Israel 2.0

written by Col. (res.) Prof. Gabi Siboni | 20.04.2025

The Misgav Institute's "Israel 2.0 Project – A Reassessment of Israeli National Security" is rooted in the earthquake of October 7, 2023, Simchat Torah 5783 – a formative tragedy that has been etched forever into Israel's collective national consciousness.[1]

The State of Israel after October 7 is no longer the same country that it was before, and it cannot return to what it once was. October 7 shook the foundations of numerous fundamental assumptions and historical paradigms that had been pillars of Israeli national security doctrine.

Many of these assumptions are no longer relevant to the new reality in which Israel now finds itself. They can no longer provide a basis for the development of strategies and tools necessary to ensure the country's survival, security, and prosperity under these new conditions.

The Israel 2.0 initiative looks to the future, while engaging with the changes and trends emerging from the events of the past year-and-a-half.

This report – a flagship project of the Misgav Institute for National Security and Zionist Strategy – constitutes a reassessment of the fundamental assumptions of Israeli national security in the wake of October 7. It is a preliminary report, intended to make accessible to decision-makers and the broader public key initial findings.

Given the wide-ranging, ambitious, and challenging nature of this initiative, we have chosen to name it "Israel 2.0." This document envisions a future in which Israel undergoes a renewed process of national restoration, transitioning from "Israel 1.0" (as it might have been considered before October 7) to a new, updated, and improved version. In our view, "Israel 2.0" will emerge based on the revision of core assumptions within the broadest definition of national security, an understanding of current challenges, and the development of appropriate responses.

This project has been led by Prof. Gabi Siboni and Prof. Kobi Michael, supported by the guidance and encouragement of Misgav Institute Chairman Meir Ben-

Shabbat. It relies on the dedication and expertise of a broad team of Misgav Institute Fellows, who have undertaken the task with diligence and professionalism.

In its early stages, the project was guided by a steering committee consisting of both Misgav Institute scholars and external experts. The objective was to form a diverse team representing a wide range of perspectives, comprised of experienced and knowledgeable individuals from various fields of expertise and practice.

The project began in early 2024, and the current document is therefore a preliminary report. Its focus is on identifying and formulating updated fundamental assumptions, mapping the key national security issues Israel must address, outlining initial challenges, and providing preliminary recommendations for responses. The work is still ongoing, and further analysis and recommendations are required for certain topics; both those mentioned in this document and others not yet included.

This document draws on numerous papers and reports that have been written and published as part of the project since its inception. Throughout the text, footnotes reference relevant papers, where readers can find expanded discussions of the main points presented here.

We take this opportunity to express our gratitude to the Misgav Institute Fellows and other experts who have contributed to this project: Mr. Elie Klutstein (Project Coordinator), Prof. Zaki Shalom, Dr. Rafi Biton, Dr. Hanan Shai, Dr. Yossi Mansharof, Prof. Yaron Zelekha, Mr. Eitan Ben-David, Mr. Asher Fredman, Mr. David M. Weinberg, Ms. Noa Lazimi, Dr. Yitzhak Klein, Dr. Adi Schwartz, Mr. Yaakov Plavinsky, Mr. Joseph Rosen, Mr. Yishai Armoni, and Mr. Yaniv Katz.

It is our sincere hope that our efforts will provide decision-makers and the public with a well-reasoned conceptual framework alongside policy recommendations that will pave the way for a promising future for Israel – ensuring its prosperity, security, and continued standing as the nation-state of the Jewish People.

[1] The expression “Israel 2.0” is borrowed from the world of software – i.e., a new and advanced version of software – and is intended to express the concept of Israel’s renewal considering the October 7 attack.

For the full document

Time to Reconsider the Two-State Paradigm

written by Prof. Kobi Michael | 20.04.2025

After the October 7 attack, the Palestinians do not seem primed for the establishment of a responsible and peace-seeking state alongside Israel.

