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PALESTINE ECONOMIC POLICY
RESEARCH INSTITUTE - MAS

Gaza War Economy Brief

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**The economic dimensions of the
war on the Gaza Strip according
to international humanitarian law:
Making Gaza Unlivable**

1. Israel's strategic goal: make Gaza unlivable

The following sections record the most prominent results of the comprehensive, destructive approach adopted by the Israeli military to date. They cover Israeli policies and practices that can be considered clear and documented violations of the laws of war, and the protection of civilians during war. What is clear from this reading is that, since October 7, the State of Israel has been carrying out military aggression against the Gaza Strip that goes beyond legitimate self-defense. It is collective punishment and its measures clearly violate international humanitarian law.

The military and political goals that were officially announced are dangerous. Currently promoted by Israeli and American experts and officials, they all lead to one end. Indeed, it seems that Israel's ultimate strategic goal is to make the Gaza Strip unlivable – economically and physiologically. The first indicators of such risks are:

- Announcement by Israel's Defense Minister: "We will annihilate everything".¹
- Announcement by the former National Security Advisor, who asserted that as a result of the war, "Gaza will become a place where no human being can live".²
- A Knesset member from the ruling coalition called for "not only the destruction of a neighborhood, but for the total crushing and flattening of Gaza ... without mercy".³
- The encouragement of such trends by influential politicians in the United States, such as a senior Senator's suggestion that Gaza ought to be "levelled".⁴

There is little horizon— now or in the near future - that the Gaza Strip will "recover" economically and socially, given the pummeling it has received so far (even discounting further military measures). Today, the economy of the Gaza Strip has been "de-commissioned", and Israel's effective goal of economic and social annihilation is now within reach.

In the face of such an existential threat to the Palestinians in Gaza; their ability to endure; and their rights to a safe life; the Palestine Economic Policy Research Institute (MAS) has published and circulated this first Brief on the economic dimensions of the current war. Through this effort, MAS seeks to document violations of international humanitarian law specifically related to economic affairs, as outlined in the articles and clauses of The Hague Convention of 1907 and The Fourth Geneva Protocol of 1949. This Brief sets the scene for further assessments, monitoring and updating economic crimes of war, such as collective punishment, destruction of buildings and civilian facilities, suspension of public utilities (water and electricity), mass displacement of civilians, mass unemployment and no work opportunities.

This Brief provides a basis for justifying demands in the post-war period for the return of displaced residents forced to leave their homes, reconstruction, and the restoration of economic life. Herein lies the necessity and importance of documenting these economic crimes, in order to hold the perpetrating parties accountable and responsible. This includes compensation for both direct and indirect economic damages resulting from displacement, the destruction of buildings and physical infrastructure and the spread of unemployment. The aggressor's responsibility for compensation is based specifically on Article 3 of the 1907 Hague Convention referred to above.

Israel's violations of international humanitarian law requires obliging it to fulfill the requirements of these laws concerning reconstruction at the conclusion of military operations, and the payment of compensation to the civilian population for losses suffered as a result of such violations.

2. The laws of war concerning economic infrastructure

Since the outbreak of Israeli aggression on the Gaza Strip, the United States, the European Union and the United Nations have called on Israel to "respect the laws of war". This memorandum summarizes the economic dimensions of respect for the laws of war.

1 "We will annihilate everything" <https://www.youtube.com/watch?v=l4z9oScxdzs>

2 "Gaza will become a place where no human being can live" <https://www.ynetnews.com/article/sju3uabba>

3 "Not just flattening a neighborhood... crushing and flattening Gaza ... without mercy" https://www.hindustantimes.com/world-news/israel-palestine-latest-israeli-official-calls-for-use-of-doomsday-weapons-against-gaza_101697032521334.html

4 "Level the place!" <https://alaska-native-news.com/level-the-place-declares-lindsey-graham-as-israel-does-exactly-that-to-gaza/70243/>

- International humanitarian law applies to situations of war in general, and to the Palestinian-Israeli conflict specifically. In all cases, Israel officially announced (the government and the Knesset) it has declared war. The Gaza Strip remains, de jure, under Israeli occupation.
- International humanitarian law is defined by two key documents: The Hague Convention of 1907 and the Fourth Geneva Protocol of 1949 (and its annexes). These two documents also outline some of the tools available to the International Criminal Court to help carry out its work.
- While the provisions and articles of the Fourth Geneva Protocol are concerned with the protection of civilians in times of war, the Hague Convention of 1907 regulates “the laws and customs of war on land”.
- The United Nations and leading countries in the international community called on Israel to commit to respecting the laws of war, as stipulated by international humanitarian law.

