



The Economic and Social Council of the United Nations (ECOSOC)

**Dealing with the social and economical consequences of the
Israeli and Palestinian conflict**

STUDY GUIDE

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1. WELCOMING LETTER

Distinguished delegates,

It is our sincere pleasure to welcome you in the 21st ARCMUN in the ECOSOC committee. The topic that is going to be addressed this year at the ECOSOC committee “Dealing with the social and economical consequences of the Israeli and Palestinian conflict”, is an extremely relevant topic which has affected the international economic and social environment for a long time, especially the last years.

The purpose of the study guide is to provide several information and details about the topic of the committee and simultaneously to explain some key terms that are crucial for your greater understanding of the topic. In this way it will be clarified to you which issues to emphasize in your own research about your country’s national policy.

We advice you to enjoy this unique experience the same way we will and also to be prepared with your research in order to participate sufficiently in the debate. Do not hesitate to contact us for any further information in the following email: arcmun2024ecosoc@gmail.com

We are looking forward to meeting you!

Sincerely,

Niki Apostolidou
Maria-Konstantina Zisiou
Marianna Paximadaki

2. INTRODUCTION TO THE COMMITTEE

The Economic and Social Council (ECOSOC) has been one of the six main organs of the United Nations since 1945 and is responsible for the economic, social and environmental work of the United Nations. As the main body for the coordination, policy review, policy discussion and recommendations on economic, social and environmental issues, ECOSOC aims to promote international cooperation. At the same time, it consults and cooperates with various non-governmental organizations to find solutions to global problems. Each year, ECOSOC holds sessions and its work is based on an annual issue of global importance for sustainable development. This year the topic of this committee is the long-standing conflict between Israelis and Palestinians, which has profound and far-reaching social, economic and geopolitical implications worldwide.

3. INTRODUCTION TO THE TOPIC

In the 7th of October a war broke out between Israel and Hamas, the Palestinian militant group, which has ruled the Gaza Strip since 2007. Hamas fighters fired rockets into Israel and stormed southern Israeli cities and towns across the border of the Gaza strip, killing and injuring hundreds of soldiers and civilians and taking dozens of hostages. The next day the Israeli Defense Minister ordered the Israeli Defense Forces (IDF) to conduct a "complete siege" of Gaza, after the official declaration of war against Hamas by the Israeli cabinet.

Since then, nearly 10.000 Palestinians in Gaza have been killed. Israeli forces have gathered along the Gaza border and Palestinians are also preparing for a significant ground operation. Along with cutting off the majority of water and electricity, Israel has also banned importing food and medicine, while it has permitted the passage of several dozen relief trucks via Egypt's Rafah border.

As the Israeli-Palestinian war is a long-standing conflict it has been causing and it will be causing social and economical issues. Firstly, the war has implications for human lives, the regional balance of power and perhaps even global peace. But it also has implications for the global economy, which has been battered by a series of shocks over the past years.

4. TERMINOLOGY

Invasion: A term used to describe a military operation in which one country or force enters the territory of another, typically with the intent to conquer, occupy, or gain control over that territory.

Aliyah: A Hebrew term that refers to the act of Jewish immigration to Israel. The word “Aliyah” itself means “ascent” or “going up” in Hebrew and it is used to describe the process of Jewish people moving to Israel from their home countries, with the intention of permanently settling in the Jewish region.

Immigrant: An “immigrant” is a person who moves from one country to another for the purpose of living in the destination country. Immigrants are individuals who choose to establish a new permanent residence in a foreign nation. They may do so for various reasons, including seeking better economic opportunities.

GDP: GDP or Gross Domestic Product, is a measure that quantifies the total economic output of a country within a given time period, typically a year. It represents the sum of all the goods and services produced within a country’s borders and serves an essential gauge of its economic performance.

Refugee: A “refugee” is an individual who has been forced to leave their home country due to a well-founded fear of persecution, conflict, violence, or human rights abuses. This fear is often based on factors such as their race, religion, nationality, political beliefs, or membership in a particular social group.

Regions of significant importance

- Gaza: Gaza or the Gaza Strip is a narrow strip of land on the eastern coast of the Mediterranean Sea. It is a territory located in the Middle East, bordered by Israel to the east and north and Egypt in the southwest.
- West Bank: The West Bank, also known as the West of the Jordan river, is a territory located in the Middle East. It is situated in the east of Israel and bordered by Israel to the west, north and south and by Jordan to the east.
- Palestine: Geographically, the term “Palestine” has referred to a region in the eastern Mediterranean, which includes parts of present-day Israel, the West Bank, the Gaza Strip as well as areas that are now part of Jordan and Lebanon.

