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## Background Paper Round Table (3)



### "Communal Coping"

**Systematic Demographic Devastation and Labour  
Market Dynamics in the Gaza Strip: Implications in  
the Context of the October 2023 War**

2025



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**“Communal Coping” Systematic Demographic Devastation and Labour Market Dynamics in the Gaza Strip:  
Implications in the Context of the October 2023 War**

Prepared by: Palestine Economic Policy Research Institute (MAS)

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## 1. Introduction

The ongoing war on the Gaza Strip, waged by Israeli military forces since 7 October 2023, stands as one of the most devastating and deadliest in modern history. This escalation has inflicted unprecedented levels of devastation on the civilian population and critical infrastructure, leading to widespread displacement and loss of life. It has resulted not only in a humanitarian catastrophe but also in a systematic breakdown of the Palestinian labour economy. Even prior to this period, the Gaza Strip was grappling with long-standing vulnerabilities stemming from a prolonged blockade and conditions that have severely undermined its socio-economic resilience.<sup>1</sup> Most economic activities in the Strip remain in total paralysis, hence, labour market dynamics have undergone profound structural distortions.<sup>2</sup>

The catastrophic devastation inflicted on the Gaza Strip in the aftermath of October 7<sup>th</sup>, has profoundly disfigured the population structure and shattered the labour force composition. This has manifested in a dramatic collapse in labour force participation, a severe demographic imbalance between the working-age population and dependents, and driven marginalized groups especially women, youth, and the forcibly displaced persons to the brink of survival.

Against this backdrop, this paper seeks to examine the multifaceted repercussions of the systemic demographic collapse in the Gaza Strip marked by mass displacement, population loss, and the disintegration of family structures on labour market functionality. The analysis spans the period from October 7, 2023, to mid-May 2025, a timeline that includes the renewed escalation of hostilities in March 2025, with the toll of death and casualties escalating by the day. The study further explores how Gazans have adapted to this protracted crisis through resilience strategies and coping mechanisms, including the rise of new informal and crisis-driven professions born out of necessity and survival. Ultimately, the paper aims to offer a comprehensive understanding of how war-induced demographic devastation reverberates through the employment system in conflict-affected regions. Today, Gaza's post-war labour market is gripped by unprecedented demographic pressures that severely complicate any path to recovery and demand urgent, focused policy intervention; an issue that constitutes the central focus of this paper.

## 2. Demographic Shocks Post-war

Hauser and Duncan defined demography as “the study of the size, territorial distribution, and composition of population, changes therein, and the components of such changes”.<sup>3</sup> Expanding on this foundation, Xie distinguishes between two principal aspects of demographic analysis: the first, formal demography, addresses quantitative measures such as population growth rates, fertility, mortality, spatial distribution (including displacement and migration), and age structure; the second

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1. United Nations. (2024). General Assembly: A/79/343 [Report]. Retrieved May 12, 2025, from <https://www.un.org/unispal/wp-content/>

2. International Labour Organization. (2024, May 21). The situation of workers of the occupied Arab territories: Report of the Director-General – Appendix. Report for the 112th Session of the International Labour Conference. <https://www.ilo.org/resource/conference-paper/report-112th->

3. Hauser, P. M., & Duncan, O. D. (1959). *The study of population: An inventory and appraisal*. University of Chicago Press. Available at: <https://ia802903.us.archive.org/3/items/in.ernet.dli.2015.137300/2015.137300.The-Study-Of-Population-An-Inventory-And-Appraisal.pdf>

examines how structural changes within the population influence broader socio-economic outcomes.<sup>4</sup> Applying this to the context of the Gaza Strip; the following sections give a comprehensive glimpse of how the demographic shocks in terms of scale of human displacement and loss of life have fundamentally changed the makeup of Gaza's society in a very short post-war time.

## 2.1 Population Structure, Displacement and Migration

Given the severely traumatized socio-economic landscape, war has unleashed dramatic demographic shocks, evidenced by several critical observations. According to the official estimates by the Palestinian Central Bureau of Statistics,<sup>5</sup> refugees constitute 66.1% of the Gaza Strip's population, amounting to approximately 1.24 million individuals.<sup>6</sup> Gaza's population structure is predominantly youthful, with individuals under 15 years accounting for 40.3% of the population (and nearly 1 million children below 18 years constitute about 47% of the population), with a median age of approximately 19.6 years by the end of 2024. Elderly people (65 years and older) comprise only 3.0% of the population. Life expectancy at birth in the Gaza Strip was 74.0 years overall in 2023 with 72.9 years for males and 75.1 years for females.<sup>7</sup> Gender distribution within the Gaza Strip shows a slight male predominance; in 2024, there were approximately 1.07 million males compared to 1.06 million females, resulting in a sex ratio of 101.4 males per 100 females. The median age in the Gaza Strip has gradually increased from 17.2 years in 2010 to 19.6 years in 2024. In addition, the average household size has also declined significantly from 6.4 members per household in 2010 to 5.3 in 2023, reflecting broader social and demographic trends. Fertility rates in the Gaza Strip have also declined over the past decades, decreasing from 5.8 births per woman in 1999 to 3.9 births per woman in the 2017-2019 period.

Furthermore, the October 2023 war has inflicted unprecedented levels of devastation on the civilian population, Gaza's estimated population decreased significantly by 6%<sup>8</sup> compared to the 2023 estimates, reaching approximately 2.1 million. Notably, this war severely disrupted key sectors, especially health and education, causing profound and long-term developmental setbacks. Critical health services were disrupted, including routine immunizations, with around 16,854 children missing their scheduled vaccinations.