3. The Hague Convention of 1907

- Limits on the use of force. Article 22: “The right of belligerents to adopt means of injuring the enemy is not unlimited”.
- The bombing of cities and homes. Article 25: “The attack or bombardment, by whatever means, of towns, villages, dwellings, or buildings which are undefended is prohibited”.
- Collective punishment. Article 50: “No general penalty, pecuniary or otherwise, shall be inflicted upon the population on account of the acts of individuals for which they cannot be regarded as jointly and severally responsible.”
- Compensation. Article 3: “A belligerent party which violates the provisions of the said Regulations shall, if the case demands, be liable to pay compensation. It shall be responsible for all acts committed by persons forming part of its armed forces”.

4. The Fourth Geneva Protocol

• Food and Medicine

- a. Article 23: “Each High Contracting Party shall allow the free passage of all consignments of medical and hospital stores and objects necessary for religious worship intended only for civilians of another High Contracting Party, even if the latter is its adversary. It shall likewise permit the free passage of all consignments of essential foodstuffs, clothing and tonics intended for children under fifteen, expectant mothers and maternity cases”.
- b. Article 50: “The Occupying Power shall, with the co-operation of the national and local authorities, facilitate the proper working of all institutions devoted to the care and education of children”.
- c. Article 55: “To the fullest extent of the means available to it, the Occupying Power has the duty of ensuring the food and medical supplies of the population; it should, in particular, bring in the necessary foodstuffs, medical stores and other articles if the resources of the occupied territory are inadequate”.
- d. Article 59: “If the whole or part of the population of an occupied territory is inadequately supplied, the Occupying Power shall agree to relief schemes on behalf of the said population, and shall facilitate them by all the means at its disposal”.

• Deportations, transfers, evacuations (Article 49):

- a. “The Occupying Power may undertake total or partial evacuation of a given area if the security of the population or imperative military reasons so demand. Such evacuations may not involve the displacement of protected persons outside the bounds of the occupied territory except when for material reasons it is impossible to avoid such displacement. Persons thus evacuated shall be transferred back to their homes as soon as hostilities in the area in question have ceased”.
- b. “The Occupying Power undertaking such transfers or evacuations shall ensure, to the greatest practicable extent, that proper accommodation is provided to receive the protected persons, that the removals are effected in satisfactory conditions of hygiene, health, safety and nutrition, and that members of the same family are not separated”.

4.3 Labor (Article 52, Paragraph 2):

“All measures aiming at creating unemployment or at restricting the opportunities offered to workers in an occupied territory, in order to induce them to work for the Occupying Power, are prohibited”.

5. Violations of The Hague Convention by the State of Israel since the declaration of war on the Gaza Strip

5.1 Use of force, bombing homes, civilian buildings and industrial facilities

- According to Human Rights Watch (HRW), on October 10 and 11, Israel utilized white phosphorus in its military operations in the Gaza Strip and Lebanon, exposing civilians to the risks of serious and long-term injury.⁵ The International Organization for Monitoring Human Rights' Violations confirmed that the use of white phosphorus in densely-populated areas such as the Gaza Strip violates the laws of war in avoiding harm to civilians (as stipulated by international human rights' law). HRW noted that that the technique of "air detonation" for white phosphorus exacerbates its effects, further exposing a larger number of civilians to danger.
- The Israeli authorities launched massive air strikes on densely-populated neighborhoods in the Gaza Strip, dropping more than 6,000 projectiles weighing 4,000 tons in the first six days of the war alone. This is close to the total number of items that the United States dropped on Afghanistan over the course of an entire year.⁶ By October 14, Israel had dropped on Gaza Strip the energy-equivalent of a quarter of a nuclear bomb.⁷ The Israeli military spokesperson stressed that the focus of military bombing is "on destruction, not precision."⁸ In turn, human rights' organizations expressed their concerns on the direct targeting of civilians by air strikes.⁹
- According to the Palestinian Ministry of Public Works in Gaza Strip, as of October 16, at least 10,500 housing units had been completely destroyed, and 7,000 housing units have been partially destroyed but are uninhabitable in their current state. At least 100,000 other housing units have been moderately or slightly destroyed by Israeli bombing.¹⁰ These estimates are limited to the areas that the Ministry's fieldworkers were able to reach. There are thousands of additional, destroyed units in dangerous areas (subject to widespread destruction) that the Ministry cannot reach.
- As of October 16, 164 educational facilities had been bombed, including (at least) 20 UNRWA schools, two of which were used as emergency shelters for internally-displaced persons. A further 140 governmental schools were bombed - one was destroyed. One university building was severely damaged. At least 11 mosques were targeted and destroyed, and seven churches and mosques were damaged.¹¹
- Euro-Med also recorded the destruction of at least 145 industrial facilities in the first week of the war on Gaza.¹²