- Israel: Israel is a country in the Middle East located along the eastern coast of the Mediterranean Sea. It shares borders with Lebanon to the north, Syria to the northeast, Jordan to the east and Egypt to the southwest. To the west, it has a coastline along the Mediterranean Sea.

5. HISTORICAL BACKGROUND

First, second and third Aliyah

The Israeli-Palestinian conflict is deeply rooted and it dates back to the end of the 19th and the early 20th century. Before the First World War the region known as Palestine was under Ottoman rule. Between 1882 and 1903 the first Aliyah occurred in which around 35.000 Jews arrived in the region of Ottoman Palestine (1881-1914). From 1904 to 1914 the second Aliyah took place, where approximately 40.000 Jews immigrated to Ottoman Palestine. The majority of the immigrants came from the Russian Empire and eastern Europe, but there were also Jews coming from Yemen, Iran and Argentina. Not long after the end of the First World War, the League of Nations granted Britain the administration of the territories of Palestine. Then, during the period of British Palestine, the third Aliyah came. Starting from 1919 to 1923, 40.000 Jews immigrated to Palestine from eastern Europe.

The Balfour Declaration

Under the terms of the League of Nations and with Palestine being under British occupation, the conditions were great for the Balfour Declaration, a public statement made by the British government (November 2, 1917) stating that Britain supported the formation of a “national home for the Jewish people” in Palestine. This declaration led to a rise of the Jewish immigration to Palestine. At that time, the British government started to facilitate the immigration of European Jews to British Palestine. As a result, in a span of ten years the percentage of Jews in the region went from 10% of the population to around 27%.

1948 Arab-Israeli War

The Arab-Israeli War followed the Israeli Declaration of Independence 14 May 1948. On May 15 1948 a military alliance of Arab States invaded British

Palestine and attacked the Israeli forces. Countries that were included in the military alliance were Egypt, Transjordan, Syria and Iraq. It can be stated that the conflict has its roots back to 1947, when the UN proposed a partition plan, recommending the division of the region into separate Palestinian and Israeli states, as well as turning Jerusalem into an international zone. The war resulted in Israel taking control of the Israeli territory, as proposed by the UN, as well as the international zone of Jerusalem and more than 50% of the Palestinian state.

Palestinian Refugees

Palestinian refugees were citizens of Mandatory Palestine, who were expelled during the Palestinian war. During this war, around 700.000 Palestinians fled to nearby regions and many of them live in Palestinian refugee camps in Syria, Lebanon, Iraq, the Gaza Strip and the West Bank. Nevertheless, the vast majority of Palestinian refugees (2.000.000) live in Jordan. In 2021 it was estimated that around 50% of Jordan's population had West Bank-Palestinian heritage. As of the Gaza Strip and the West Bank, approximately 2.000.000 Palestinians live in the region under the Israeli occupation. Concerns have risen about the Palestinians who live in Syria and Lebanon under difficult circumstances, who are estimated to be around 500.000. Moreover, in some of the aforementioned areas Palestinian refugees are not granted citizenship, but in Lebanon and Syria the situation is more serious. In these regions, a high percentage of Palestinian refugees maintain their stateless status.

Six-Day War

The Six Day War took place in 1967 between Israel and the military coalition of the Arab States. Tension was already escalated due to the Arab-Israeli war. On the one hand Israel was concerned about its security because of threats from neighboring Arab countries. On the other hand there were actions from the Israeli side too, such as the Israeli strike in 1966, causing the death of 18 people and leaving seriously injured 54 more, in the village Al-Samu in the West Bank in Jordan. A year later, in 1967, Israel launched a strike against Egyptian airfields causing significant damage to the Egyptian air force on the ground. There was also a report from Soviet intelligence that Israel might be planning a campaign against Syria. This information, even though inaccurate, contributed to the heighten of the tension between Israel and the Arab world.

The war ended with great human and weaponry losses for the Arab countries. Casualties were estimated to be more than 11.000 for Egypt, 6.000 for Jordan and around 1.000 for Syria. Through the war, Israel took control of West

Jerusalem, Sinai, the Golan heights and Gaza. After the conflict, the United Nations Security Council made an effort to negotiate a resolution by adopting Resolution 242, in 1967, which proposed the withdrawal of Israel from the occupied territories. In 1978 Israel returned the Sinai to Egypt due to the Camp David Accords and in 2005 Israel withdrew all military forces from the Gaza strip.

6. ECONOMIC ASPECTS OF THE PALESTINIAN-ISRAELI CONFLICT

The Oslo Accords

The Oslo Accords are a series of agreements between Israel and the Palestinian Liberation Organization (PLO) signed in the 1990's. So, what has been the impact of these agreements on the economies of both parties?

