



# **Gaza Strip:**

## **Exclusive Development at Its Most Extreme**

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## **Gaza Strip: Exclusive Development at Its Most Extreme**

### **Executive Summary**

This document serves as a continuation of the analytical report "Human Development for the Few as a Source of Violence and Conflict" and examines the situation in Gaza as a paradigmatic case study. Here, decades of systematic marginalization and perpetually stalled reconstruction efforts have deepened collective despair and perpetuated destructive cycles of violence.

Drawing upon comprehensive data from the United Nations, World Bank, and peer-reviewed academic research, this analysis confirms that Gaza's current predicament represents the culmination of prolonged policies of "development for the privileged few"—a dynamic that has catalyzed radicalization and precipitated widespread humanitarian collapse.

### **Core Findings**

The Gaza Strip exemplifies how exclusionary development paradigms generate and sustain conflict. When economic opportunity, infrastructure investment, and social mobility become privileges reserved for select populations rather than universal rights, the resulting disparities create fertile ground for extremism and violence.

Our research demonstrates that sustainable peace cannot be achieved through temporary ceasefires or isolated diplomatic negotiations alone. Instead, lasting stability fundamentally depends on establishing equitable access to economic opportunity, quality education, healthcare, and civic participation across all communities.

### **Policy Implications**

The evidence from Gaza underscores a critical principle: unless every community maintains a meaningful stake in regional development and prosperity, instability will remain the structural norm rather than the exception. This finding has profound implications for conflict prevention and peacebuilding strategies throughout the Middle East and beyond.

Policymakers must recognize that inclusive development is not merely a humanitarian imperative but a strategic security necessity. Sustainable solutions require comprehensive frameworks that address root causes of marginalization rather than merely managing their symptoms.

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## **Gaza Strip: Exclusive Development at Its Most Extreme**

The Gaza Strip offers perhaps the clearest modern-day example of how "development for the few" translates into devastating socioeconomic consequences and military threats. Gaza's economic and social trajectory from 2007-2025 embodies the mechanisms outlined above at their most extreme<sup>1</sup>.

### **Engineering Exclusion: The Making of a "Closed Territory"**

When Hamas assumed control in 2007, Israel imposed a total blockade that transformed Gaza into an isolated enclave<sup>2</sup>. This policy institutionalized exclusive development on an unprecedented scale, systematically cutting off **2.3 million Palestinians from the regional economy while denying them any meaningful path to advancement**.

The blockade choked off:

- **Movement of goods and people** — complete control over border crossings
- **Access to natural resources** — prohibition on developing offshore gas reserves
- **Trade relationships** — export and import restrictions that created total dependence on Israel
- **Infrastructure development** — comprehensive ban on construction materials

### **The Economics of Exclusion: Gaza Before 2023**

By early 2023, Gaza displayed every hallmark of a territory systematically excluded from development:

#### **Employment and Poverty:**

- **45% unemployment** compared to Israel's 3.7% — a twelve-fold disparity<sup>3</sup>
- **60% youth unemployment** — an entire generation without prospects
- **64% living in multidimensional poverty** even before the current war<sup>4</sup>
- **80% dependent on international humanitarian assistance**<sup>5</sup>

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<sup>1</sup> [english.news.cn](https://english.news.cn/2023/01/18/18-01-2023.html)

<sup>2</sup> [economy.com](https://www.economy.com)

<sup>3</sup> [unctad.org](https://unctad.org)

<sup>4</sup> [tcf.org](https://tcf.org)

<sup>5</sup> [unctad.org](https://unctad.org)

### **Economic Disparity:**

- **Per capita GDP one-fourteenth of Israel's** — exclusion in its starkest form<sup>6</sup>
- Despite similar populations, Gaza's economy generated just **one-fifth of the West Bank's output**<sup>7</sup>

### **Human Costs of Systematic Exclusion**

Years of developmental isolation created the full range of conflict preconditions documented in academic literature:

#### **Social Marginalization:**

- Severely constrained access to quality education<sup>8</sup>
- Healthcare system deterioration (maternal mortality six times Israel's rate)
- Life expectancy six years below Israeli levels<sup>9</sup>

#### **Psychological Dynamics:**

- Generations confronting what Carlos Fortin described as "**an insurmountable chasm between their education, aspirations, and actual opportunities**"
- Decades of "**accumulated frustration and rage born of socioeconomic and political marginalization**"

## **October 7, 2023: When Exclusion Explodes**

**Hamas's assault on Israel directly validates the thesis that exclusive development breeds violence**<sup>10</sup>. While this in no way justifies terrorist violence, it illuminates its roots through the lens of conflict theory.