A massive internal displacement crisis has unfolded in Gaza. According to the United Nations Office for the Coordination of Humanitarian Affairs<sup>9</sup>, at least 1.9 million people approximately

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4. Xie, Y. (2000). Demography: Past, Present, and Future. *Journal of the American Statistical Association*, 95(450), 670–673. <https://doi.org/10.2307/2669415>

5. Palestinian Central Bureau of Statistics PCBS. (2024). Palestinians at the end of 2024. Ramallah – Palestine. Retrieved from <https://www.pcbs.gov.ps/Downloads/book2710.pdf>

6. Palestine refugees are defined as “persons whose normal place of residence was Palestine during the period 1 June 1946 to 15 May 1948, and who lost both home and means of livelihood as a result of the 1948 conflict. <https://www.unrwa.org/palestine-refugees#:~:text=Palestine%20>

7. Palestinian Central Bureau of Statistics PCBS (2023). Palestinians at the End of 2023. <https://www.pcbs.gov.ps/Downloads/book2687.pdf>

8. Palestinian Central Bureau of Statistics PCBS. (2025). Palestinians at the end of 2024. Ramallah – Palestine. Retrieved from <https://www.pcbs.gov.ps/Downloads/book2710.pdf>

9. United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) (2025, March 25). Humanitarian Situation Update #275: Gaza Strip. <https://www.un.org/unispal/document/ocha-humanitarian-situation-update-275-gaza-strip/>

90% of Gaza's total population of 2.2 million have been displaced, many of them multiple times. This scale of displacement is compounded by the extensive destruction of residential areas: an estimated 92% of homes in Gaza have been damaged or destroyed, turning vast sections of the Strip into uninhabitable no-go zones<sup>10</sup>.

Intensifying the humanitarian catastrophe, since 18 March, 81% of the Gaza Strip now within Israeli-militarized zones or placed under displacement orders, and at least 31 displacement orders, placing about 229.4 km<sup>2</sup> under active displacement<sup>11</sup>. Entire areas, like Rafah (100%), and large portions of North Gaza (84%), Gaza (78%), Khan Younis (51%), and Deir al Balah (41%) are affected, and nearly 430,000 people have been newly displaced since the ceasefire collapsed<sup>12</sup>.

The human toll is devastating. According to OCHA's Humanitarian Situation Update<sup>13</sup>, citing figures from Gaza's Ministry of Health, at least 52,928 people have been killed and 119,846 injured between October 7, 2023, and May 14, 2025. Further, the war resulted in **17,581 child** fatalities, **12,048 women**<sup>14</sup>. This dramatically altered Gaza's demographic structure with children represented approximately 29.5%, and women accounted for roughly 15.7% of the total fatalities reported during that period.

## 2.2 Family Structure Disruptions and Social Fabric

Families have been shattered; the war has led to significant disruptions in family structures and social networks. Family separations became widespread due to the mass displacement and the high number of casualties<sup>15</sup>. The loss of male family members, who often served as primary breadwinners, resulted in an increase in the number of female-headed households. The widespread displacement and loss of life have weakened traditional social support networks, which are crucial for coping with crises<sup>16</sup>. Furthermore, the devastating and traumatic experiences of the conflict have led to a significant increase in the need for psychological treatment, with estimates suggesting that at least half a million people require mental health support<sup>17</sup>. The breakdown of traditional family structures and social networks weakens traditional coping mechanisms and

10. United Nations Office for the Coordination of Humanitarian Affairs UNOCHA. (2025, February 11). Humanitarian Situation Update #263: Gaza Strip. <https://www.unocha.org/publications/report/occupied-palestinian-territory/humanitarian-situation-update-263-gaza-strip>

United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA). (2025, April 15). Besieged – Humanitarian Access Snapshot #11: Occupied Palestinian Territory (19 Jan – 15 Apr 2025). ReliefWeb. <https://reliefweb.int/report/occupied-palestinian-territory/besieged->

11. United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA). (2025, May 28). Humanitarian situation update #292: Gaza Strip. <https://www.ochaopt.org/content/humanitarian-situation-update-292-gaza-strip>

12. United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). (2025, May 9). UNRWA Situation Report #170 on the Humanitarian Crisis in the Gaza Strip and the West Bank, including East Jerusalem. <https://www.unrwa.org/resources/reports/unrwa->

13. United Nations Office for the Coordination of Humanitarian Affairs. (2025, May 14). Reported impact snapshot | Gaza Strip (14 May 2025). <https://www.ochaopt.org/content/reported-impact-snapshot-gaza-strip-14-may-2025>

14. Palestinian Central Bureau of Statistics PCBS. (2025). Palestinians at the end of 2024. Ramallah – Palestine. Retrieved from <https://www.pcbs.gov.ps/Downloads/book2710.pdf>

15. Global Protection Cluster. (2024). Protection Analysis Update Gaza - December 2024 (PAU #25). Retrieved May 14, 2025, from [https://globalprotectioncluster.org/sites/default/files/2025-01/pau25\\_protection\\_analysis\\_update\\_gaza\\_december2024\\_final.pdf](https://globalprotectioncluster.org/sites/default/files/2025-01/pau25_protection_analysis_update_gaza_december2024_final.pdf)

16. OCHA. (2024). Humanitarian Situation Update #286: Gaza Strip. United Nations Office for the Coordination of Humanitarian Affairs – Occupied Palestinian Territory. Retrieved May 14, 2025, from <https://www.ochaopt.org/content/humanitarian-situation-update-286-gaza->

17. Fouda, H. (2024). التحولات الديموغرافية في قطاع غزة.. تأثيرات الحرب [Demographic shifts in Gaza Strip: The effects of war]. Al-Masry Al-Youm. Retrieved May 14, 2025, from <https://www.almasryalyoum.com/news/details/3396664>

increases economic vulnerability, particularly for households headed by women who may lack prior work experience or adequate support. The pervasive trauma experienced by the population also has a direct impact on mental health and overall productivity.