The Oslo Accords not only appeared as a peace process, but also included provisions for economic cooperation. The agreement established mechanisms for trade and resource sharing between Israel and Palestine, as well as Joint Economic Committees, where representatives of Israel and Palestinian Authority could cooperate for economical matters. This procedure aimed to promote the economic interdependence of the two parties as a sign of peace and stability in the region. Moreover, as a result of the Oslo Accords, the Palestinian Authority (PA) was created which granted Palestinians limited self-governance in some areas of the West Bank and Gaza Strip. Therefore, Palestinians had some control over the economic matters of their region such as taxes and the management of public finances. Additionally, the agreement addressed the flow of merchandise and people through the borders of the territories, an issue that was crucial for the Palestinian economy.

The United States and some European countries were also involved in the economical support of Palestine as international donors. Their financial aid was intended for the development of a functional healthcare system, for education and infrastructure improvement. Last but not least, the Oslo Accords transitionally arranged the use of different currencies in the region such as the Israeli Shekel, the Jordanian dinar and U.S dollars.

Economical consequences of the war

The Israeli-Palestinian war is a long-standing conflict which has been causing humanitarian and economical issues to the middle east for decades.

The instability in the region has created uncertainty, which tends to unsettle global markets. As tension escalates, investors often become wary, leading to fluctuations in commodity prices, particularly oil. The Middle East is a major oil-producing region and any disruption in the flow of oil can lead to price spikes, affecting industries and consumers worldwide. More than that, the conflict's impact on tourism and investment in the region can have far-reaching consequences, as it disrupts trade and economic ties with Israel and its neighboring countries.

The conflict also influences international politics and trade agreements. Countries around the world have interest in the Middle East, either due to their energy needs, geopolitical alliances, or economic partnerships. Political and economic pressure from various nations, as well as international organizations, is often exerted to mediate the conflict.

The exact financial cost of the Israeli-Palestinian conflict is challenging to pinpoint with precision, but some estimations offer a sense of the magnitude of the expenses involved. For instance, Israel's defense spending has consistently remained at around 5-6% of its GDP, with annual military budgets ranging from \$20 to \$24 billion. The construction and maintenance of security barriers and checkpoints have cost Israel around \$2.6 billion.

On the Palestinian side, the World Bank, reported that Palestinian Authority's fiscal deficit reached \$1.6 billion in 2021, significantly exacerbated by the economic impacts of the conflict and the COVID-19 pandemic. The United Nations estimated that the cost of reconstruction in Gaza after the 2014 conflict was over \$4 billion. More than that, the conflict has led to missed economic opportunities, reduced foreign direct investment and decreased trade, further adding to its financial toll.

7. SOCIAL ASPECTS OF THE PALESTIAN-ISRAEL CONFLICT

The Israeli-Palestinian dispute is a long-standing and complex conflict over territory, identity and self-determination, which began in the end of the 19th century because of nationalist and religious motivations. Regarding the social aspects of this conflict, critical social elements and various dimensions can be considered, as the impact of the confrontation between Israelis and Palestinians extends beyond the warring sides.

Neighboring countries such as Lebanon, already facing domestic crises, may experience increasing refugee flows or even face pressure from their own

internal factions to take a more active stance in the conflict. At the same time, the effects may be felt throughout the wider Eastern Mediterranean community as has recently been the scene of disputes over offshore gas exploration rights, with Greece, Cyprus, and Israel on one side and Turkey on the other. If Israel is preoccupied with the Palestinian front, it may affect the dynamics of these gas exploration negotiations and related maritime territorial disputes. An unstable situation in Israel could encourage Turkey to pursue its interests in the region more vigorously, potentially leading to increased tensions or even confrontations with its rivals.

Moreover, the European Union and other Western powers have important interests in the Eastern Mediterranean, from energy to security and migration. More specifically, the European Union has been trying to deal with the refugee crisis for years and a new wave of refugees fleeing war-torn Palestine could exacerbate the situation. This will not only increase the cost of dealing with it, but will also further divide states within the European Union on how to handle it.

With the growing global emphasis on cleaner energy sources, the gas reserves in the Eastern Mediterranean are of paramount importance. However, a destabilized region due to the Israeli-Palestinian conflict could hamper exploration and extraction activities, delay pipeline projects and make energy supply unreliable. Europe's desire to reduce its dependence on Russian gas could be postponed, affecting both its energy security and its geopolitical position.

Furthermore, the international community's response to the Palestinian attacks and Israel subsequent actions could be brought under control. Nations such as Russia and the US, both of which have significant interests in the region, will be forced to take sides. Their interventions, whether diplomatic or more direct, will affect the balance of power in the Eastern Mediterranean. As can be seen in such an environment, the role of media and propaganda in shaping public perception and influencing social dynamics should be examined. Consequences will emerge in various fields, such as violation of human rights, including issues related to freedom of movement, exposure to violence, access to healthcare and quality of education. In addition, we should not underestimate the impact of prolonged conflict and its severe effects on the mental health and overall well-being of the affected populations.