UN experts have observed that "**grievances stemming from exclusion — from power, resources, security, and justice — drive many of today's violent conflicts.**"

Gaza embodied this exclusion in its purest form.

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<sup>6</sup> [tcf.org](https://tcf.org)

<sup>7</sup> [worldbank.org](https://worldbank.org)

<sup>8</sup> [unrwa.org](https://unrwa.org)

<sup>9</sup> [tcf.org](https://tcf.org)

<sup>10</sup> [english.news.cn](https://english.news.cn)

## From Exclusion to Annihilation: The Post-October 7 Collapse

**Israel's military response transformed exclusive development into developmental extinction.**<sup>11</sup> The 2023-2025 data reveals unprecedented regression across every metric of human progress:

### **Economic Devastation:**

- **84.7% GDP contraction** — the effective creation of an economic wasteland<sup>12</sup>
- **Unemployment soaring to 79.7%** — near-complete economic paralysis
- **98% now living in poverty** — universal impoverishment<sup>13</sup>

### **Human Capital Destruction:**

- **54,000+ killed, 123,000+ wounded** — the physical elimination of human potential<sup>14</sup>
- **Human Development Index collapsed to 1955 levels** — a reversal equivalent to nearly seven decades of progress<sup>15</sup>
- **90% internally displaced** — a society uprooted

## **The Violence Trap: How Exclusion Perpetuates Itself**

Gaza illustrates the self-reinforcing cycle of exclusive development and violence:

1. **Initial marginalization** (2007 blockade) established the socioeconomic foundations for conflict
2. **Mounting grievances** radicalized segments of the population
3. **Violence erupted** (October 7) as the inevitable result of sustained exclusion
4. **Retaliation** (Israel's military campaign) deepened exclusion into near-total isolation
5. **The cycle resets** — a devastated Gaza will emerge even more dependent and marginalized

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<sup>11</sup> [en.wikipedia.org](https://en.wikipedia.org)

<sup>12</sup> [ilo.org](https://ilo.org)

<sup>13</sup> [tcf.org](https://tcf.org)

<sup>14</sup> [unrwa.org](https://unrwa.org)

<sup>15</sup> [undp.org](https://undp.org)

## Regional Spillover: When Exclusion Metastasizes

Gaza's developmental crisis rippled throughout the region:

### West Bank Impact:

- Poverty rates doubled from 12% to 28%<sup>16</sup>
- Unemployment jumped from 12.9% to 34.9%
- Accelerated settlement expansion and tightened movement restrictions<sup>17</sup>

### Broader Destabilization:

- Drawing Lebanon, Yemen, and Iran into the conflict<sup>18</sup>
- Risk of exporting the "exclusive development" model to other territories

## Theoretical Vindication: Gaza as Case Study

Gaza provides empirical confirmation of core theoretical insights about exclusive development and conflict:

1. **Fortin's hypothesis confirmed:** inequality and exclusion, rather than absolute poverty, generated extremism
2. **UNDP findings validated:** sustained marginalization did indeed create fertile ground for radical ideologies
3. **"Humanitarian alienation" demonstrated** in its most acute form

### Prevention Imperatives: Lessons from Gaza

**Gaza's trajectory underscores the critical importance of inclusive development:**

1. **Preventive diplomacy** must target systemic exclusion at its roots
2. **Economic integration** of marginalized communities is essential to prevent radicalization
3. **International actors** must actively counter "development for the few" wherever it emerges

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<sup>16</sup> [ilo.org](http://ilo.org)

<sup>17</sup> [unrwa.org](http://unrwa.org)

<sup>18</sup> [securitycouncilreport.org](http://securitycouncilreport.org)

## Conclusion: Gaza as Global Warning

Gaza's tragedy stands as **the starkest contemporary illustration of where exclusive development leads**. What began as constrained exclusion (the 2007-2023 blockade) evolved into complete developmental collapse, claiming tens of thousands of lives and reversing decades of human progress.

**This case must serve as a warning to every nation and region where exclusive development takes root.** Gaza demonstrates that the cost of failing to uphold inclusive development principles extends far beyond the excluded — it can destabilize entire regions and claim countless lives.

Only through **unwavering commitment to inclusive development** — ensuring genuine opportunity for all — can we prevent such tragedies from recurring elsewhere in our interconnected world.

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