. Similarly, such an operation could have destabilizing effects in Arab countries. Hizballah's reaction is another factor to be taken into account.

Because of these factors, a wide scale military operation will most likely not, and perhaps cannot, be taken to its full conclusion. In such a case, there will most likely be significant political fallout similar to what happened in Lebanon in the summer of 2006. Hamas will inevitably claim victory and take credit for repulsing an Israeli invasion. After the events of last weekend, Hamas is already trying to claim such credit. Rather than weakening Hamas, a half-baked operation might strengthen it politically. The Palestinian Authority leadership, for its part, will be weakened. It will have to suspend talks with Israel and it will find it politically almost impossible to control the violence that will erupt in the West Bank.

What is the solution?

As an immediate first measure, de-escalation is a priority. The current level of confrontation creates a very volatile situation that can easily spiral out of anyone's control. While a direct ceasefire agreement between Israel and Hamas is not possible, back-to-back arrangement via a third party should be pursued.

To be sure, such a ceasefire is not sustainable on the medium or long terms. Unlike ceasefires brokered between Israel and Hizballah, a Hamas-Israel ceasefire would be shaky for at least two reasons. First, Hamas lacks the internal discipline and control that Hizballah had, and is rife with internal power dynamics that will inevitably play-out on the Israeli scene. Second is the fact that the Israel-Gaza interaction – unlike the Israel-Hizballah interaction – takes place on a multitude of levels and issues, any one of which could trigger a breakdown of a ceasefire. But a ceasefire still has some merits. It would buy much needed time and calm in the immediate moment, and in so doing create the space for initiating a more stable and sustainable solution.

A long term solution to the Gaza issue lies in shifting the political balance within the Palestinian polity. A strategy of weakening Hamas can only succeed if it is accompanied by a policy of strengthening the PA. The Israeli policy of punitive measures against the Gaza Strip as a whole, while – at best – ignoring the Palestinian Authority and – at worst – undermining its ability to deliver to its public in terms of security, economy and political horizon has had two mutually reinforcing results. First is public identification with Hamas, particularly but not exclusively in Gaza. When the whole population of Gaza is being punished, any differences it might have with Hamas disappear in the face of the perceived external threat. Second is the prevailing sense of despair. When there is no credible alternative horizon in the form of political solution that is rooted in improvements on the ground, the only prospect in the Palestinians' mind becomes a horizon of further conflict and suffering. In this case, the prevailing sentiment – as shown in the aftermath of the weekend violence – is one of revenge, as it is with the Israeli public as well. Any action against Hamas should therefore be directed specifically towards Hamas, and should proceed in parallel with advances with the Palestinian Authority on the security, economic, and – most importantly – political fronts.

The Gaza Border Crossings

In addition to progress on permanent status and concrete changes on the ground in the West Bank, the population of Gaza must be shown that it specifically stands to gain from the peace process. Improvements in the West Bank, though necessary, are not enough. Gazans must feel for themselves the difference between what Hamas and its violence produces and what the PA and negotiations can deliver. The most obvious way to demonstrate this is through re-opening the international crossing out of Gaza into Egypt and Israel under Palestinian Authority control

The border crossings have been completely closed since the Hamas coup in June of 2007. As a result, the humanitarian situation in Gaza has been continuously teetering on the edge of full-fledged disaster, the economy of Gaza is all but collapsed – with long term implications regarding any future revival of the economy when political circumstances change, and the population feels that it – not Hamas – is being punished. So much so, that following the imposition of a full closure – including humanitarian supplies – late January, public anger was directed towards the Gaza-Egypt border. Hamas was agile enough to recognize that as an opportunity, create breaches in the border, and take political credit among Gazans for creating a breathing space. The political price for this breach was paid by Egypt, the PA and Israel, which found itself having to seriously entertain the idea of reopening the Rafah crossing.

Israel and the PA, under US guidance and with international assistance, should take the initiative and reopen all of Gaza's external borders under PA control and not wait for Hamas action to dictate the agenda. Crossing points for people and goods from Gaza to both Israel and Egypt should be reopened, and charge of these crossings be placed with the Palestinian Authority security forces with international assistance and monitoring, similar to the arrangements stipulated for the Rafah crossing in the Access and Movement Agreement.

In such arrangements, the mission of the PA forces must be clearly defined: to ensure that the crossings are operating properly and to guarantee – pursuant to agreed protocols, in coordination with Israel, and under international supervision and assistance– that no untoward individuals or goods cross in or out of Gaza. The PA forces currently have the experience and the capacity to do the job. They have demonstrated their ability and reliability when they were in charge of the Rafah crossing prior to the Hamas takeover of Gaza.

These forces should not have the responsibility of repulsing a Hamas attack against the border crossings or stopping missile fire. Even Israel, with its superior military and intelligence resources, has been unable to do that. On the contrary, it should be explicitly stated that any attacks on the crossings and the continuation of rocket fire will result in the closure of the borders. Prospect for the success of such a proposal would be greatly improved if they are part of a larger package including a ceasefire and lifting the siege on Gaza.

