

THE ISRAELI-PALESTINIAN CONFLICT: IMPLICATIONS FOR GLOBAL PEACE, SECURITY AND THE ECONOMY

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Abstract

The protracted conflict between Israel and Palestine is steeped in claims and counter-claims over land located within the eastern shores of the Mediterranean Sea and the Jordan River. The declaration of the state of Israel in 1948 and the Palestinian quest for self-determination in a land they felt belonged to them set the tone for years of conflict between the two nations. Scholars are in agreement that the Israeli-Palestinian conflict is the longest territorial conflict in world history; hence it has attracted global attention and wide discourse. The thrust of this paper is to examine the Israeli-Palestinian conflict and its implications on global peace, security and the economy. The implications of the conflict on global peace, security and the economy are enormous and include: humanitarian crisis manifesting in loss of lives, destruction of infrastructure, displacement of persons, hunger, poverty and possible creation of army of terrorists which portends danger to peace and security. Its rippling worldwide economic implications border on possible hike in food and energy prices, disruptions in world market supply chain and trade, food crisis and disruptions in international diplomacy and economic relationships among others. Until the United Nations Resolutions 181 of 1947 and 242 of 1967 are put into implementation, the global community will continue to feel the impact of the age long conflict.

Keywords: Conflict, Implications, Global Peace, Security and Economy.

Introduction

Conflicts are triggered by some underlying reasons which border on religious, social, economic and political factors. Most conflicts could be explained in the context of arising from either competition for power/ superiority and struggle over scarce resources. Thus, conflict is usually based on scarcity of resources, power, or social position, and differing value systems. It involves at least two parties who are engaged in interaction composed of opposing actions and counteractions. Their behaviour is intended to threaten, injure, annihilate, or otherwise control the opposition, thus enabling the contending parties to gain at each other's expense (Mbaegbu & Obi, 2018). The struggle between Israel and Palestine is one of the most enduring and explosive of all the world's conflicts. It has its roots in the historic claim to the land which lies between the eastern shores of the Mediterranean Sea and the Jordan River. For the Palestinians the last 100 years have brought colonization, expulsion and military occupation, followed by a long and difficult search for self-determination and for coexistence with the nation they hold responsible for their suffering and loss. For the Jewish people of Israel, the return to the land of their forefathers after centuries of persecution around the world has not brought peace or security. They have faced many crises as their neighbours have sought to wipe their country off the map. One of the most intriguing aspects of the Israeli-Palestinian conflict is the fact that "In 1850, neither Jews nor Arabs viewed themselves as members of an ethnically, culturally, linguistically homogeneous, territorially based nation in the modern sense of the word." And yet, within less than one hundred years, both peoples

had developed such strong national ties to the same piece of land that they seem doomed to forever spill the blood of their fellow claimants in a continuous battle for supremacy (Neal, 1995, 1).

The Israeli-Palestinian conflict stands out as one of the prolonged conflicts in world history, dating back from the 19th century to the present. Originating from competing claims to the same territory and fuelled by historical, religious, and political grievances, the conflict has resulted in decades of violence, instability, and human suffering. At its core, the conflict revolves around the struggle for control over land, resources, and national identity between Israelis and Palestinians (Okoli et al, 2014:213). The Israeli–Palestinian conflict though deeply entangled within the Middle East’s history and geopolitics, it has a profound impact that resonates beyond its geographical boundaries, bringing instability to the Western World and the global community at large, and ultimately resulting in tensions, challenges and very complicating dilemmas that transcend through Europe’s social and political landscapes. Against the background of this development, the thrust of this paper is to examine the Israeli-Palestinian Conflict and its implications on global peace, security and the economy, with a view to exploring the historical context bordering on Israeli settlement in Palestinian land and Arab discontent leading to outbreak of hostilities.

The Historical Context of the Israeli-Palestinian Conflict

Israeli Settlement in Palestinian Land

The Israeli-Palestinian conflict has an age long and complicated history dating back to the ancient times. The land that now encompasses Israel and the Palestinian territories has been conquered and re-conquered throughout history. From the biblical account, from about 1250 BC the Israelites began to conquer and settle in the land of Canaan on the eastern Mediterranean coast. By about 586 BC the Southern Kingdom Judea, was conquered by the Babylonians who drove its people into exile and destroyed Solomon’s temple. By about 515 BCE, the Jews began to return and Jerusalem and the Temple were gradually rebuilt. However, by 333BC, Alexander the Great conquered the area and brought it under Greek rule. In 165/168 BC, a revolt in Judea (Maccabean revolt) established the last independent Jewish state of ancient times, while in 63BC the Jewish state of Judea was incorporated into the Roman Province of Palestine. In the year AD 70, a revolt against the Roman rule was suppressed by Emperor Titus and the second Temple was destroyed and this marked the beginning of Jewish Diaspora or dispersion. Between 118 and 138 AD, during the reign of Emperor Hadrian, the Jews were initially allowed to return to Jerusalem, but after another Jewish revolt in 133 AD, the city of Jerusalem was completely destroyed and its people banished and sold into slavery, no Jew was thenceforth allowed to set foot in Jerusalem or the surrounding district (see History of Palestine, Britannica). By 638 AD, Arab Muslims ended the rule of the Byzantine who were successor to the Roman rule in the East. The Second Caliph of Islam, Omar (634-644), built a mosque at the site of what is now the al-Aqsa mosque in Jerusalem in the early years of the 8th century and from then the region remained under Muslim rule until the fall of the Othman Empire in the 20th century (BBC News Timeline). Soyer (2007) argues that Israel has legitimate biblical, religious, and historical claims to the disputed land area because they occupied the area until 136 AD, when the Romans forcefully removed its people from there and their return guarantees them legitimacy to the land they originally occupied.

