Key messages

The current war on the Gaza Strip and its full siege by Israel have plunged the Gazan population into unprecedented deprivation and multidimensional poverty.

Even if a ceasefire is accepted and humanitarian aid is allowed to enter Gaza as early as today, poverty and deprivation will affect a significant share of the population for years to come.

The flow of sufficient amounts of critical humanitarian aid to 2.3 million Palestinians in Gaza is essential, along with the full respect of international humanitarian law, including the protection of civilians.

Major international reconstruction and development efforts should avoid the past mistake of addressing only the consequences of conflict escalation without addressing the root causes, including the Israeli blockade of Gaza and its occupation of the Palestinian territory in general.

Prioritizing the application of international law is essential to prevent future violence, and to attain just and lasting peace. It must be upheld without exception or delay.
1. Background: unprecedented war worsening a dire situation

The October 2023 war on Gaza is unprecedented in the scale of death and destruction, with profound and devastating impacts on the lives of Palestinians in the occupied enclave.

Gaza is a 45 km² coastal enclave occupied by Israel since 1967. It is one of the most densely populated areas globally, with a population of 2.3 million Palestinians, more than 66 per cent of whom are refugees since 1948.

Detailed understanding of the gravity and context of the current situation is critical for more effective planning and responses, so as to mitigate its impact and prevent its recurrence.

The present policy brief considers two critical elements of the current situation in Gaza: the socioeconomic context of Gaza owing to occupation, blockade and recurrent military escalations; and the immediate and long-term consequences of the current war and total siege, with a focus on multidimensional poverty.

The main factor that shapes the Gaza context is the matrix of Israeli policies and practices employed during 56 years of military occupation, notably the blockade imposed since 2007 and recurrent military escalations.

A. Unprecedented death and destruction

The scale of death and destruction during the first 18 days of the current war has already surpassed that of all previous military escalations combined. As at day 18, 41 per cent of the casualties were children (2,704), which exceeds three times the combined total of previous escalations.

“If there is a hell on earth, it is the lives of children in Gaza”.
Antonio Guterres, Secretary-General of the United Nations, May 2021.
B. Sixteen years of blockade: the world’s biggest “open-air prison”

The blockade imposed on Gaza since June 2007 is one of the most severe manifestations of Israeli long-standing policies of restricting the mobility of Palestinians in what amounts to collective punishment.

In addition to obstructing reconstruction and recovery efforts after recurrent Israeli military offensives, the blockade has affected all aspects of Palestinians’ lives in Gaza. The combined effects of the blockade and recurrent military escalations have led to social and economic de-development, and created a perpetual humanmade humanitarian crisis.

C. Decontextualized and decreasing international aid: entrenching dependency and de-development

The international community has repeatedly managed the consequences of previous military escalations through humanitarian aid and limited reconstruction, without addressing their root causes, mainly the continuing blockade and occupation, and a lack of enforcement of international law. Coupled with global trends of dwindling international aid, the diversion of funds from development assistance to short-term humanitarian needs has contributed to trapping Palestinians in a spiral of dependency and de-development.

D. A continual downward spiral: an unliveable place

As the blockade and other restrictions led to worsening conditions in Gaza over the years, international efforts to alleviate the impact and resulting suffering and to foster recovery have been undermined by recurrent military escalations. Consequently, living conditions on the eve of the October 2023 war were far worse than in 2007. Today, the GDP per capita of Gaza is less than it was in 2000, providing clear evidence of a continual downward social and economic spiral in the enclave.
2. Nineteen days of war and counting: multidimensional poverty with an intergenerational impact

A. Exacerbation of a dire pre-war situation

Before the current war, 45 per cent of the Gazan population already lived in multidimensional poverty, which is significantly higher than the West Bank at 10.6 per cent in 2017–2018.

Figure 6. Unemployment (Percentage)

![Unemployment Graph]

Source: PCBS, Labour Force Survey 2022, nowcasted by ESCWA.

Note: In 2022, unemployment in Gaza reached 45.3 per cent. In October 2023, based on ESCWA estimates, unemployment in Gaza reached at least 64 per cent under the October 2023 war, with a complete shutdown of industries such as agriculture, hunting and fishing, construction, and commerce, hotels and restaurants.

B. A full-fledged humanitarian crisis

Heavy bombardment, a full siege, a lack of critical medical, food, water and energy supplies, and the destruction of essential infrastructure have had an exponential impact on the seven dimensions of the national MPI in Gaza in merely 16 days:

1. Safety and use of assets: Heavy bombardment, displacement and property damage have left an entire population deprived of safety and of the security of their assets.

2. Education: A complete suspension of all schooling and education-related activities will have a long-term impact, especially when coupled with the destruction of educational facilities and infrastructure, as well as human capital.