5.2 Collective punishment: dead/wounded, children/women

- As of October 16, more than 2,800 Palestinians were killed as a result of Israeli raids on the Gaza Strip, and approximately 10,850 injured.¹³ In the first week of its attack on Gaza, Israel has killed an average of 14 Palestinians every hour.¹⁴
- Euro-Med indicated that 1,046 children were killed, and no less than 3,250 injured, as a result of Israeli air strikes.¹⁵ In other words, the equivalent of 100 children have been killed every day since the beginning of the aggression on Gaza on October 7.
- Fifty-five (55) families have been completely exterminated since the beginning of the war and until today.¹⁶

6. Violations of The Geneva Convention by the State of Israel since the declaration of war on the Gaza Strip

- At the start of the war, the Israeli Minister of War announced , "I have ordered a complete siege on the Gaza Strip. There will be no electricity, no food, and no fuel. Everything is closed."
- On October 15, the UNRWA Commissioner-General noted, "Not a single drop of water, not a single grain of wheat, not a single liter of fuel has been allowed into the Gaza Strip during the past eight days."¹⁷

5 <https://www.hrw.org/news/2023/10/12/israel-white-phosphorus-used-gaza-lebanon>

6 <https://www.aljazeera.com/news/2023/10/12/israel-says-6000-bombs-dropped-on-gaza-as-war-with-hamas-nears-a-week>

7 <https://www.euromedmonitor.org/ar/article/>

8 <https://www.haaretz.co.il/news/politics/2023-10-10/ty-article-live/0000018b-1645-d465-abb-16f71d060000#16466166>

9 <https://www.ochaopt.org/content/hostilities-gaza-strip-and-israel-flash-update-10>

10 <https://www.aljazeera.net/news/liveblog/2023/10/15/>

11 <https://www.ochaopt.org/content/hostilities-gaza-strip-and-israel-flash-update-10>

12 <https://www.euromedmonitor.org/en/article/5846/Israel-commits-widespread-war-crimes-in-Gaza.-humanitarian-catastrophe-is-imminent>

13 <https://www.ochaopt.org/content/hostilities-gaza-strip-and-israel-flash-update-10>

14 <https://www.euromedmonitor.org/ar/article/5859/>

15 <https://www.euromedmonitor.org/ar/article/5863/%>

16 <https://www.aljazeera.net/politics/2023/10/15/>

17 <https://www.arabnews.com/node/2391886/middle-east>

6.1 Collective punishment: cutting-off food, medicine, electricity and water

• Food

- Severe shortage of food supplies arriving into the Gaza Strip. The Rafah Crossing remains closed, preventing the entry of humanitarian aid waiting on the Egyptian side of the border, including food and water.
- Numerous stores have reported food supplies sufficient for less than a week.
- Bakeries in the Gaza Strip are unable to operate due to the shortage of basic materials, especially flour (expected to run out in less than a week).
- Only one in five mills is operating, and there is a scarcity of water and fuel. Transportation problems also hinder access to warehouses.
- Power outages negatively affect food security, harming food refrigeration and crop irrigation, including poultry, livestock, fish and other commodities.
- The lack of access to fodder, and damage caused by air strikes, have affected farmers. Many livestock keepers, especially small-scale holders, reported significant losses in their livestock numbers, especially the poultry sector.¹⁸
- The Gazans are highly dependent on foreign food aid that has now been blocked since the war began.¹⁹ Nearly half a million people (112,000 families) have been unable to obtain food rations since the closure of UNRWA food distribution centers at the start of Israel's attacks.²⁰
- The continued closure of the Kerem Shalom Crossing - the only commercial crossing into the Gaza Strip - prevents the entry of animal feeds, exposing the livestock and poultry sectors to danger, and the closure of more than 10,000 producers who source animal proteins to the Strip.
- "Waiting times at the few bakeries still operating in Gaza have now reached more than 10 hours, according to local reports. A kilo of bread is shared between 20-30 people."²¹

• Medicines and healthcare

- The World Health Organization (WHO) has documented 48 attacks on healthcare facilities in the Gaza Strip until 15 October, resulting in damage to some 24 hospitals and healthcare facilities, including six hospitals. Three hospitals in the northern Gaza Strip had to be evacuated.
- As of October 14, 28 healthcare workers had been killed in the Gaza Strip, and 23 ambulances destroyed.²²
- About 20 governmental and non-governmental hospitals are functioning partially, treating an average of 1,000 wounded people daily (greatly exceeding their normal capacity).
- Hospitals were forced to reduce the provision of basic healthcare services for chronic diseases, in order to treat the increasing number of wounded (in light of limited electricity and fuel).
- Shutting-down backup generators puts the lives of thousands of patients in direct danger. The ICRC stated that "hospitals in Gaza risk turning into morgues without electricity".