However, the beginning of the lingering conflict between Israel and Palestine could be traced to two major factors in the 19th and 20th centuries which centred on the rise of Jewish Zionism and Arab Nationalism or self-determination. The rise of Zionism in the late 19th century in Europe, a movement which aimed to establish a Jewish state through the colonization of Palestine coincided

with the first arrival of Jewish settlers to Ottoman Palestine in the 1880s. The immigration of the Jews started as they were escaping from serious persecutions in Russia and parts of Eastern Europe, “to return to that part of the world- the Bible lands- they felt to be their spiritual home” (Nwankwo et al., 2019, 69). Jewish immigrations could be classified into two phases: Early Aliyahs(1880-1948) and post -1948 Aliyahs. There were about five major waves of migrations (Aliyah) into Palestine. The first immigrants (1880-1889) basically from Russia and Yemen, constituted the first set of Jewish settlers in Palestine, who set up settlements in Petah, Tikvah, Rishon, Lezion and Zikhron-Ya-okay (Tibi, 1989, 109-111). The second Aliyah(before 1914) was exclusively Russian Jews who left Europe due to the pogroms and anti-Semitic aggressions against the Jews in Russia. The third group (1918-1923) was also from Russia and came after the establishment of the British Mandate over Palestine. The immigrants in the 4th Aliyah were from Poland and Hungary, who left Europe for the sole purpose of escaping anti-Semitism and consisted mainly of Middle class families who set up small businesses and created a more robust and balanced economy in the Jewish occupied areas. This group engaged in land acquisition and bought up lands from willing Arabs and absentee Ottoman landlords and began to establish Jewish communities on this land. It was this phenomenon that first brought the Zionists into conflict with the Palestinian Arabs. The 5th Aliyah(1929-1945) was from Germany and their movement coincided with the resurgence of Nazism in Germany and the subsequent violent nationalism fostered on Eastern Europe. This group constituted the largest group of immigrants and consisted of about 250,000 Jews that entered Mandate Palestine (Osman, 2011: 218). By 1903 there were some 25,000 of them, mostly from Eastern Europe. They lived alongside about half a million Arab residents in what was then part of the Turkish Ottoman Empire. A second wave of about 40,000 immigrants arrived in the region between 1904 and 1914. There were other waves of Jewish migrations into Palestine, which included Arab Jewish Refugees, that is, Arab –Jews at home in Palestine, who became refugees as a result of the 1948 Arab-Israeli war. The war heightened anti-Semitic feeling in Arabs, thus creating a sense of insecurity for Arab-Jews. The fear of Arab backlash against them informed their decision to go back to Israel. Also, between 1984 and 1991, about 20,000 Ethiopian Jews were lifted from Ethiopia to Israel in a covert exercise to rescue them from the very harsh economic conditions in Ethiopia with attendant famine, hunger, diseases and human degradation that loomed in that nation (Davison, 1963, 66-77).

These spates of Jewish immigrations into Palestine, no doubt, were triggered by events outside Palestine and were traceable to certain socio-political currents in Europe at the time, while the immigrations of the post-1948 era were mostly due to events in Palestine and the policies of the newly declared state of Israel. The quest for a homeland by the Jews was a product of the inhuman conditions and the insensitivity of European nations to their plight; a condition which forced them to declare a claim to the territories in Palestine which was declared as “State of Israel” on May 15, 1948; an Israeli state resident within Palestine and subsequent efforts at holding the territories which accounted for the post 1948 immigrations as well as the war of independence. The Jewish immigration into Palestine and subsequent declaration of a state in 1948 was given impetus by the 1917 Balfour Declaration in which Britain acclaimed the “right of the Jews to settle in Palestine.” In 1917, the British Foreign Minister Arthur Balfour committed Britain to work towards "the establishment in Palestine of a national home for the Jewish people." It became known as the Balfour Declaration, dated 2 November 1917 which expressed British support for the Zionist Jews and the creation of a Jewish state in the area, an idea which won the approval of the League of Nations after the end of World War 1, and which subsequently granted Britain a territorial Mandate in Palestine in order to facilitate the goals put forth in the Balfour Declaration. This Mandate