If such a proposal is made in a credible manner, it will put Hamas in a lose-lose dilemma. Either oppose it and pay the political price for keeping the borders closed, or accept it and

in so doing cede a measure of control over Gaza back to the PA. In addition, the threat of border closures as a consequence of rocket fire will increase the political cost of such action.

Conclusion

Ultimately the political and ideological struggle over supremacy in Palestinian political life will be determined primarily by whether or not the moderates can deliver liberation through negotiation. To get to that point, though, it is important in the interim to contain the violence and to take specific measures on the ground in the West Bank and Gaza to shore up the moderates' message and create a sense of hope and opportunity among the public. The alternative move us rapidly towards a military adventure in Gaza that will not only fail to achieve its objectives, but which might also destroy any chances that are left to reach a peace deal in the foreseeable future.

b. "Miscalculation"

The Washington Times (opinion section), June 17, 2008

by Ziad Asali

Since Hamas' violent takeover of Gaza last June, a pattern of tit-for-tat provocation has defined the organization's relationship with Israel.

One side launches an attack, the other side responds with disproportionate or indiscriminate force. The period of escalation then tapers off until the next flare-up, which generally involves increased intensity, more civilian casualties and higher-grade weaponry.

This spiraling escalation has created a self-reinforcing logic, leading inexorably to a major Israeli operation in Gaza.

Hamas must answer - at least to the Palestinians in Gaza who primarily pay the price for this cycle of violence - as to why it continues to fire rockets into Israel when it is fully aware of the consequences.

Is this "resistance" for its own sake, without sense or strategy, or is there any coherent purpose at work? Hamas might be seeking to enhance its position in cease-fire talks, assert its supposed veto power over peace negotiations or divert attention from its failure to govern Gaza responsibly. No matter what drives these decisions, it has to anticipate and accurately assess the reaction of the Palestinian and Arab people who would be watching the bloody images aired on Al Jazeera and international news outlets in the wake of a devastating Israeli invasion.

Hamas may suppose that Israel does not have the stomach for another war so soon after Lebanon. Or it might hope for political benefits from an Israeli invasion of Gaza. Worst of all, Hamas could be driven by the agenda of its external sponsors.

The most important question that Hamas has to answer is whether any such objective would be worth the price in lives, misery and destruction that would be paid by the people of Gaza. The Palestinian people, especially in Gaza, are enduring unconscionable suffering. The policies of any responsible leadership must be aimed at easing rather than intensifying their plight. If Hamas is hoping to replicate Hezbollah's performance of two summers ago, it is badly misreading the Israeli and regional scene.

Israel seems locked on a path towards a new military offensive in Gaza. Any Israeli Prime Minister would be hard pressed to resist pressure from the public and political opponents for major action if rockets continue to hit towns in the Negev.

If Hamas is counting on Arab support in case of a military confrontation with Israel, it may be badly misinterpreting the political realities.

Hezbollah's assertion of political dominance in Lebanon has left many Arab states uncomfortable with the prospect of having two Iranian-sponsored regimes in the heart of the Levant.

A Hamas activist was quoted saying "What happened in Gaza in 2007 is an achievement; now it is happening in 2008 in Lebanon. It's going to happen in 2009 in Jordan and it's going to happen in 2010 in Egypt." Because of this attitude, Arab governments will be unlikely to wholeheartedly support Hamas - or encourage their publics to do so - in the event of an Israeli attack.

Israel also needs to step back and seriously consider the full implications. An ill-fated military action would result in massive civilian casualties, the destruction of what remains of Gaza's infrastructure, and a major backlash against Israel, the United States and those Palestinian and Arab leaders who continue to advocate peaceful negotiations.

Israel would have to be prepared to take the grave steps needed to achieve defined objectives, and just as important, have a real exit strategy. Such measures would produce a heavy toll in casualties among Israeli soldiers and immense death and destruction to Palestinian civilians.

Furthermore, a botched, massive incursion into Gaza would be politically reckless. Even if such an assault damaged Hamas' infrastructure and eliminated its leaders, it could still leave Hamas politically strengthened.

It is important and still possible to avoid a full-scale confrontation.

Hamas should avail itself of the ongoing Egyptian efforts to bring about a de-escalation, and end these reckless rocket attacks at once.

In its own interests, Israel should lift the siege of Gaza by handing over the Gaza crossing points to the Palestinian Authority with European monitors, and start allowing

improvements in the quality of life in the West Bank. Hamas has to stop its opposition to this plan which would lift the siege of the long-suffering people of Gaza.

The bottom line is that a massive Israeli reaction to continued rocket attacks is predictable, even if it proves self-defeating. Hamas must therefore decide if it is sufficiently interested in protecting the civilian population of Gaza from the horrors of an Israeli invasion by agreeing to an Egyptian-brokered compromise.

Whatever it does, Hamas will not be able to parrot Hezbollah leader Hassan Nasrallah, who claimed after the 2006 debacle in Lebanon: "If I had known" that Hezbollah's actions "would lead to such a war, would I do it? I say no, absolutely not."

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