The Israeli aggression on Gaza Strip
Repercussion of the impending economic and humanitarian disaster and how to overcome them

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Introduction:

Since the beginning of the indefensible siege on Gaza Strip in mid-July 2007, economic and social impact indicators started to deteriorate. The region was regarded as hostile territories by the Israeli government in September of the same year. It only allowed the entry of a total 30 consumer goods, out of more than 3,000 which used to be sold in Gaza, with a grave impact on all aspects of economic and social life.

The occupation army launched numerous raids and assaults on Gaza in 2008-2009 and 2012, in addition to the current aggression, which began in early July 2014 and continues until today.

The embargo against the Strip witnessed two transformations in that period. The first came on the heels of the incident involving the Freedom Flotilla on 1/5/2012, which was targeted by Israeli warships, leading to the martyrdom of 9 Turkish solidarity activists. The incident caused a stir in political and diplomatic circles due to the wave of public anger spreading throughout the globe. This pushed the far right Benjamin Netanyahu government in Israel to replace the list of allowed goods with one specifying those that would be banned. This was done through the international Quartet. However, it was an attempt to circumvent the continuous calls for lifting the siege on Gaza.

Despite the inadequacy of this decision, it contributed to allowing several types of formerly prohibited goods. However, strategic materials used in construction and housing – building materials – were completely banned, except for the small amounts obtained by UN agencies for their projects, particularly UNRWA.

The second transformation occurred with the increased activity at the tunnels in Rafah on the borders between Palestine and Egypt. In the period between 2010 and mid-2013, the tunnels witnessed a boom in activity, particularly related to importing materials for construction and development projects in industry, agriculture, services, and tourism. The share of construction materials coming through the tunnels in Gaza's market was almost 70% of the total. In addition to the flourishing construction and building sector, this allowed some infrastructure and roads works to be executed. This was especially in conjunction with projects funded by Arab countries, such as the $450 million Qatari project and other humanitarian assistance by the UAE, Saudi Arabia, and Turkey, which entailed the building of hospitals, clinics, schools, and so forth.

Although the above-mentioned transformations had been significant, they failed to bring about a real breakthrough in relation to the siege, which continued. Along with the recurrent attacks and assaults, this led to the following economic and social outcomes:

1. Rates of poverty continued to climb, registering 38% for extreme poverty along with 45% of the labor force becoming unemployed.
2. Around 70% of citizens relied on relief aid provided by UNRWA and other local and international aid organizations.
3. The water crisis related to shortages and salination persisted, in parallel with the problems of sanitation, where sewage is not being treated and pumped into the sea in big quantities leading to pollution.

4. Almost 57% of citizens are now suffering from food insecurity.

5. The agricultural sector and its share of the GNP declined along with the number of workers in this sector, whose total dropped from 60 thousand to 28 thousand.

6. The contribution of the industrial sector also decline, as the siege led to closing 3,500 out of 4,000 factories and workshops, due to recurrent electricity cuts and lack of raw materials. The number of workers in the industrial sector dropped from 50 thousand to 20 thousand. The Erez industrial zone, which used to employ around 8,000 workers, was destroyed in the 2008-2009 aggression.

7. Exports became very limited and only done seasonally, to the benefit of the Israeli export company, which exploits strawberry and flower farmers.

The economic impact of the current aggression:

The current aggression arrived in the midst of the economic and social crisis gripping Gaza to deepen and exacerbate the situation to literally catastrophic proportions.

Occupation forces shelled the infrastructure, several hospitals, homes, water wells, and the electricity plant. It also utilized a scorched earth policy, especially in the eastern and northern regions of the Strip, leading to the internal displacement of around 450 thousand people residing in the region. Around half the IDPs were absorbed into UNRWA schools used as shelters and the other half were taken in by their relatives.

Around 6 thousand homes were totally destroyed and 25 thousand suffered partial damage, 5 thousand of which are inhabitable and will need rehabilitation.