The United Nations Children's Fund<sup>18</sup> reported that nearly every child in the Gaza Strip knows what it is like to be displaced; their families have been torn apart, their homes destroyed, i.e., many households have lost one or both parents, creating new child-headed homes, and thousands of children are now unaccompanied or separated from caregivers. Women face dramatic role changes; aside from the trauma of loss, many have become new breadwinners or heads of household. Social coping pressures have spiked; a survey conducted by the United Nations Population Fund UNFPA (2024)<sup>19</sup> found that 71% of respondents reported increased pressure for girls under 18 to marry early compared to 56% of boys, as an economic coping strategy. Similarly, UNICEF warned that Gaza's worsening crisis such as displacement, hunger, and poverty are the key drivers to push families toward harmful practices like child marriage and child labour<sup>20</sup>.

According to the World Bank, War not only reduces the labour force by the loss of people, but also means thousands will be living with disabilities (amputations, trauma, injuries) that could impair their ability to work in the future<sup>21</sup>. Additionally, psychological trauma, especially among children and youth, will likely affect labour outcomes for years to come, manifesting itself in Post-Traumatic Stress Disorder PTSD hindering education and exacerbating social issues. The World Bank also warns that the war toll on mental health and the disruption of schooling for over 800,000 children and 80,000 university students in the Gaza Strip will have a significant impact on youth and the broader social fabric, undermining human capital and social cohesion.

The collapse of formal labour markets and the surge of informal coping mechanisms represent critical risks to Gaza's social fabric. As skilled workers perish or are displaced, and as education and training systems remain paralyzed, labour market segmentation will likely harden. Younger workers are at risk of becoming permanently disconnected from pathways to decent work, while women, disproportionately affected by care burdens and conflict-related restrictions, face heightened marginalization and exclusion from economic participation. Moreover, the psychological and physical impacts of war on Gaza's labour force, including trauma and disability, further undermine labour market functionality.

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18. UNICEF. (2025). Children in Gaza need life-saving support. <https://www.unicef.org/emergencies/children-gaza-need-lifesaving-support>

19. The United Nations Population Fund UNFPA. (2024). Shattered lives and dreams: The toll of the war on Gaza on young people. Prepared by Abu Hamad, B., Vintges, J., Diab, R., AbuHamad, S., Khammash, U., Dabis, J., Labadi, H., Maayeh, C., & Jones, N. UNFPA Palestine. <https://palestine.unfpa.org/sites/default/files/pub-pdf/2024-11/Gaza%20report%202024%20final%20version.pdf>

20. UNICEF. (2025). State of Palestine: Humanitarian Action for Children appeal. <https://www.unicef.org/appeals/state-of-palestine>

21. World Bank, European Union, & United Nations. (2024). Gaza Strip interim damage assessment: Summary note. <https://thedocs.worldbank.org/>



### 3. Economic and Labour Market Impacts in the Gaza Strip

#### 3.1 Overall Economic Collapse and Unemployment

The war has triggered a catastrophic economic collapse in the Gaza Strip. Real GDP per capita plunged by 84.9%<sup>22</sup>, and total GDP contracted by 84.7% over the past year. Unemployment soared to over 80% in 2024, up from 53% in 2023, while labour force participation dropped to 36%, compared to 40% before the war<sup>23</sup>.

According to the United Nations Development Programme (UNDP) impact assessment report<sup>24</sup>, the ongoing war, combined with the extensive damage inflicted on firm assets, business-enabling infrastructure, and governance mechanisms, along with the near-total blockade imposed on the Gaza Strip, have resulted in a systemic breakdown of economic activity. This disruption has severed supply chains, restricted access to essential inputs, raw materials, and services, and significantly undermined the operational capacity of local enterprises, with firms grappling with acute financial constraints that limit their ability to recover and sustain employment.

In tandem with unemployment figures mentioned earlier, many in the Gaza Strip face severe underemployment or have exited the labour force entirely. Informal work has become a primary survival strategy, with increasing reliance on small-scale street vending and irregular jobs. Child labour is also rising. Even before the war, 63.4% of Gaza's workforce was informally employed, a figure likely much higher now. Working conditions have sharply deteriorated, with widespread reports of low wages, lack of social protection, unsafe environments, and no formal worker representation<sup>25</sup>. At the same time, all formal education and vocational training systems have collapsed. Educational institutions have been systematically targeted, with most schools and universities either destroyed, damaged, or repurposed as shelters for internally displaced people. Hundreds of teachers, trainers, and university lecturers have been killed, severing future pathways for skill development and labour force renewal in the Gaza Strip<sup>26</sup>.

A labour force survey, adjusted for wartime conditions and conducted by the Palestinian Central Bureau of Statistics<sup>27</sup> in the Gaza Strip during November and December 2024 (fourth quarter), reveals the extreme vulnerability of the labour market. The overall labour force participation rate among individuals aged 15 and above was critically low at 29.9%, with a stark gender gap of

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22. Palestinian Central Bureau of Statistics, & Palestine Monetary Authority. (2024, December 30). The performance of the Palestinian economy for 2024, and economic forecasts for 2025. [https://www.pcbs.gov.ps/portals/\\_pcbs/PressRelease/Press\\_En\\_EconomicForecast2024E.pdf](https://www.pcbs.gov.ps/portals/_pcbs/PressRelease/Press_En_EconomicForecast2024E.pdf)

23. International Labour Organization. (2024, October). A year of war in Gaza: Impacts on employment and livelihoods in the West Bank and Gaza Strip (ILO Bulletin No. 5). United Nations. <https://www.un.org/unispal/document/a-year-of-war-in-gaza-ilo-bulletin-no-5-17oct24/>

