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Gaza: Israel's \$4 billion gas grab

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18th July 2014

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Never mind the 'war on terror' rhetoric, writes Nafeez Ahmed. The purpose of Israel's escalating assault on Gaza is to control the Territory's 1.4 trillion cubic feet of gas - and so keep Palestine poor and weak, gain massive export revenues, and avert its own domestic energy crisis.

If Palestinians develop their own gas resources, the resulting economic transformation could in turn fundamentally increase Palestinian clout.

Israel's defence minister is on record confirming that military plans to uproot Hamas' are about securing control of Gaza's gas reserves

The conquest of Gaza is accelerating. Israel has now launched its ground invasion, bringing the Palestinian death toll to 260, 80% of whom are civilians.

A further 1,500 have been wounded and 1,300 Palestinian homes destroyed. Israel's goal, purportedly, is to "restore quiet" by ending Hamas rocket attacks on Israel.

Last Tuesday, Israeli defence minister and former Israeli Defence Force (IDF) chief of staff [Moshe Ya'alon](#) announced that Operation Protective Edge marks the beginning of a protracted assault on Hamas.

The operation "won't end in just a few days", he said, adding that "we are preparing to expand the operation by all means standing at our disposal so as to continue striking Hamas."

The price will be very heavy ... yes, \$4 billion!

The following morning, he went on: "We continue with strikes that draw a very heavy price from Hamas. We are destroying weapons, terror infrastructures, command and control systems, Hamas institutions, regime buildings, the houses of terrorists, and killing terrorists of various ranks of command ..."

"The campaign against Hamas will expand in the coming days, and the price the organization will pay will be very heavy."

But in 2007, a year before Operation Cast Lead, [Ya'alon's concerns](#) focused on the 1.4 trillion cubic feet of natural gas discovered in 2000 off the Gaza coast, valued at \$4 billion.

Ya'alon dismissed the notion that "Gaza gas can be a key driver of an economically more viable Palestinian state" as "misguided".

The problem, he said is that "Proceeds of a Palestinian gas sale to Israel would likely not trickle down to help an impoverished Palestinian public. Rather, based on Israel's past experience, the proceeds will likely serve to fund further terror attacks against Israel ..."

"A gas transaction with the Palestinian Authority will, by definition, involve Hamas. Hamas will either benefit from the royalties or it will sabotage the project and launch attacks against Fatah, the gas installations, Israel - or all three ..."

"It is clear that without an overall military operation to uproot Hamas control of Gaza, no drilling work can take place without the consent of the radical Islamic movement."

Resource competition is at the heart of the conflict

Operation Cast Lead did not succeed in uprooting Hamas, but the conflict did take the lives of 1,387 Palestinians (773 of whom were civilians) and 9 Israelis (3 of whom were civilians).

Since the discovery of oil and gas in the Occupied Territories, resource competition has increasingly been at the heart of the conflict, motivated largely by Israel's increasing domestic energy woes.

[Mark Turner](#), founder of the Research Journalism Initiative, reported that the siege of Gaza and ensuing military pressure was designed to "eliminate" Hamas as "a viable political entity in Gaza" to generate a "political climate" conducive to a gas deal.

This involved rehabilitating the defeated Fatah as the dominant political player in the West Bank, and "leveraging political tensions between the two parties, arming forces loyal to Abbas and the selective resumption of financial aid."

Ya'alon's comments in 2007 illustrate that the Israeli cabinet is not just concerned about Hamas - but concerned that if Palestinians develop their own gas resources, the resulting economic transformation could in turn fundamentally increase Palestinian clout.

It's not called Leviathan for nothing

Meanwhile, Israel has made [successive discoveries](#) in recent years - such as the Leviathan field estimated to hold 18 trillion cubic feet of natural gas - which could transform the country from energy importer into aspiring energy exporter with ambitions to supply Europe, Jordan and Egypt.

The chief obstacle is that much of the 122 trillion cubic feet of gas and 1.6 billion barrels of oil in the Levant Basin Province lies in

territorial waters where borders are hotly disputed between Israel, Syria, Lebanon, Gaza and Cyprus.

Amidst this regional jockeying for gas, Israel has its own little-understood energy challenges. First, it could take until 2020 for much of these domestic resources to be mobilised.

Worse, a 2012 letter by two Israeli government chief scientists - which the Israeli government chose not to disclose - warned the government that Israel still had insufficient gas resources to sustain exports despite all the stupendous discoveries. The letter, according to [Ha'aretz](#), stated:

"We believe Israel should increase its use of natural gas by 2020 and should not export gas. The Natural Gas Authority's estimates are lacking. There's a gap of 100 to 150 billion cubic meters between the demand projections that were presented to the committee and the most recent projections. The gas reserves are likely to last even less than 40 years!"