Farming land was also targeted in a systematic and well thought of manner, leading to huge losses in the sector, including the death of a large proportion of livestock. Direct losses in the agricultural sector were estimated at $200 million.

Furthermore, 195 workshops and plants were completely demolished and hundreds were partially destroyed, resulting in the loss of 12,500 jobs and throwing an equal amount of workers into unemployment.

Occupation forces deliberately and systematically sabotaged the infrastructure, roads, and public parks. The communications network, the electricity plant, and several water wells were bombed. Ambulances, hospitals, sewage plants, mosques, and municipal vehicles were all targeted, in order to cause health, environmental, and social damage of critical proportions to pressure the structure of resilience of Palestinian society.

Estimates of losses:

Several projections and estimates of the economic losses have been made by by private sector economic institutes, economic experts, and human rights and civil society organizations. However, it was all based on initiative and requires that the government creates a central committee to take the inventory of damages and identify the losses in a more precise and scientific manner.

One such estimations of the damages, which requires further investigation, maintains the losses were between US$4 and $6 billion, taking into account all the economic installations and sectors.
They include, but are not limited to: infrastructure, roads, homes, agriculture, water, sanitation, manufacturing and crafts, banks and the financial sector, tourism, and services. Losses could thus be estimated at between $150 million and $200 million as a daily average during the first 30 days of the ongoing aggression.

Announcing Gaza a disaster area:

The Palestinian leadership announced Gaza a disaster area and requested from the UN to act on this basis and supply all necessary facilities, mechanisms, and interventions to stop the aggression and put an end to the economic collapse and its severe social impacts on society. This was a result of the ongoing disaster and the worsening economic and social situation, including environmental and health aspects, and based on the crisis of forced internal displacement and the crowding in schools used for shelter, the destruction of farms, industries, facilities, infrastructure, homes, parks, mosques, and water and electricity networks.

The announcement requires the following interventions:

- Provide urgent and safe humanitarian corridors.
- Prepare mobile and hospitals and surgery rooms to respond directly.
- Provide immediate and protected shelter for IDPs.
- Provide internationally protected shelters for the population, although the occupation repeatedly targeted shelters run by UNRWA.
- Treat diseases that may arise due to the presence of corpses under the rubble or garbage in the streets.
- Take quick and immediate measures to solve the issue of water shortages, as 85% of the Strip’s population lacks access to water, reflecting negatively on hygiene, health, and the environment.
- Establish safe areas for garbage and its treatment, to avoid its accumulation in the streets and the spread of disease.
- Provide food and medication for citizens, which is urgently needed in Gaza.

The urgent interventions mentioned above should be linked to the legal dimension of announcing Gaza a disaster area. Consequently, Israel should be held directly and criminally responsible for the disaster, in its capacity as an occupying country. Targeting the economy and the infrastructure are considered war crimes for which Israel is directly responsible.

Reparations for losses:

Following the 2008-2009 aggression, former US State Secretary Hillary Clinton sponsored a conference in Sharm el-Sheikh, where $5.4 billion were pledged. However, due to the separation [of the authorities in Palestine] and lack of agreement on a joint body to receive the funds, they remained under pledge and a small amount was diverted to the Arab League. This led to the suspension of the reconstruction process. Several families did not receive compensation, despite the limited programs implemented by international NGOs and UN agencies. However, they could not cover the extent of the damage caused by the aggression back then.

At the end of the 2012 aggression, the same dialogue took place about the need for reconstruction, but without tangible results, due to the continuing separation, the siege, and the limited supplies of construction materials considered strategic, which were still banned from being brought into the strip.
Today, the talk is about an international donors conference in Norway at the beginning of September 2014, in order to initiate the reconstruction phase. However, the opportunity to achieve this will be more favorable, in the event that the siege is lifted and construction and raw materials are allowed into Gaza and if the national unity government carries on with its responsibilities in reconstruction.