24. United Nations Development Programme. (2024, October). Impact of the Gaza War on Private Sector and Pathways for Recovery: Executive Summary. UNDP/PAPP Gaza Insights Series. [https://www.undp.org/sites/g/files/zskgke326/files/2024-10/gaza\\_insights-private\\_sector-](https://www.undp.org/sites/g/files/zskgke326/files/2024-10/gaza_insights-private_sector-)

25. International Labour Organization. (2024, October). A year of war in Gaza: Impacts on employment and livelihoods in the West Bank and Gaza Strip (Bulletin No. 5). <https://doi.org/10.54394/LOPQ2286>

26. International Labour Organization. (2024). The situation of workers of the occupied Arab territories: Report of the Director-General – Appendix (ILC.112/DG/APP). International Labour Conference, 112th Session. <https://www.ilo.org/sites/default/files/2024-05/ILC112%282024%29-DG->

27. Palestinian Central Bureau of Statistics. (2025). Labour Force Survey during the Israeli aggression on Gaza Strip: Reality and facts (First round: November – December 2024). [https://www.pcbs.gov.ps/portals/\\_pcbs/PressRelease/Press\\_Ar\\_LFRepGazaQ42024A.pdf](https://www.pcbs.gov.ps/portals/_pcbs/PressRelease/Press_Ar_LFRepGazaQ42024A.pdf)



47.7% for men compared to only 12.3% for women. The employment-to-population ratio was even lower, registering at 9.3% overall (15.3% for men and only 3.3% for women).

The unemployment rate reached an alarming 69.0%, with male and female unemployment rates at 67.9% and 73.2%, respectively. However, this figure alone fails to capture the full extent of labour market distress. A more comprehensive indicator labour underutilization (LU3)<sup>28</sup> was recorded at 80.1%, highlighting severe job scarcity and unmet employment needs (77.0% for men and 87.7% for women), See table (1).

**Table (1): Key Labour Market Indicators (Age 15+)  
the Gaza Strip, Fourth Quarter 2024 (per cent)**

Indicator	Total (%)	Men (%)	Women (%)
Labour force participation rate	29.9	47.7	12.3
Employment-to-population ratio	9.3	15.3	3.3
Unemployment rate	69.0	67.9	73.2
LU3 rate (Labour underutilization)	80.1	77.0	87.7

Source: Palestinian Central Bureau of Statistics (PCBS, 2025).

ILO indicated that youth unemployment in the Gaza Strip is critically high, particularly among those aged 15–29, with an overall rate of 80.3% (79.9% for men and 82.2% for women)<sup>29</sup>. Additionally, 73.8% of youth are not engaged in employment, education, or training (NEET), with men primarily seeking jobs and women largely occupied with household responsibilities. A smaller portion (4.6%) are inactive due to long-term illness or disability. These prolonged periods of inactivity contribute to skill deterioration, reducing future employability and causing long-term damage to productivity and economic potential.

### 3.2 Sectoral Job Losses, Wages and Economic Dislocation

At the sectoral level, the destruction of infrastructure and business has obliterated normal employment. Across sectors, the World Bank’s Damage & Needs Assessment report<sup>30</sup> shows unprecedented losses, as follows:

28. The ILO (International Labour Organization) uses both the unemployment rate and the LU3 rate as indicators of labour market conditions. The unemployment rate is the percentage of the labour force that is actively seeking work but unable to find employment. The LU3 rate, on the other hand, is a broader measure of labour underutilization, including those unemployed, those in the potential labour force, and those who are willing non-job seekers

29. International Labour Organization. (2025). The situation of workers of the occupied Arab territories: Report of the Director-General – Annex. International Labour Office. <https://www.ilo.org/sites/default/files/2025-05/ILC113%282025%29-DG-APP-%5BRO-BEIRUT-250402-001%5D->

30. World Bank. (2025). Gaza and West Bank interim rapid damage and needs assessment: February 2025. <https://www.worldbank.org/en/news/press-release/2025/02/18/new-report-assesses-damages-losses-and-needs-in-gaza-and-the-west-bank>

- **Commerce, Services and Industry:** These sectors suffered devastating damage. The Damage Assessment report finds over US\$5.2 billion in destroyed assets and US\$687 million in repair costs in Gaza's commerce and industry sector. Cumulatively, this sector incurred US\$2.2 billion in five-year losses (three times pre-crisis annual GDP). These losses include US\$473 million in lost wages (in reduced hours, layoffs, or closures) and US\$1.76 billion in lost business returns. Out of an estimated 116,000 people working in Gaza's commerce, industry, tourism and hospitality establishments, more than 100,000 people lost their jobs (see table (2)). In other words, virtually the entire workforce in these sectors was wiped out. The unpaid tax revenues from these businesses have also collapsed.
- **Transport and Logistics:** Gaza's transport infrastructure (roads, ports, pipelines) is largely unusable. The transport sector lost an estimated US\$377 million until Oct 2024. Employment in transport/logistics was similarly destroyed; US\$214.8 million in wages was lost in formal transport logistics and another US\$28.2 million in the informal transport sector (see table (2)). Maintenance and ancillary services lost additional income. Transport businesses (buses, taxis, trucks) that once employed tens of thousands are inoperative.
- **Agriculture and Fishing:** Gaza's agriculture has been crippled. More than half of Gaza's arable land and orchards lie in the northern buffer zone; Israeli forces deny access to that land. Infrastructure for irrigation and water pumping is wrecked. The Office of the United Nations High Commissioner for Human Rights noted that the destruction of agricultural land, fishing ports, and local fleets crippled food production. Fishing, once a key livelihood along the coast, is no longer viable due to military blockades and destroyed boats<sup>31</sup>. The result is a near-total collapse of farm and fish sector output, throwing thousands of farm workers and fishers out of any job and exacerbating acute food shortages. Many farmers' fields are littered with unexploded ordnance, making cultivation dangerous. According to the Integrated Food Security Phase Classification (IPC)<sup>32</sup>, between May and September 2025, the entire population of the Gaza Strip is projected to experience acute food insecurity, with all individuals falling under IPC Phase 3 or higher. Among them, nearly 469,500 are expected to face catastrophic levels (IPC Phase 5). In the same period, the Gaza Strip is also projected to record 70,500 cases of acute malnutrition among children aged 6 to 59 months, including 14,100 severe cases, while nearly 17,000 pregnant and breastfeeding women will require treatment for malnutrition.
- **Wages and Incomes:** Across the economy, household incomes have plummeted due to the stark contraction of GDP in the Gaza Strip, an estimated US\$953 million in household income has been lost to the date of the report. Entire towns have lost their only source of livelihoods. Cash shortages and market disruptions force both barter and informal credit arrangements. With no wages or formal jobs, Gazans rely on savings, aid rations, and remittances from abroad (though the diaspora is also under strain).