3. Health: Thousands of casualties, significant damage to and destruction of medical facilities and infrastructure, a lack of electricity, and dwindling water and medical supplies have crippled the health-care system in Gaza.

4. Employment: Economic activity and transfers have come to a near-halt, while the scale of destruction of economic assets is still unclear.

5. Housing: The rendering of 42 per cent of housing units in Gaza uninhabitable, a reduced water supply, overcrowding, and poor ventilation have led to dire living conditions, increased health risks, and long-term displacement.

6. Personal freedom: Restrictions on freedom of movement have made it almost impossible for people to access basic life-saving services.

7. Monetary resources: Increased poverty rates have resulted in more households struggling to afford basic necessities, including food and clean water.

“"There is no safe place in Gaza.”

Mark Lowcock, Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, May 2021.

1. In assessing the impact of the current war, the present policy brief relies on the national multidimensional poverty index (MPI) for the State of Palestine. Multidimensional poverty indices use a range of indicators to calculate the poverty rate, and take into account the “depth” of poverty experienced by poor households. The method is thus broader than monetary and consumption-based poverty measures, as it seeks to capture deprivations in non-monetary aspects of well-being. Moreover, the national MPI of the State of Palestine captures deprivations in indicators related to long-standing conflict and occupation. Consequently, it provides a good summary statistic of the impact of the current war on a wide range of human capabilities.
C. An entire population in poverty

By day 16 of the war, more than 96 per cent of the Gazan population had become multidimensionally poor, based on ESCWA estimates. In other words, almost all of the 2.3 million Palestinians residing in the enclave are multidimensionally poor, and require basic necessities for survival.

D. Long-lasting impact

To underscore the calamity reflected in these statistics, if hostilities were to end completely today, humanitarian relief and foreign assistance were allowed entry, education activities were resumed, unemployment and income poverty were reduced owing to the resumption of economic and reconstruction activities, and access to water and health services were improved, more than 69 per cent of the Gazan population would still be living in multidimensional poverty, and the average intensity of deprivation would be 49 per cent. The reason for this is that, many critical indicators of the national MPI will not immediately bounce back to their pre-war levels. However, as shown in figure 8, the moment the war ends, there will be a significant reduction in deprivation across many key indicators, notably school enrolment (deprivation reduced from 100 to 50 per cent), access to frequent water supplies (from 90 to 40 per cent), access to health services (90 to 30 per cent) and unrestricted movement (from 90 to 20 per cent).

In short, the current war will have a prolonged impact on human capabilities in Gaza for years to come, but a swift ceasefire and flow of humanitarian assistance would produce a tangible immediate reduction in the deprivation level for hundreds of thousands of Palestinian families.
Key takeaways

In addition to the catastrophic loss of life and limb, the current war on Gaza and its full siege by Israel have plunged the Gazan population into unprecedented deprivation and multidimensional poverty, leading to a full-fledged humanitarian catastrophe. The people of Gaza are not only facing physical destruction from Israeli bombardment but are also grappling with a loss of access to essential services, including life-saving and other forms of health care, water, energy, food, education, employment and basic rights and freedoms.

Even if a ceasefire is agreed and humanitarian aid is allowed to enter Gaza, poverty and deprivation will affect a significant share of the population for years to come, primarily owing to the scale of loss of human life and limb, loss of human capital and capabilities, and destruction of socioeconomic infrastructure. The current war’s impact will linger, and recovery will be slow and challenging.

The urgent need to ensure the flow of sufficient amounts of humanitarian aid to the 2.3 million Palestinians in Gaza cannot be overstated. Not before day 15 was aid allowed to enter Gaza. While estimated needs are 500 truckloads per day, only 17–20 truckloads per day are entering (at the time of writing the present policy brief), covering less than 4 per cent of the daily survival needs of Gazans. None of the aid shipments have included desperately needed fuel to power hospitals and water facilities.

International law unequivocally prohibits targeting civilians and civilian infrastructure, arbitrarily detaining civilians, and blocking basic needs such as water, food, medication, fuel and other items needed for the survival and well-being of civilians. All civilians must be protected from physical, emotional and mental harm, all arbitrarily detained civilians must be released, humanitarian aid must flow, and international law must be upheld without exception or delay. This places an indubitable responsibility on the international community to act decisively.

To avoid continued suffering, frustration and anger among the people of Gaza and the recurrence of violence, it is crucial to handle the post-war phase differently from previous escalations. A major reconstruction and recovery plan for Gaza should be designed and put into action. This plan should learn from past mistakes, and should not be restricted to dealing with the immediate humanitarian, social and economic needs resulting from war.

To attain the higher purpose of sustainable and just peace, all efforts should contribute to resolving the root cause of the conflict, namely the prolonged Israeli occupation, continual violations of international law in the context of this occupation, and the prevention of Palestinians from exercising their inalienable rights, including their right to self-determination.