

# Gaza: is it all about gas?

By Chris Cox

Over 1.3 trillion cubic feet of natural gas, valued at \$4 billion, lie 30km off the coast of Gaza. And there may be further reserves which could turn Gaza into a Mediterranean Dubai. Some commentators believe this is the real reason behind Israel's murderous onslaught in "Operation Cast Lead".

Rich deposits of natural gas were discovered off Gaza by the UK company BG Group — the international arm of British Gas — in 1999 but there are doubts whether the Palestinians will ever see any benefit from it while the Israeli occupation continues.

In 2000 Yasser Arafat signed a deal with BG which allowed gas to be sold directly to Israel with around 40% of the revenues going to the Palestinians, made up of 10% to the Palestine Investment Fund (PIF) and another 30% to an Athens-based Palestinian construction company.

Following the outbreak of the second Intifada in 2000, the Ariel Sharon government vetoed this arrangement, claiming that the gas revenues would be used to finance "terror attacks," though by 2007 Israel was once again the main potential buyer.

But, shortly after the election of Hamas in the Gaza Strip in 2006, BG had arrived at a controversial "understanding" with Israel that any Palestinian revenues would be paid into an international bank account. A BG source told the *Jerusalem Post*: "Neither BG nor Israel wants the money to go to fund terror-related activities."<sup>1</sup>

## Gaining control of the gas

In June last year — the same month that we now know planning commenced for the "Operation Cast Lead" attack in December — Israel approached BG to renew talks about buying the gas. The talks envisage the gas being piped directly from Gazan waters to southern Israel. From there, Gaza would have the option of being supplied by pipe from Israel. According to BG, this would happen in 2014 at the earliest.

"These negotiations were conducted by the Olmert government with the knowledge that an invasion was on the drawing board," wrote the Canadian economist Michel Chossudovsky in January. "In all likelihood, a new 'post-war' political-territorial arrangement for the Gaza Strip was also being contemplated."<sup>2</sup>

Ayman Nijim, a researcher at Gaza-based think tank Palthink, told *Palestine News*: "Many Arab and Palestinian journalists believe that the unstated goal of Operation Cast Lead was to seize control of the gas reserves off Gaza's coast."

Israeli politicians have previously stressed that removing Hamas from power is necessary to gain access to the gas reserves. Moshe Yaalon, now strategic affairs minister, said in 2007: "It is clear that, without an overall military operation to uproot Hamas' control of Gaza, no drilling work can take place without [their consent]."<sup>3</sup>

## Naval blockade and attacks on boats

The tightening of the Israeli naval blockade on Gaza has also been linked to the gas fields. Daily attacks on Gazan fishing boats began



An Israeli naval ship attacks a Gazan fishing boat with a water cannon. Photo: David Schermerhorn

directly after the discovery of the deposits and attacks on the Free Gaza boats have now been added to the intimidation (see p20).

David Schermerhorn, who has traveled to Gaza on four humanitarian boats, has written: "These assaults have nothing to do with security or with Hamas — and everything to do with Israel controlling a \$4bn resource belonging to the Palestinians."<sup>4</sup>

The renowned American academic, Noam Chomsky, told *Palestine News*: "It is a reasonable speculation that Israel is trying to gain control of as much of the gas in the Eastern Mediterranean as possible and if that means destroying some remote chance of decent survival for Gaza, that fits well with Israeli plans and programmes."

## Denying energy to the Palestinians

Israel recently discovered vast natural gas fields of its own off its northern coast. The Tamar-1 field, which contains 5 trillion cubic feet of gas, would meet Israel's needs for several decades. But the gas will not reach Israel until 2014, prompting its national infrastructure ministry to push harder for the gas in Gaza's waters.<sup>5</sup>

Meanwhile, Israel's intention to become the main customer for Gaza's gas denies Palestinians the possibility of a domestic energy source. According to London-based environmental think tank Platform, piping the gas directly to Gaza would meet Palestinian energy needs for over a decade — and leave plenty for exports. Crucially, this would mean economic independence.

Researcher Mika Minio-Paluello said: "Gaza and the West Bank being reliant on imported fuel makes Israel's stranglehold much easier. Cutting energy supplies is openly used by the Israeli Army as a military tool."

## Gaza: the next Dubai?

According to Middle East consultant, Peter Eyre, the area off Gaza is "littered with natural resources." He said: "Gaza could be a miniature Dubai," pointing out that oil reserves are often found beneath natural gas fields. However, despite 16 years remaining on its license, BG currently has no further plans to explore the area.

In the meantime, there is frustration in Gaza that more is not being done to rescue the known resources sitting untouched in Palestinian waters. "Many elite people in Gaza and the West Bank are very busy on useless issues," said Ayman Nijim. "But they are leaving this vital issue for God to solve."



Map showing area of Gaza's natural gas field

1 'British Gas, Israel to freeze Hamas out of \$4bn gas deal.' *The Jerusalem Post*, July 5, 2007

2 Michael Chossudovsky, *War and Natural Gas: The Israeli Invasion and Gaza's Offshore Gas Fields*, www.globalresearch.ca, January 8, 2009

3 Moshe Yaalon, *Does the Prospective Purchase of British Gas from Gaza's Coastal Waters Threaten Israel's National Security?* (Jerusalem Centre for Public Affairs, October 2007)

4 David Schermerhorn, *Geopolitical Time Line: War, Natural Gas and Gaza's Marine Zone*, www.globalresearch.ca

5 *Platts International Gas Report*, March 2, 2009