Returning Gaza Envelope Residents Back Home

written by Col. (res.) Prof. Gabi Siboni | 20.04.2025

The evacuation of communities from the Gaza Envelope settlements, including the city of Sderot, following the events of October 7th – and the ruin left in the area in their wake – is a traumatic event for the settlers, a scar in the soul of the Israeli people, evidence to what many perceive as a disgraceful failure of the State's systems, and no less importantly, a substantial psychological achievement for

Hamas, the Palestinians, and our other enemies in the area. Every day that the Western Negev stands devoid of its residents amplifies the enemy's achievements, provides further tailwind for its continued struggle against Israel, and further incentivizes it to continue on the path of terrorism, and to support its inciters and sponsors.

Settlement in this area, and along the Israeli border as a whole, is part of the Zionist ethos of inhabiting and defending Israel, reclaiming and making agricultural use of the land – both as a value and as a crucial component of the State's economy and resilience. Any delay in restoring the settlements of the Gaza Envelope to their former glory – and in expanding, developing, and supporting them – further erodes the Zionist ethos.

No less importantly, though – any delay in restoring this region, returning its citizens to their rightful place, and making it thrive again serves to deepen the crisis of faith between these residents and the State and its institutions, as well as the crisis of faith between Israeli society and its leadership – all while making the physical and mental scars of the evacuated residents run even deeper. This, of course, is compounded by the economic aspects of this ongoing situation – partially due to the direct costs of hosting thousands of families in hotels, but mostly due to indirect costs from loss of income, the impaired production capability and continuous supply of agricultural produce, and the future indirect costs of the mental and physical rehabilitation of those thousands of families and of entire communities.

Thus, as the fighting in the Gaza Strip advances and operational achievements accumulate, it would be prudent to bring the residents back to the Gaza Envelope settlements. As published in early January, some of the residents at the Hof Ashkelon and Shaar HaNegev regional councils have already started returning to their homes. Now, however, is a good time to systematically act to restore the settlements in their entirety – something that harbors much significance for a variety of reasons, including reasons of state sovereignty and regional security, community and personal aspects, the psychological and national resilience element – and finally, for economic reasons.

The State of Israel must reassert its sovereignty over the entire country, including the Gaza Envelope. Reasserting sovereignty and security is fundamental to the State's duties towards its citizens. Thus, we must act quickly to exercise

sovereignty and restore our hold over the areas of the nation that were evacuated and abandoned. To this end, two fundamental terms must be met – the first of which is disrupting the capabilities of Hamas and other Gaza-based terrorist organizations to attack the settlements. The IDF's mounting achievements and the building of a security buffer and military defense envelope will make it very difficult for the enemy to launch infiltration or standoff firing attacks in the direction of the settlements – and will eventually, through a prolonged process, negate its capabilities for massive rocket fire towards the settlements as well. The IDF had already begun implementing a broad-scope plan to defend the settlements and respond to their security needs by reinforcing the settlements' rapid response teams, providing proper equipment and regular training, alongside integration of the IDF's area defense into the settlements and installation of various deterrents such as indicative fences, smart cameras, Command and Control rooms, etc.

An important tool for restoring sovereignty and security would be growing the population of the Gaza Envelope area through reviving the Nahal program and establishing Nahal settlements in the Gaza Envelope area – after two decades during which not a single Nahal settlement was established and converted into a civilian settlement. Beyond increasing the population, further settlement of the area by Nahal core groups would enable reclaiming this geographical era in a productive and principled manner, serving as a lodestone for a reformed ethos of pioneering, inhabiting and working the land, alongside active defense of the area – the sickle and the sword as a foundation for volunteering and harnessing the national spirit to establish new settlements and restore security to the area.

In the personal-community aspect, keeping entire communities out of their natural environment may jeopardize their social cohesion and their ability to recover from the traumatic event. The sooner these communities return to their settlements, rehabilitate them, and establish routines of daily life, the more effective their recovery process will be.

