



# The Economic Costs of the Israeli Occupation for the Palestinian People: Arrested Development and Poverty in the West Bank



UNITED NATIONS





# The Economic Costs of the Israeli Occupation for the Palestinian People: Arrested Development and Poverty in the West Bank



© 2021, United Nations

This work is available through open access, by complying with the Creative Commons licence created for intergovernmental organizations, at <http://creativecommons.org/licenses/by/3.0/igo/>.

The findings, interpretations and conclusions expressed herein are those of the author(s) and do not necessarily reflect the views of the United Nations or its officials or Member States.

The designations employed and the presentation of material on any map in this work do not imply the expression of any opinion whatsoever on the part of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Photocopies and reproductions of excerpts are allowed with proper credits.

United Nations publication issued by the United Nations Conference on Trade and Development.

UNCTAD/GDS/APP/2021/2 and Corr.1

eISBN: 978-92-1-005894-0

## **Note**

This study was prepared by the UNCTAD secretariat, drawing on research prepared by UNCTAD consultant Mr. Jean-Louis Arcand, Professor, International Economics, Graduate Institute of International and Development Studies, Geneva. The study seeks to stimulate debate on the research topic.

The term “dollars” (\$) refers to United States dollars.

In tables, a hyphen (-) indicates that the item is not applicable.

## Contents

<b>Abbreviations .....</b>	<b>v</b>
<b>Executive summary.....</b>	<b>vi</b>
<b>I. Introduction and objectives.....</b>	<b>1</b>
A. Mandate.....	1
B. Objectives .....	1
C. Previous work by UNCTAD on the economic costs of the Israeli occupation.....	2
<b>II. Overview: The West Bank and the second intifada.....</b>	<b>3</b>
A. Background .....	3
B. The aftermath of the second intifada .....	4
C. The direct cost of measures imposed by Israel in the aftermath of the second intifada.....	5
<b>III. The economic costs of the Israeli occupation for the Palestinian people in the West Bank: Ramifications of Israeli measures in the aftermath of the second intifada, 2000–2019.....</b>	<b>6</b>
A. The Palestinian regional economy in the West Bank: Performance and trends .....	6
B. The economic costs of the Israeli occupation for the Palestinian people: After the second intifada, 2000–2019 .....	10
<b>IV. Estimated poverty cost of occupation in the wake of the second intifada, 1998–2017 .....</b>	<b>14</b>
A. Measuring poverty in the West Bank, selected years, 1998–2017 .....	14
B. Allocation of assistance .....	26
C. The economic costs of the closures, restrictions and recurrent hostilities in terms of poverty in the West Bank.....	28
<b>V. Conclusion and recommendations.....</b>	<b>32</b>
A. Concluding remarks .....	32
B. Recommendations .....	32
<b>Annex 1 Variables: Definition and measurement .....</b>	<b>34</b>
<b>Annex 2 Summary statistics.....</b>	<b>36</b>
<b>References.....</b>	<b>41</b>

## Figures

Figure 1 The West Bank: Real gross domestic product.....	7
Figure 2 The West Bank: Real gross domestic product per capita .....	8
Figure 3 The West Bank: Real gross domestic product growth.....	8
Figure 4 The West Bank: Unemployment rate and share of employment in Israel and settlements ....	8
Figure 5 The West Bank: Real gross domestic product, actual and alternative scenario .....	12
Figure 6 The West Bank: Real gross domestic product per capita, actual and alternative scenario .....	13
Figure 7 The West Bank: Empirical cumulative density functions for total monthly household expenditures per adult equivalent, including assistance. ....	16
Figure 8 The West Bank: Standard Lorenz curves, 1998, 2004, 2007 and 2017.....	17
Figure 9 The West Bank: Generalized Lorenz curves (scaled by the mean), 1998, 2004, 2007 and 2017.....	17
Figure 10 The West Bank: Lorenz curves with and without assistance, 2004, 2007 and 2017.....	18
Figure 11 The West Bank: Semiparametric estimates of the effect of pre-assistance expenditures per adult equivalent on assistance per adult equivalent .....	27
Figure 12 The West Bank: Growth incidence curves, 1998–2004, 2004–2007 and 2007–2017.....	29

Figure 13 The West Bank: Empirical cumulative density functions for total monthly household expenditures per adult equivalent, including assistance, actual and alternative scenario ..... 31

## Tables

Table 1 The West Bank: Real gross domestic product, actual and alternative scenario .....	12
Table 2 The West Bank: Real gross domestic product per capita, actual and alternative scenario .....	13
Table 3 The West Bank: Mean and 60 per cent of median expenditures per adult equivalent, 1998–2017 .....	15
Table 4 Regression results: Log real monthly expenditures per adult equivalent, with assistance .....	21
Table 5 Regression results: Log real monthly expenditures per adult equivalent, without assistance .....	22
Table 6 The West Bank: Poverty headcount and poverty gap, with and without assistance .....	23
Table 7 The West Bank: Poverty headcount and poverty gap, with and without assistance .....	23
Table 8 The West Bank: Minimum annual cost of eliminating poverty .....	24
Table 9 Regression results: Log assistance per adult equivalent .....	25
Table 10 The West Bank: Poverty headcount and poverty gap, alternative scenario .....	31
Table 1.1 Variables: Definition and measurement.....	34
Table 2.1 Summary statistics: Palestinian expenditure and consumption survey, 2004.....	36
Table 2.2 Summary statistics: Palestinian expenditure and consumption survey, 2007.....	37
Table 2.3 Summary statistics: Census, 2007.....	38
Table 2.4 Summary statistics: Palestinian expenditure and consumption survey, 2017.....	39
Table 2.5 Summary statistics: Census, 2017.....	40

## Abbreviations

EBP	empirical best prediction
ECDF	empirical cumulative density function
GDP	gross domestic product
GIC	growth incidence curve
OCHA	Office for the Coordination of Humanitarian Affairs
PCBS	Palestinian Central Bureau of Statistics

预览已结束，完整报告链接和二维码如下：

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_8518](https://www.yunbaogao.cn/report/index/report?reportId=5_8518)