**Need for an independent authority for reconstruction:**

Perhaps the most suitable approach to reconstruction would be the creation of an "independent authority" headed by a minister and which includes in its board of directors representatives from the government, non-governmental organizations, and the private sector to initiate the reconstruction process on a scientific, methodological, and well thought of bases, taking three interconnected and interrelated themes into consideration:

1. Relief and emergency humanitarian intervention
2. Rehabilitation of soil and land
3. Reconstruction and development

**Urgent Recommendations:**

The horror of the aggression and its negative impact on all aspects of life compelled the authorities to announce Gaza a disaster zone. Emergency interventions by the authorities, international organizations, and UN agencies should be based on this declaration, to ensure an active and dynamic mobilization to address the effects of the aggression on the various social and economic sectors, which could be defined as the following:

1) **Housing and shelter**

Around 6,000 homes were fully destroyed, in addition to 5,000, which were partially destroyed, but uninhabitable and require rehabilitation, and 25 thousand, which sustained partial damages. This entails immediate action to solve the question of shelter, as around 220 thousand people remain in UNRWA schools. They were forcibly displaced from the eastern and northern border areas, especially al-Shujaiyah, Khazaa, Beit Hanoun, and Beit Lahya.

Destroyed homes are still awaiting further efforts to recover the corpses from under the rubble, which remain there due to the limited capacity in digging and searching. These homes will also need to cleared of mines and unexploded ordnance, which could lead to civilian victims if not disposed of quickly. This requires urgent intervention and establishment of shelter for citizens, such as tents, caravans, or renting apartments for temporary periods.

2) **Health**

Several hospitals, clinics, ambulances, and paramedical teams were targeted. A number of hospitals were put out of service due to the extensive damage inflicted on them by Israeli shelling.

Human losses were immense; to date, more than 1,900 martyrs fell, in addition to 9,000 wounded, leading to the aggravation of the already-existing health crisis. In the current Israeli assault, the health situation deteriorated even more drastically in light of shortages in medicines, medical consumables, fuel, and electricity.

Furthermore, the inability to remove some of the corpses from under the rubble and the presence of UXOs could result in more calamity, unless immediate action is taken to pull out the bodies and
excavate for the unexploded shells and mines. Experts in the field are also urgently needed for quickly dispensing of them.

Declaring Gaza Strip as a disaster area entails supporting the health sector by providing urgent humanitarian corridors to transport the casualties and the expedient excavation of rubble to recover corpses, in addition to the mobilization of mobile clinics and medical staff to treat injuries and the removal of UXOs.

3) Water and Sanitation

Israel must be pressured into removing the barriers on the eastern and northern borders of Gaza, which prevent water from seeping into the Strip's aquifers. This should partially solve the problem of water cuts. However, addressing this issue will need further intervention, such as increasing the number of desalination and treatment plants in agricultural areas in Gaza, as well as treating sewage water, which is currently pumped into the sea. Currently, the lack of treatment caused an increase in seaborne bacteria, leading the Ministry of Health to declare the coast a biohazard zone and ban swimming.

Yet, the decision to establish desalination plants for sea water should not be taken hastily, as it could lead to serious negative outcomes, such as causing environmental damage and the killing of fish, in addition to the loud noise they produce and the huge amounts of diesel required to produce electricity, leading to a prohibitive cost to regular citizens. This would possibly result in the privatization of water and the loss of more justice. It should be noted that Israel will exploit the establishment of the desalination plant to weaken demands for Palestinian rights to their water as part of their national resources and wealth.

4) Electricity:

Israel bombed the only functioning power plant in Gaza, which requires strategic solutions to get rid of Israel's control over this resource, through the international community, or obliging Israel to provide guarantees to not attack the plant in the future, in parallel to building additional plants. Joining the regional electricity network would also free the Strip from Israeli control through limiting diesel supplies.

5) Infrastructure and facilities:

If the situation stabilizes, Gaza will need to undertake major construction projects to rebuild the infrastructure, which sustained heavy damage, due to the bombing of roads, public spaces, water and sanitation plants, and parks. Streets and sidewalks were targeted and sometimes obliterated.