To sum up, while the immediate focus, after the Palestinian attacks on Israel, is the human toll and the possibility of a wider Israeli-Palestinian conflict, the implications in the Eastern Mediterranean cannot be ignored. The complex geopolitical web of this region is being stretched and the international

community must act with foresight and diplomacy to prevent a wider break-up as the consequences of these confrontations extend beyond the warring sides.

8. PRESENT STATUS

It's crucial to consider the current situation and the social and economic aspects of the Palestinian and Israeli conflict in order to propose strategies for improvement and promote innovative solutions in one of the most enduring and sensitive conflicts in modern history. The social and economic repercussions of this conflict have had profound and far-reaching consequences, not only for those directly involved, but also for the wider global community.

The current situation of the conflict between Israel and Palestine is complex and constantly evolving. Israel maintains possession of the Western part of Palestine and has security enforcement and control over the Gaza Strip. The blockade of Gaza by Israel and Egypt, as well as the humanitarian conditions of the Gaza population, are major concerns. At the same time, the territorial expansion of Jewish settlements in the West Bank has been a source of tension, as Palestinians consider this action illegal. The Palestinian Authority is divided between Fatah, which controls the West Bank, and Hamas, which controls Gaza.

This complicates efforts for unity and negotiations. Various international organizations and countries are trying to mediate and promote a diplomatic resolution of the conflict, but these efforts have faced many difficulties. Both sides have experienced periods of violence, including rocket attacks, exchanges of gunfire and terrorist attacks. As food, fuel and water supplies are rapidly dwindling, efforts are being made to enable civilians to receive emergency humanitarian assistance.

The Israel-Palestine conflict continues to affect the region and cause humanitarian and political difficulties. There are concerns about migratory flows to Europe and there is a risk of a generalized conflict involving the major powers, which will have unforeseen consequences at both the socio-economic and geopolitical levels. The search for a viable peaceful solution remains open, but the complexity of the situation makes settling the conflict complex and difficult.

9. ACTIONS ALREADY TAKEN

1979: Israel and Egypt signed a peace treaty.

1993: The chairman of the Palestine Liberation Organization, Yasser Arafat, and Israeli Prime Minister Yitzhak Rabin shook hands on the Oslo Accords, which established limited Palestinian autonomy, in 1993.

1994: Israel and Jordan signed a peace treaty.

2000: U.S. President Bill Clinton, Israeli Prime Minister Ehud Barak, and Arafat participated in the Camp David conference but no definitive peace agreement was reached.

2002: An Arab League plan offered Israel regular ties with all Arab nations in exchange for the establishment of a Palestinian state, a "just solution" for Palestinian refugees, and a complete withdrawal from the territories it had seized in the Middle East War of 1967. Hamas's bombing of an Israeli hotel, housing Holocaust survivors during a Passover seder dinner, overshadowed the plan's announcement.

2014: Negotiations between Israelis and Palestinians in Washington failed and further peace attempts have been put on hold.

2017-2022: Palestinians withdrew from interactions with the Trump administration, which had reversed decades of American policy by refusing to support the two-state solution, a peace plan that envisages the creation of a Palestinian state on the territories conquered by Israel.

2023: Riyadh and other Arab states, including those in the Gulf next to Saudi Arabia, that have peace agreements with Israel, find themselves in an uncomfortable position as a result of the latest war.

10. POINTS TO BE ADDRESSED

- ⇒ What are the secondary effects of the Israeli-Palestinian conflict?
- ⇒ What will be the changes and the impact on the global economy?
- ⇒ What changes and consequences will occur in the social aspect of the Palestinians' and Israelis' lives?
- ⇒ How will the life of Palestinians and Israelis change?
- ⇒ Is it going to be a migration flow?
- ⇒ Can a third World War arise?

11. SUMMARY

The Israeli-Palestinian conflict is a deeply entrenched and protracted struggle, marked by profound economic and social consequences that have roots in a complex historical narrative. Economically, the conflict has resulted in a continuous cycle of violence and insecurity, hindering economic development and foreign investment, while diverting significant resources towards defense and security measures. This ongoing instability has had a lasting negative impact on the livelihoods of Palestinians and Israelis alike. Socially, generations on both sides have grown up amidst animosity, division, and deep-seated distrust, perpetuating a cycle of hostility that hampers opportunities for cooperation and reconciliation. Moreover, the historical context of the conflict, dating back over a century and involving intricate national, religious, and territorial narratives, adds layers of complexity to any resolution effort. Thus, the Israeli-Palestinian conflict stands as a poignant example of the lasting and far-reaching effects of a deeply entrenched historical dispute on both economic and social dimensions.

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