Israel's looming power crisis

As Dr Gary Luft - an advisor to US Energy Security Council - wrote in the [Journal of Energy Security](#), "with the depletion of Israel's domestic gas supplies accelerating, and without an imminent rise in Egyptian gas imports, Israel could face a power crisis in the next few years ..."

"If Israel is to continue to pursue its natural gas plans it must diversify its supply sources."

Israel's new discoveries do not, as yet, offer an immediate solution as [electricity prices](#) reach record levels, heightening the imperative to diversify supply. This appears to be behind Prime Minister Netanyahu's announcement in February 2011 that it was now time to seal the Gaza gas deal.

But even after a new round of negotiations was kick-started between the Fatah-led Palestinian Authority and Israel in September 2012, Hamas was excluded from these talks, and thus rejected the legitimacy of any deal.

Earlier this year, [Hamas condemned](#) a PA deal to purchase \$1.2 billion worth of gas from Israel Leviathan field over a 20 year period once the field starts producing.

Simultaneously, the PA has held several meetings with the [British Gas Group](#) to develop the Gaza gas field, albeit with a view to exclude Hamas - and thus Gazans - from access to the proceeds. That plan had been the brainchild of Quartet Middle East envoy Tony Blair.

But the PA was also courting [Russia's Gazprom](#) to develop the Gaza marine gas field, and talks have been going on between Russia, Israel and Cyprus, though so far it is unclear what the outcome of these have been. Also missing was any clarification on how the PA would exert control over Gaza, which is governed by Hamas.

The curse of Gaza's fossil fuel wealth

According to Anais Antreasyan in the University of California's [Journal of Palestine Studies](#), the most respected English language journal devoted to the Arab-Israeli conflict, Israel's stranglehold over Gaza has been designed to make "Palestinian access to the Marine-1 and Marine-2 gas wells impossible."

Israel's long-term goal "besides preventing the Palestinians from exploiting their own resources, is to integrate the gas fields off Gaza into the adjacent Israeli offshore installations."

This is part of a wider strategy of "separating the Palestinians from their land and natural resources in order to exploit them, and, as a consequence, blocking Palestinian economic development."

"Despite all formal agreements to the contrary, Israel continues to manage all the natural resources nominally under the jurisdiction of the PA, from land and water to maritime and hydrocarbon resources."

Hamas - an obstacle to peace? Or an obstacle to a gas deal?

For the Israeli government, Hamas continues to be the main obstacle to the finalisation of the gas deal. In the incumbent defence minister's [words](#):

"Israel's experience during the Oslo years indicates Palestinian gas profits would likely end up funding terrorism against Israel. The threat is not limited to Hamas ... It is impossible to prevent at least some of the gas proceeds from reaching Palestinian terror groups."

The only option, therefore, is yet another "military operation to uproot Hamas".

Unfortunately, for the IDF uprooting Hamas means destroying the group's perceived [civilian support base](#) - which is why Palestinian civilian casualties [massively outweigh](#) those of Israelis. Both are obviously reprehensible, but Israel's capacity to inflict destruction is simply far greater.

The IDF's aggressive new combat doctrine

In the wake of Operation Cast Lead, the Jerusalem-based [Public Committee Against Torture in Israel](#) (Pcati) found that the IDF had adopted a more aggressive combat doctrine based on two principles:

- "zero casualties" for IDF soldiers at the cost of deploying increasingly indiscriminate firepower in densely populated areas;
- and the "dahiya doctrine" promoting targeting of civilian infrastructure to create widespread suffering amongst the population with a view to foment opposition to Israel's opponents.

This was confirmed in practice by the UN fact-finding mission in Gaza which concluded that the IDF had pursued a "deliberate policy of disproportionate force" aimed at the "supporting infrastructure" of the enemy. "This appears to have meant the civilian

population", said the [UN report](#).

The Israel-Palestine conflict is clearly not only about resources. But in an age of expensive energy, competition to dominate regional [fossil fuels](#) are increasingly influencing the critical decisions that can inflame war.

Dr. Nafeez Ahmed is an international security journalist and academic. He is the author of *A User's Guide to the Crisis of Civilization: And How to Save It*, and the forthcoming science fiction thriller, *ZERO POINT*. *ZERO POINT* is set in a near future following a Fourth Iraq War.

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This article is an updated version of one [originally published by The Guardian](#).