• Electricity

- Due to the war, the two main sources of electricity in the Gaza Strip stopped working, as Israel cut off electricity to the Gaza Strip at the beginning of the war. The only power station in Gaza stopped working since it ran out of fuel.
- Problems with generating electricity have worsened, including small generators intended for personal use, as a result of running out of fuel to operate them (given the suspension of fuel supplies to the Gaza Strip).

• Water

- Before the war, the average per capita share of water in the Gaza Strip was about 80 liters per day, which is much less than the minimum recommended by the WHO (150 liters per day per capita).

18 <https://www.ochaopt.org/content/hostilities-gaza-strip-and-israel-flash-update-10>

19 <https://www.theguardian.com/world/2023/oct/17/crisis-gaza-why-food-water-power-running-out>

20 <https://www.euromedmonitor.org/ar/article/5857/>

21 <https://www.theguardian.com/world/2023/oct/17/crisis-gaza-why-food-water-power-running-out>

22 <https://www.visualizingpalestine.org/visuals/treating-trauma-2023>

- More than 97% of the Gaza Strip's water does not meet WHO minimum standards.²³
- The only source of water is an aquifer polluted by sewage, chemicals and seawater.
- Since the first day of its attack, Israel ceased pumping water from the Mekorot pipeline feeding the Gaza Strip, and desalination plants stopped operating due to power outages and fuel depletion. This created a state of collective thirst.²⁴
- Since October 12, at least six water wells, three water-pumping stations, one water tank and one desalination plant (serving more than 1,100,000 people) have been damaged.
- On October 15, the last remaining seawater desalination plant (of the four plants serving the central and southern Gaza Strip) was closed due to a lack of fuel.

7. Enforced population transfer and labor

• Population transfers

- As of October 16, the war has completely destroyed more than 2,185 buildings and 8,840 housing units, in addition to the partial destruction of more than 89,000 housing units. This has resulted in the forcible displacement of about 680,000 Palestinian citizens inside the Gaza Strip, far from their places of residence.²⁵
- Military orders were issued to transfer the entire population of Gaza city (as many as 1.1 million people) to the southern Gaza Strip within a short timeframe, despite the non-availability of suitable dwellings. They were displaced without the basic necessities for human life, such as food, water, and housing, to sites that increased their exposure to disease and epidemics.
- About 92 UNRWA schools received large numbers of displaced people, while a number refuge in governmental schools.²⁶ Due to the increasing numbers of displaced people - and the inability of these facilities to accommodate them - tents were set up in schools, in over-crowded conditions.
- In addition, approximately 54,500 displaced people reside in 51 non-UNRWA shelters, most of which are located in Gaza city and North Gaza.²⁷
- Numerous displaced families have returned to Gaza city and North Gaza, due to the ongoing air strikes targeting both the southern and northern areas. This has exacerbated difficult living conditions in the south, with the limited availability of temporary shelter and the lack of water, electricity and sanitation services.

• Labor

- Before the war, unemployment and poverty rates rose to reach their highest recorded levels. Unemployment rates exceeded 45% during the first half of 2023. More than 50% of young graduates are unemployed, and per capita income in the Gaza Strip is equivalent to half that in the West Bank. Poverty rates worsened, reaching 80%.
- The war paralyzed economic activity across all productive sectors and services, further exacerbating the problem of unemployment, especially given the destruction of a large number of economic establishments. This will prevent citizens from returning to work after the war ends.
- The entire Palestinian labor force has become unemployed, with no evident solution.

23 <https://www.theguardian.com/world/2023/oct/17/crisis-gaza-why-food-water-power-running-out>

24 <https://www.euromedmonitor.org/ar/article/5857/>

25 [file:///C:/Users/WAFA/AppData/Local/Microsoft/Windows/INetCache/Content_Outlook/OGYIHPTF/Attachment%20%20Eng%20The%20most%20important%20socioeconomic%20indicators%20on%20the%20impact%20of%20the%20Israeli%20occupation%20war%20on%20Gaza%20Strip%20\(003\).pdf](file:///C:/Users/WAFA/AppData/Local/Microsoft/Windows/INetCache/Content_Outlook/OGYIHPTF/Attachment%20%20Eng%20The%20most%20important%20socioeconomic%20indicators%20on%20the%20impact%20of%20the%20Israeli%20occupation%20war%20on%20Gaza%20Strip%20(003).pdf)

26 www.euromedmonitor.org/ar/article/5848/

27 <https://www.ochaopt.org/content/hostilities-gaza-strip-and-israel-flash-update-10>