The Folly of the “Economy for Peace” Thesis

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EXECUTIVE SUMMARY: Much like the Oslo illusion, which posited that territorial concessions to the PLO would bring about peace with the Palestinians, the hope that economic easing in the Gaza Strip will moderate Hamas terrorism is a mistaken attempt to apply a Western logic of conflict management to a Palestinian enemy whose definition of the end of the conflict with Israel is not in the West’s political-cultural lexicon.

The recent fatal shooting of a Border Patrol officer, Sgt. Barel Hadaria Shmueli, by a Hamas terrorist firing at point-blank range not only reflects a serious tactical error by the IDF but a strategic distortion. Israel, like the US in the Iranian context, longs for a settlement with Hamas. In both cases, this desire reveals an inability to accurately perceive the nature and intentions of the enemy. These misperceptions are closely reminiscent of the Israeli failure to understand Yasser Arafat and the PLO’s perception of “peace.”

In the early 1990s, Israel adopted the “land for peace” concept, according to which the relinquishment by Israel of territory to the Palestinians was expected to dissolve Palestinian militancy and usher in a new era of peace. Yet when Israel made Arafat a major offer, complete with generous territorial concessions, he responded by launching his terror war (the “al-Aqsa Intifada”). This ultimately led to the complete collapse of the Oslo process.

Arafat’s decision to reject Israel’s offer of peace, even with significant territorial concessions, made clear that the Palestinian national movement was not, in fact, a struggle to achieve a political settlement based on territorial compromise. It was, and continues to be, a long-term campaign with the ultimate object of completely destroying the State of Israel.

Twenty years after the collapse of the political process, Israel is now insisting on repeating exactly the same perceptual error vis-à-vis Hamas, with the idea
that an “economic settlement” will take the place of a political settlement. Economic easing and a partial relaxation of the so-called Israeli “siege” of the Gaza Strip are meant, like the spurned territorial concessions of the 1990s, to inspire Hamas and all the other Palestinian terrorist elements in Gaza to lay down their arms and make peace with Israel.

In recent years, this notion has become a cornerstone of Israel’s policy toward Gaza, comporting as it does with Israel’s reluctance to engage in further military campaigns in the Strip. So great has Israel’s attachment to this misguided idea become that it has begun to misrepresent Hamas terrorism as “disobedience” that has nothing to do with the organization’s official goal of destroying the Jewish state, which Hamas makes no attempt to conceal.

Not even the violence of the Gaza war in May could change this outlook among Israelis. On the contrary: it anchored the assumption that an economic settlement was possible. This perception reveals that Israelis have not yet internalized the fact that like the PLO, which was unwilling to accept the existence of Israel in any shape or form and expressed that view with violence even as it pretended to negotiate, Hamas’s strategy is based on a combination of negotiations and terrorism. This combination of a false willingness to negotiate and constant violent behavior also characterizes Iran in its relations with the US as it attempts to forge a path toward a nuclear weapon. This approach works well for terrorist entities because their Western enemies, be they American or Israeli, remain committed to the idea of “either/or”—either war or concessions are the pathway to peace.

There is no fundamental difference between the PLO and Hamas. As far as Israel is concerned, they feel the same way: the goal is Israel’s total destruction. Yet Israel repeats its mistakes by artificially imposing Western thought patterns on its enemies.

Political folly is not fate, however. It’s time for Israel to sober up and recognize that economic regulation carries no promise whatsoever of a secure peace.

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