31. Office of the United Nations High Commissioner for Human Rights (OHCHR). (2024, January 16). Over one hundred days into the war, Israel destroying Gaza's food system and weaponising food, say UN human rights experts. <https://www.ohchr.org/en/press-releases/2024/01/over-one-hundred-days-war-israel-destroying-gazas-food-system-and>

32. Integrated Food Security Phase Classification. (2025, May). Gaza Strip: Acute food insecurity and malnutrition snapshot (April–September 2025). [https://www.ipcinfo.org/fileadmin/user\\_upload/ipcinfo/docs/IPC\\_Gaza\\_Strip\\_Acute\\_Food\\_Insecurity\\_Malnutrition\\_Apr\\_Sept2025\\_](https://www.ipcinfo.org/fileadmin/user_upload/ipcinfo/docs/IPC_Gaza_Strip_Acute_Food_Insecurity_Malnutrition_Apr_Sept2025_)

**Table (2): Aggregate sectoral losses and job impacts in the Gaza Strip**

Sector	Estimated Damage / Loss	Estimated Jobs Lost
Commerce, Service, & Industry	US\$2.2 billion (\$473M Reduced wages & US\$1.76 billion in reduced returns) (sustained US\$5.9 billion in damage and US\$2.2 billion in losses)	(out of 116,000) 100,000<
Transport & Logistics	Damages: US\$2.5 billion Losses: US\$377 million (due to reduced revenue from fuel taxes, parking, and vehicle registrations, as well as increased operating costs for both aid delivery and residual transport activities)	(with an estimated US\$214.8 million in lost wages in transport logistics and US\$28.2 million in the informal transport sector)
Agriculture/Fishing	>80% of the total cropland area is damaged, and 77.8% is inaccessible <sup>33</sup> . (incurred US\$835 million in damage and US\$1.3 billion in losses)	jobs losses 18,400
Energy	Damages: US\$494 million Losses: US\$243 million; The economic losses (US\$243 M) include emergency power costs and lost industrial/commercial activity	Employment losses, with 261 jobs lost and a 60 percent income reduction among informal workers
Water, sanitation, and hygiene (wash)	Damages: US\$1.5 billion Losses: US\$64 million	losses of jobs estimated at 2,600

(sources: World Bank, 2025)<sup>34</sup>.

With the formal private sector decimated, shops closed, factories destroyed, and schools shut down, employment opportunities in the Gaza Strip have collapsed. The labour market has been reduced to a narrow spectrum of activities largely reliant on public sector services, humanitarian aid, and informal economic survival. Among those still employed, the majority work in public administration (31.5%), education (13.0%), and health services (8.7%), sectors that together constitute more than half of the remaining employment in the Gaza Strip<sup>35</sup>. The only areas with sustained activity include emergency services, international humanitarian organizations, and the remnants of the UNRWA workforce, particularly in health clinics and schools. Even within these sectors, wages are irregular and insufficient to meet basic living needs.

### 3.3 Crisis-Driven Professions

The demographic catastrophe directly translates into acute labour market dysfunctions. On the one hand, the war has decimated labour demand. Key productive sectors have been virtually destroyed or paralyzed by physical devastation, blockades, and economic collapse as mentioned earlier. Amidst widespread destruction, displacement, and loss of life, certain professions became

33. Food and Agriculture Organization of the United Nations. (2025). Gaza Strip: Agricultural damage and loss needs assessment – November 2023 to February 2024. <https://openknowledge.fao.org/server/api/core/bitstreams/c4be554e-170f-413e-ae57-f77030be8d09/content>

34. World Bank. (2025). Gaza and West Bank interim rapid damage and needs assessment: February 2025. <https://www.worldbank.org/en/news/>

35. International Labour Organization. (2025). The situation of workers of the occupied Arab territories: Report of the Director-General – Annex. International Labour Office. <https://www.ilo.org/sites/default/files/2025-05/ILC113%282025%29-DG-APP-%5BRO-BEIRUT-250402-001%5D->



critically important, driven by the immediate needs of a population under siege. These “crisis-driven professions” encompassed individuals and groups whose work, often at great personal risk, was essential for survival, aid delivery, and maintaining a semblance of community functioning. Simultaneously, Gazans drew upon deep reserves of resilience, employing a myriad of coping mechanisms to navigate the immense psychological and material challenges imposed by the war<sup>36</sup>.

