

SOCIO-ECONOMIC SITUATION

Why has Gaza such a high population density?

The demographic problem goes back to the UN Partition Plan of 1947, which divided Palestine into two states – one Jewish and one Arab – whereby Gaza was part of the Arab state. During the subsequent War of 1948, some 200,000 Palestinian refugees flooded into the Gaza Strip from parts of Palestine that had come under Jewish control, thereby doubling its population. This influx has created many problems as the local economic and political structures were not able to support the large population, which has been largely dependant on the support of the United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA) ever since.

What has become of Gaza's traditional social order?

The de-centralized clan system had always been an integral part of Gazan society, and with the weakening of the influence of the Fateh-led Palestinian Authority in Gaza as the post-Arafat era began, various prominent families stepped in to share the governing responsibilities. By mid-2006, the authority of these clans had developed to the point that they armed their own militias and instituted social programs within their territories. In short, the areas controlled by clans amounted to autonomous regions within Gaza. So when Hamas took control of Gaza in June of 2006, they had to contend with a social structure that was ingrained in the culture of the Strip.

At first, the clans resisted violently against Hamas rule. Clashes among rival clans, shifting allegiances between Fateh and Hamas, and general disarray characterized the months following the Hamas takeover. Even the high-profile kidnapping of BBC journalist Alan Johnston stemmed from these feuds, and Hamas's ability to secure his release – albeit after Johnston had already spent 114 days in captivity – was a symbol of the progress the party had made in restoring order to Gaza. Johnston had been seized by the "Army of Islam", a marginal group dominated by the powerful Dughmush clan, which demanded a prisoner exchange with Great Britain and the release of prominent Islamist Abu Qatada.



Ismail Haniyeh and Alan Johnston after the latter's release in July 2007

In their campaign to curb the power of the clans, Hamas confiscated weapons, banned masks and roadblocks, and succeeded in limiting clan activity throughout the territory. Still, it would be a mistake

to assume that the powerful families in Gaza are unconditionally loyal to Hamas, and there is little doubt that their influence will be felt the moment their constituents' interests are threatened. In the end, many Gazans are socially and economically dependent on the patronage of their clan, and their allegiances lie with those powerful families before party or country.

Do Palestinians in Gaza differ from those in the West Bank?

Palestinians are Palestinians whether they are from the West Bank or Gaza, but circumstances have pushed the two territories further apart in recent years and exaggerated the differences between Gazans and West Bankers. Palestinians in Gaza have traditionally been more conservative than their brethren the West Bank, for example, but much of the rise in militancy and religiosity in Gaza in re-

cent years can be at least partly attributed to the correlation between poverty and radicalism, meaning it is rooted in Gaza's dire economic situation. Furthermore, the existence of different dialects, unconnected economies, almost no intermarriage, and a travel ban between the West Bank and Gaza Strip has made it difficult for the people to think alike and make joint decisions. Even parliamentarians and employees of the same ministry – when there is one in Ramallah and another in Gaza – can only interact via electronic media.



Plans for a physical connection between the Palestinian territories have never come to fruition. The 1993 Declaration of Principles asserted that Gaza and the West Bank are "a single territorial unit", and the 1995 Oslo II Interim Agreement proposed the idea of a "safe passage" for Palestinians between the two entities. Yet the concept never moved past the bargaining table, as the Israeli government has made the chances of a bridge, rail line, or other connection very remote.⁵

How has the Gazan economy fared in recent years?

While Gaza has never been an economic powerhouse, the decimated state of its economy today is unheard of in the region. The Israeli closures and military strikes that began with the first Intifada and only intensified during the second Intifada have been taken to another level since Hamas's electoral victory in 2006, leaving economic opportunities in Gaza all but nonexistent. Salary payments to about 160,000 civil servants were suspended by early March 2007, and later only partially covered through the EU's Temporary International Mechanism and bilateral donor funds. Public investment in the last two years has nearly died away, most private businesses have ceased their operations and import-export restrictions have caused 95% of industrial activity to be suspended.⁶ The number of new company registrations had declined to zero by the end of 2007.⁷

"Gaza risks becoming a virtually 100 percent aid-dependent, closed-down and isolated community within a matter of months or weeks, if the present regime of closure continues."
Filippo Grandi, Deputy Head of UNRWA, 9 August 2007

The public infrastructure has been devastated - first by repeated Israeli military incursions, and then by a lack of tools and cement to make even minor repairs. The damage done to homes, land, and infrastructure amounts to tens of millions of US dollars. Palestinians in Gaza cannot get access to the raw materials they need, and even if they could, the possibility of exporting products are slim to none. This, along with the threat of destruction has kept away any potential donors or investors.

The **agricultural** sector has been particularly ravaged, as farmers must contend with Israeli regulations that restrict them to growing only crops that do not rise above 40 centimeters.⁸ These measures have ostensibly been put in place for security reasons.

⁵ See Justin Lonergan, "Connecting the West Bank and Gaza Strip: Questions of 'Safe Passage'", presented at a conference at Roger Williams University, Spring 2004.

⁶ UNSCO. *Socio-Economic Fact Sheet*. November 2007.

⁷ *Ibid.*

⁸ Oxfam, et al. *The Gaza Strip: A Humanitarian Implosion*. (Joint Agency Report), March 2008.