Even before the aggression, several roads were in need of maintenance and the national highway project went into a standstill. Currently, the priority is to repave and rebuild the streets and the roads and create new ones to provide an efficient infrastructure for the movement of cars and trucks.

The total destruction of 6,000 homes, in addition to the 5,000, which are uninhabitable and in need of renovation, and the 25,000, partially damaged and in need of repairs, will require a comprehensive national plan for the task, as well as establishing new residential areas to absorb the population density.
However, such suggestions require the availability of building materials, especially cement, steel, and gravel. Without the free flow of such materials in a dynamic manner, such demands would not be achieved.

6) The port:

The seaport will pave the way to many job opportunities and will generate around it several workshops and plants on whose work it will depend to operate.

The port will create a link between the economy of Gaza Strip and the rest of the world. However, this would all depend on the level of Israeli meddling. Thus, international supervision would be required to prevent Israeli intervention and allow an active import-export flow through, which could lead to liberation from dependence on the Israeli economy and will invigorate the Strip’s economy.

7) Agriculture:

The agricultural sector requires urgent intervention for demining, creating a fund to compensate farmers for damages and losses, implementing projects to rehabilitate farmland, and investing in the forbidden zone, in case of the withdrawal of the occupation. This is in addition to the reconstruction and rehabilitation of agricultural ponds and water wells, especially those that could still be fixed, and the creation of water treatment plants for irrigation purposes.

The development of the agricultural sector requires the establishment of programs to develop industrial crops for local consumption and export. However, this should occur through a Palestinian or Palestinian-Arab company, away from the control of the Israeli Export Company.

Attention should also be given to fisheries, with increased investment and development, through fixing the destroyed boats, providing fishermen with new boats, and modern and adequate equipment. This is in addition to establishing fish packing plants, such as sardines, for export and extending the areas of territorial waters to allow fishermen to increase their crops.

8) Manufacturing:

The damages in this sector should be documented extensively, since it is estimated that 195 plants have been completely destroyed and hundreds were damaged. Intervention to compensate factory owners and rehabilitate the plants are urgently needed.

The creation of an industrial zone is also vital, especially since the old zone was destroyed in the 2008-2009 aggression.

9) Psychosocial situation:

Extending the destruction through massive air, sea, and land bombardment did not merely aim to destroy the infrastructure, economic establishment, and production facilities; the goal was to instigate fear in the hearts of citizens, especially children who were more susceptible to being shocked by the magnitude of the aggression and the great destruction around them.

To address this situation, emergency and urgent psychosocial intervention programs should be implemented to rehabilitate this important segment of the population, psychologically and culturally, to allow them to face the occupation’s schemes and build a coherent and solid generation, which strives for its rights and just cause.
The responsibility of addressing the consequences of the aggression is borne by the international community. However, this does not eliminate the need to demand that the international community should exert pressure on Israel as an occupying state and the principal cause of the disaster. Israel should be pressured to pay reparations for the aggression without exemptions, in addition to providing international guarantees to muzzle future incursions and inanities of the occupation forces in Gaza.

The reconstruction process requires two conditions:

- Putting an end the siege and allowing raw supplies and construction materials into Gaza.
- Persistence of the national unity government and agreement to create an independent authority to manage the task. The relevance of independent authority proposal lies in its ability to enhance participation and provide fair standards for service provision, with full transparency and integrity. It should be under the supervision of control mechanisms, such as the legislative council or the general supervisory authority.

All the urgent and emergency interventions mentioned above are linked to productive and developmental prospects and depend on the ability to end the siege. The establishment of the port, airport, and safe corridor to the West Bank will unlock wide prospects for the rehabilitation, rebuilding, and reconstruction of Gaza Strip.

Sources for figures:

2. Palestinian Central Bureau of Statistics
3. Reports by private sector associations published electronically.
4. Reports by human rights organizations published on their websites.