The World Bank (2025) assessment report noted that shadow economy in the Gaza Strip has basically disrupted and reshaped economic and social life, where illegal markets have become essential for procuring basic goods, such as food and fuel, as Israeli closures and shortages persist. Informal markets and street vendors have replaced many formal businesses. The reality is that much of the remaining labour force faces hidden unemployment or has been pushed into precarious, informal, or survivalist employment arrangements. Street vending, day labour, aid distribution, and other informal micro-economic activities have become primary means of livelihood for large swaths of the population. The sharpest example is the growth of a black market for cash and food: as the UNDP observes, a severe cash shortage prompted a rise in informal “cash selling” at steep fees, while banks and aid agencies pushed e-payments, but with power cuts and network failures even these are limited<sup>37</sup>.

Migdad & Buheji<sup>38</sup> reported that many families resorted to street vending; selling goods on makeshift stalls, which often included aid items (stolen or surplus) and other essentials. Others set up temporary produce stands or began selling tobacco, spurred by skyrocketing cigarette prices. Domestic “wage labour” often takes the form of queue-for-hire; some Gazans stand in line on behalf of wealthier neighbors to buy bread, eggs or withdraw cash from ATMs, charging a fee for their service. Creative transport solutions also emerged, for instance, horse-drawn carts replacing fuel-starved trucks, or cars modified to run on cooking oil. Small black-market ventures proliferated as formal trade routes closed; gangs stole from aid convoys. Communal kitchens provided small incomes while serving displaced neighbors. Many examples of crises-driven professions arise as follows:

- *Street vending and kiosks*: Gazans set up stalls selling whatever is available – from water and vegetables to looted or donated supplies.
- *Queue-worker jobs*: Individuals earned money by waiting in line for others (at bakeries, ATMs, fuel stations) and then reselling scarce goods or currency positions.
- *Informal services*: People dug wells, built latrines, and installed makeshift shelters (digging wells and constructing bathroom facilities for tents).
- *Shadow trade*: Black-market traders and war profiteers expanded, dealing in anything from fuel to rolled cigarettes; gangs hijacked portions of aid convoys to sell goods in local markets.

36. British Red Cross. (2025, May 1). What's happening in Gaza? A desperate humanitarian crisis. <https://www.redcross.org.uk/stories/disasters-world-bank>.  
World Bank. (2025). Gaza and West Bank interim rapid damage and needs assessment: February 2025. <https://www.worldbank.org/en/news/>

37. United Nations Development Programme UNDP, (2024). Impact of the Gaza War on Private Sector and Pathways for Recovery. UNDP Programme of Assistance to the Palestinian People. [https://www.undp.org/sites/g/files/zskgke326/files/2024-10/gaza\\_insights\\_on\\_private](https://www.undp.org/sites/g/files/zskgke326/files/2024-10/gaza_insights_on_private)

38. Migdad, M., & Buheji, M. (2024). Resilience amidst devastation: Qualitative insights from Gaza during the war. *International Journal of Social Sciences Research and Development*, 6(2), 13–27. <https://doi.org/10.5281/zenodo.13133285>

- *Urban farming and foraging*: Some displaced families resorted to subsistence activities (e.g. salvage from rubble, gardening in plots), although arable land was largely destroyed.
- *Money Hoarders (MUKAYYESHEEN)*: The cash shortages have given rise to a black-market phenomenon known locally as “MUKAYYESHEEN”, where they offer cash to citizens in exchange for financial transfers from their bank accounts, charging exorbitant commissions.
- *Banknote Cleaning*: A new informal profession has emerged involving the cleaning and restoration of worn or damaged banknotes to keep them in circulation.

In conclusion, Gaza’s crisis-driven workers face unparalleled on-the-job trauma and are witness to devastation that also engulfs their families. Their resilience derives from professional duty and communal solidarity, even as institutional backing has been inadequate. Civilians, especially women, youth and displaced families, cope through collective social networks, faith, and adaptive daily strategies. Academic and humanitarian research underscores these empirical findings: strong social support and culturally sensitive psychosocial programming are key resilience factors<sup>39</sup>.

#### 4. Communal Coping Mechanisms: Women, Youth, and Displaced Families

Out of the chaos of war, the strong sense of community in the Gaza Strip played a significant role in collective coping. Neighbors helped neighbors, sharing food and resources, providing psychological support, and assisting those most vulnerable. Community-led initiatives, such as the community kitchens mentioned earlier, emerged to address immediate needs<sup>40</sup>. Among Gazan civilians, coping is a mix of social, economic and psychological strategies rooted in community and culture. Women and mothers, who make up 50% of the displaced, often bear added burdens (caring for children, elderly relatives, etc.) while coping with their own trauma. Hamamra et al., (2025)<sup>41</sup> note that Gazan women draw heavily on communal and cultural resources; for example, despite dire conditions, women’s groups (often tied to UN Women or UNRWA initiatives) have organized kitchen cooperatives, sewing circles and protection committees within shelters. Religious faith provides daily comfort and hopes as essential coping tools. Women also lead informal psychosocial support; many rely on extended family networks for childcare and emotional advice, and they form peer support groups (even around sharing scarce resources) to bolster each other.

Young people (teens and young adults) face school closures, interrupted careers (e.g. med school, university), and repeated uprooting. Yet the youth have been active in coping too, with many volunteers in aid distribution or teaching in informal refugee schools, which provides a sense of agency. Community centers run by NGOs organize youth clubs that mix learning with play and psychosocial support; these clubs serve as outlets to share worries and keep up morale<sup>42</sup>. Online communities

39. Hamamra, B., Mahamid, F., & Bdier, D. (2025). Surviving trauma: Gazan women’s mental health during genocide. *Discover Public Health*, 22, Article 229. <https://doi.org/10.1186/s12982-025-00637-z>

40. DCAF – Geneva Centre for Security Sector Governance. (2024). Security and justice providers post-war in Gaza: Institutional shifts and emerging actors post-2023. DCAF. <https://www.dcaf.ch/sites/default/files/publications/documents/GazaSecJusticeProviders2024-EN->

41. Hamamra, B., Mahamid, F., & Bdier, D. (2025). Surviving trauma: Gazan women’s mental health during genocide. *Discover Public Health*, 22, Article 229. <https://doi.org/10.1186/s12982-025-00637-z>

42. Aqtam, I. (2025). A narrative review of mental health and psychosocial impact of the war in Gaza. *Eastern Mediterranean Health Journal*, 31(2), 89–96. <https://doi.org/10.26719/2025.31.2.89>



and social media also give lifeline to young Gazans to exchange news, religious encouragement, and coping tips via messaging apps when other communication is cut off. Importantly, research has shown that strong family cohesion is a key protective factor: when parents and siblings maintain unity and routine, children and youths report better behavioral stability<sup>43</sup>.