In the national context, the settlements thriving and prospering once again will constitute a victory for the State of Israel – radiating strength both inwards into Israeli society and outwards, demonstrating the resilience of Israeli society and its perseverance in the Zionist endeavor. The residents' return to the Gaza Envelope settlements will also boost the recovery of the area's community and education systems – including that of schools, other educational institutions,

medical services, public transport, and a variety of needful community services. This process cannot be serial – it must occur concurrently with the residents' return and brooks no delay. In this manner, community systems could be rehabilitated in a vibrant, healthy way.

One cannot underestimate the importance of the psychological dimension. Restoring and developing settlements will necessarily radiate on the Israeli society's sense of capability, on trust in the State's institutions and its capability to recover from severe trauma and devastation whilst harnessing national resources and capabilities for planning and execution – and no less importantly – on the sense of cohesion, solidarity, and mutual responsibility. All these are expressions and aspects of social and national resilience. National resilience is a fundamental and essential component of national strength – and thus, of national security in its broad sense. We cannot ignore the difficulties and the trauma caused by the events of October 7th, or their impact on our sense of capability, security, trust, and resilience. Since October 7th, Israeli society has gone a long way in the process of rehabilitation and recovery – but the process cannot be completed without restoring settlement, exercising sovereignty, re-establishing communities, agriculture, and industry in the area – and in particular, continuing its development and expansion as an appropriate Zionist reply to the bloodthirsty destructiveness that Hamas demonstrated during the murderous terrorist attack of October 7th. Through its communities, Israeli settlement shall set exercising sovereignty and reclamation of the land through agricultural work against Hamas' destructive efforts. Renewing the settlement efforts, restoring them to their former glory, developing and expanding them will constitute the true Israeli victory in this war – the triumph of the Zionist ethos of building and development, reclaiming and settling the land, over Hamas' ethos of ruin and devastation.

Finally, the return of the Gaza Envelope's residents to their homes holds economic significance of the highest order, for several reasons. First, the direct costs of hosting evacuated individuals in alternative residences and in hotels and guest houses. An analysis of the proposal for increasing the 2023 budget suggests that the scope of addition to the budget required to support the expenditures of assisting evacuated individuals was more than ILS 6 billion. [1] This budget is expected to grow even further in 2024. Diverting funds from direct aid to the evacuated individuals into developing and rehabilitating the Gaza

Envelope settlements will yield great returns and generate income for the national economy, made possible by restoring the Gaza Envelope's economy to a functional state – albeit partially, at first. Second – bringing the residents back would necessitate the provision of economic benefits – both for individual residents and on the community-settlement level. The State is required to invest in developing the area and the settlements, and to provide a variety of economic benefits in the form of tax breaks, grants, and aid in developing settlements, in a manner that would serve all national needs. This investment should be considered a substantial part of the war costs and one of the tools for winning it.

Many residents will wish to return to their homes as soon as possible, given the right conditions. The right time is now, and we must act to return the settlers to the Gaza Envelope. Uprooting these communities from their settlements was a necessary evil at the start of the war, but now we must put our full strength behind making these settlements prosper again. The leadership of the State must take the reins on this national challenge – this national mission –through relevant government ministries and State institutions. It is also the time for local leadership and community leadership – as well as for the communities themselves and their settlers – to shine. Now is the time for pioneers to take the van – the time for the nation to step forward in its journey to rise again and make its way towards the establishment of Israel 2.0. [2]

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[1] Description and Analysis of the Proposal to Increase the 2023 National Budget and a Macro-Economic Review. Knesset Information and Research Center, December 2023.

[2] https://www.misgavins.org/siboni-michael-israel-2-0-project-launch

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Israel 2.0: New Foundations after the War

written by Col. (res.) Prof. Gabi Siboni | 20.04.2025

A flagship project of the Misgav Institute designed to provide grand vision for the State of Israel over the coming decades.