Displaced families also show significant coping mechanisms. In crowded shelters, coping can be especially hard, but communities have improvised help networks. Hamamra et al.,<sup>44</sup> found also that displaced people in Rafah camps show strong communal bonds, faith and adaptive resilience, which are central coping themes. Displaced families rely on each other for childcare, food sharing, and news of missing relatives. Practical coping includes pooling whatever income remains (some manage odd jobs like delivering water or working in aid kitchens) and bartering scarce goods. Despite trauma, many displaced people use humor and storytelling among friends to alleviate stress sharing jokes, poems or simple distractions nightly. They also observed that family and camp friends provided “essential emotional and practical assistance” while religion was “a crucial source of hope and meaning” during the siege.

Socially, Gazans rely heavily on community and family networks. According to a study by Ground Truth Solutions & Arab World for Research and Development<sup>45</sup>, one-third of respondents coped primarily through local community groups and self-help networks, and 13 % through diaspora support. Similarly, United Nations Population Fund’s UNFPA found 89 % of young people said their family helped them through hard times, and 35 % cited friends as support<sup>46</sup>. Informal social systems like community kitchens (often operated by charities or local committees) have become vital; many families eat primarily from such communal meals, OCHA<sup>47</sup> noted widespread reliance on community kitchens amid bakery closures. Spiritual and cultural ties also serve as coping outlets; faith-based rituals, prayer groups, and other collective traditions help restore a sense of normalcy. However, social fabric is strained; aid is extremely scarce and inequitable (only 20 % of Gazans believe aid reaches those most in need. Still, local solidarity through Palestinian NGOs, UNRWA relief networks, and grassroots volunteers remains a crucial buffer against total collapse. According to UNFPA<sup>48</sup> cross-sectional household survey<sup>49</sup>, some Gazans have turned to risky employment; only 28 % of young people were able to work for pay during the war, often long

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43. Aldabbour, B., Abuabada, A., Lahlouh, A., Halimy, M., Elamassie, S., Sammour, A. A., Skaik, A., & Nadarajah, S. (2024). Psychological impacts of the Gaza war on Palestinian young adults: A cross-sectional study of depression, anxiety, stress, and PTSD symptoms. *BMC Psychology*, 12, Article 696. <https://doi.org/10.1186/s40359-024-02188-5>

44. Hamamra, B., Mahamid, F., Bdier, D., & Atiya, M. (2025). War-related trauma in narratives of Gazans: challenges, difficulties and survival coping. *Cambridge Prisms: Global Mental Health*, 12, e34. doi: [10.1017/gmh.2025.23](https://doi.org/10.1017/gmh.2025.23)

45. Ground Truth Solutions & Arab World for Research and Development. (2024, August). “We do not want aid from the world. We want to stop the war”: Community priorities and perceptions of aid and mutual support in Gaza. <https://static1.squarespace.com/static/62e895bdf6085938506cc492/>

46. The United Nations Population Fund UNFPA. (2024). Shattered lives and dreams: The toll of the war on Gaza on young people. Prepared by Abu Hamad, B., Vintges, J., Diab, R., AbuHamad, S., Khammash, U., Dabis, J., Labadi, H., Maayeh, C., & Jones, N. UNFPA Palestine. <https://palestine.unfpa.org/sites/default/files/pub-pdf/2024-11/Gaza%20report%202024%20final%20version.pdf>

47. United Nations Office for the Coordination of Humanitarian Affairs. (2024, November 26). Gaza humanitarian response update: 10–23 November 2024. <https://www.ochaopt.org/content/gaza-humanitarian-response-update-10-23-november-2024>

48. The United Nations Population Fund UNFPA. (2024). Shattered lives and dreams: The toll of the war on Gaza on young people. Prepared by Abu Hamad, B., Vintges, J., Diab, R., AbuHamad, S., Khammash, U., Dabis, J., Labadi, H., Maayeh, C., & Jones, N. UNFPA Palestine. <https://palestine.unfpa.org/sites/default/files/pub-pdf/2024-11/Gaza%20report%202024%20final%20version.pdf>

49. The survey carried out with 1,011 young people (aged 10–24 years), proportionately distributed across the five governorates of the Gaza Strip.

hours for minimal wages, where the median income<sup>50</sup> earned for that full-time work was just 70 ILS (≈18.6 USD) per week. This suggests severe underpayment and exploitation, likely due to informal or crisis-driven job conditions. Disturbingly, UNFPA also noted a small but significant share of families resorted to negative coping such as child labour and early marriage; where about 6.5 % of youths reported sending children to work, and rising pressure on adolescents (71 % saw increased pressure on girls to marry early) as economic coping mechanisms.

## 5. Conclusion and Policy Recommendations

Labour market and households' data availability in wartime is important to assess how warfare disrupts individual labour market trajectories and behavioural responses. Yet, existing data for Gaza's labour market frequently lacks longitudinal depth, which is crucial for tracking individuals over time to rigorously analyse how conflict-induced shocks influence employment status, participation decisions, coping strategies, and human capital development<sup>51</sup>. Without such temporal insights, it becomes difficult to understand the pathways through which conflict alters labour market dynamics at the micro level and, in turn, aggregates into macroeconomic disruption.

In light of these findings, urgent policy action is needed at multiple levels. First, a **sustained ceasefire is essential to halt further destruction**. Secondly, **international bodies and donors** should dramatically scale up humanitarian assistance and facilitate economic lifelines. Aid operations must prioritize food, cash transfers, and fuel provision while ensuring equitable distribution (e.g. restoring bakery networks and supporting community kitchens<sup>52</sup>. International agencies and donors should fund emergency employment schemes (cash-for-work and skill-building programs), microfinance and grants for Micro, Small, and Medium sized Enterprises MSMEs (to inject liquidity and revive markets and strengthen cross-border trade). For example, key recommendations include resuming vital industries (food processing, textiles, construction materials), supporting farmers and fishermen with inputs such as seeds, fertilizers, fishing gear, equipment, and training, rehabilitating markets and transport routes, and providing grants or loans to restart factories and farms<sup>53</sup>.

**NGOs and community organizations** are on the frontlines of coping assistance and should receive flexible funding to expand their work. NGOs can operate cash-for-work and skills-training programs, run community kitchens, and provide emergency loans or vouchers. They should continue mobilizing grassroots support networks: reinforcing local committees, women's cooperatives, and youth groups to distribute aid, information and mutual aid<sup>54</sup>.

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50. Median income is the middle point in earnings distribution, not the average.

51. Di Maio, M., & Leone Sciabolazza, V. (2023). Conflict exposure and labour market outcomes: Evidence from longitudinal data for the Gaza Strip. *Labour Economics*, 85, 102439. <https://doi.org/10.1016/j.labeco.2023.102439>

52. United Nations Office for the Coordination of Humanitarian Affairs. (2024, November 26). Gaza humanitarian response update: 10–23 November 2024. <https://www.ochaopt.org/content/gaza-humanitarian-response-update-10-23-november-2024>

53. United Nations Development Programme (UNDP). (2024, October). Impact of the Gaza war on private sector and pathways for recovery. UNDP/PAPP Gaza Insights Series. [https://www.undp.org/sites/g/files/zskgke326/files/2024-10/gaza\\_insights\\_on\\_private\\_sector-october\\_2024](https://www.undp.org/sites/g/files/zskgke326/files/2024-10/gaza_insights_on_private_sector-october_2024).

54. Ground Truth Solutions & Arab World for Research and Development. (2024, August). "We do not want aid from the world. We want to stop the war": Community priorities and perceptions of aid and mutual support in Gaza. <https://static1.squarespace.com/static/62e895bdf6085938506ccc492/>



**Donors should also back mental health and social protection through expanding UNRWA/UN agencies to invest in community-based psychosocial support.** NGOs should deploy mobile counseling; train lay counselors and create child-friendly spaces to bolster resilience. Partnerships between UN agencies, NGOs and local councils should be strengthened to ensure aid (food, water, healthcare) reaches the most affected and that communities themselves participate in prioritizing needs. Most importantly, setting up multi-purpose youth and girls centres, offering integrated mental health interventions in youth programming, education, and essential resources like menstrual hygiene products, alongside protection against harmful practices, including early marriage.

Finally, **international donors** must commit to long-term support for Gaza's recovery. Beyond emergency relief, sustained investment is needed to reconstruct critical infrastructure (electricity, water, markets) and restore economic functionality. Recovery efforts should include the establishment and support of inclusive local recovery committees ensuring meaningful participation of women, youth, and civil society actors in decision-making. Donors must coordinate with Gazan authorities and grassroots organizations to design context-sensitive assistance that balances immediate needs (food, health, cash) with medium-term strategies for job creation and skills development<sup>55</sup>. Above all, international actors must recognize Gazans' resilience and target support that empowers their own coping networks for example, by supporting community-led water or solar-power initiatives that reduce dependence on dwindling resources.

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55. United Nations Development Programme (UNDP). (2024, October). Impact of the Gaza war on private sector and pathways for recovery. UNDP/PAPP Gaza Insights Series. [https://www.undp.org/sites/g/files/zskgke326/files/2024-10/gaza\\_insights\\_on\\_private\\_sector-october\\_2024.pdf](https://www.undp.org/sites/g/files/zskgke326/files/2024-10/gaza_insights_on_private_sector-october_2024.pdf)

## Questions That Matter?

### Demographic Devastation and Labour Market Recovery

1. What strategies can be deployed to reintegrate households especially those displaced or heading households into meaningful employment opportunities amid the collapse of formal sectors?
2. How can demographic data collection be improved during crises to support real-time labour market interventions, particularly in the absence of longitudinal datasets?

### Coping Mechanisms and Informal Economy

3. To what extent should crisis-driven professions be formalized or supported through policy? Should governments and aid agencies recognize and regulate these adaptive responses, or focus solely on formal sector revival?
4. How can humanitarian and developmental actors balance immediate survival needs (e.g. informal vending, cash-for-work) with long-term employment creation?

### Social Fabric and Community Resilience

5. How can social networks, women's groups, youth volunteers, and local NGOs be institutionalized into post-war recovery mechanisms, rather than treated as temporary humanitarian stopgaps?
6. What role can the solidarity economy and community-based survival mechanisms play in building localized and sustainable recovery strategies in Gaza? And how can these practices be transformed from emergency responses into long-term economic pillars??

### Policy, Donor Support, and Local Governance

7. How can donors and international actors better align emergency relief with sustainable economic rebuilding, especially in contexts of prolonged siege and occupation like Gaza?
8. What governance mechanisms can be developed to ensure the inclusion of women, youth, and civil society in designing and overseeing economic recovery programs?