legitimized and empowered the Zionist movement, and the territory it encompassed became the nation of Israel in the aftermath of World War 11. Popular theory holds that this international political recognition of Zionism was the trigger for a hostile Palestinian response (Lorena S. Neal, 1995). Also, Jewish consciousness for statehood was awakened by the intellectual ideas of Theodore Herzl and Leon Pinsker, among other Jewish intellectuals whose writings and advocacy for a Jewish state charged up the political plain. The First Zionist Congress met in Basle, Switzerland, in 1897 to discuss the ideas set out in Theodor Herzl's 1896 book *Der Judenstaat* (The Jewish State) in which he wanted Jews to have their own state - primarily as a response to European anti-Semitism. Herzl's book entitled "The Jewish State: An Attempt at a Modern Solution to the Jewish Question" was a turning point for many Jews and influenced the decisions of the Basle conference. The Congress issued the Basle Programme to establish a "home for the Jewish people in Palestine secured by public law" and set up the World Zionist Organization to work for that end.

The Zionist movement enjoyed popular support from most Jews, for whom a sense of nationhood was already forming through the effects of centuries of oppression endured in European countries. This reinforced the idea that Jews could never truly assimilate into any society other than their own. Leon Pinsker's book "Auto Emancipation" (1882) also triggered a new wave of neo-nationalism in Europe. Pinsker spoke vehemently about the situation of the Jews, describing them as a people without a homeland or nation and therefore no national identity. Indeed the Zionist movement began in earnest in 1882 with Leon Pinsker's pamphlet *Auto-Emancipation*, which argued for the creation of a Jewish national homeland as a means to avoid the violence plaguing Jewish communities in Eastern Europe. The intellectual ideas espoused in the writings of these Jewish scholars about the plight of the Jews, arose consciousness among all Jews in diaspora for a homeland, hence the Zionist Movement. Thus, the Balfour Declaration and the awakened consciousness became a signal to the Zionists and all Jews around the world, of a possibility of a Jewish state in Palestine.

Arab Discontent and Beginning of Hostilities

Lorena Neal (1995), averred that the early settlers and the locals lived in relative harmony for many years till these original settlers were joined in 1884 by a group of Zionist immigrants, and the colony began to take up more of their land. The reactions of urban Palestinians to the arrival of large numbers of Jewish immigrants from 1882 to 1908 were based on fear among the Palestinians of competition from Jewish merchants. The first response to the influx of Jews into the towns occurred in 1891 when on June 24 a group of Arab Jerusalem notables sent a telegram to the Sultan's grand vizier and requested for a halt to the immigration of Jews into Palestine and a ban on the purchase of land by Jews. This complaint was triggered by rumours of the impending arrival of a large number of Russian Jewish immigrants. Unfortunately, the complaint was treated with naivety as all Jews "long resident" in Palestine were granted Ottoman citizenship, a decision which was received with mixed feeling among Palestinians. The first reported major clash between Zionist settlers and Palestinian peasants took place in March of 1886, when a mob of Palestinians from the village of Yahudiya attacked the Jewish settlement of Petach Tikva (Shafir, 1989: 7).

The current unending Israeli-Palestinian conflict began in the late 19th and early 20th centuries, with the development of political Zionism and the arrival of Zionist settlers to Palestine. Coincidentally this was the period of the rise of Arab nationalism and these waves of Jewish migrations into Palestine elicited Arab resentments against the Jews. The claim has been that of "stolen land", with the unending conflicts between the Arabs and Jews rooted in land trespasses.

The Zionist project of the 1920s and 1930s saw hundreds of thousands of Jews emigrating to British Mandate Palestine, provoking unrest in the Arab community. Zionist-Arab antagonism boiled over into violent clashes in August 1929 when 133 Jews were killed by Palestinians and 110 Palestinians died at the hands of the British police. Arab discontent again exploded into widespread civil disobedience during a general strike in 1936. By this time, the militant Zionist group Irgun Zvai Leumi was orchestrating attacks on Palestinian and British targets with the aim of "liberating" Palestine and Transjordan (modern-day Jordan) by force. As the territory was plagued with chronic unrest pitting native Arabs against Jewish immigrants (who now made up about a third the population, owning about 6% of the land), Britain, which had ruled Palestine since 1920, handed over responsibility for solving the Zionist-Arab problem to the UN in 1947. The UN set up a special committee which recommended splitting the territory into separate Jewish and Palestinian states. The Partition Plan gave 56.47% of Palestine to the Jewish state and 43.53% to the Arab state, with an international enclave around Jerusalem. The plan, which was rejected by the Palestinians, was never implemented when Britain announced its intention to terminate its Palestine mandate on 15 May 1948 but hostilities broke out before the date arrived as both Arab and Jewish sides mobilized forces for war (HRW, 2024). On May 15, 1948, the State of Israel was created, sparking the first Arab-Israeli War. The war ended in 1949 with Israel's victory with 750,000 Palestinians displaced, and the territory divided into 3 parts: the State of Israel, the West Bank (of the Jordan River), and the Gaza Strip. The state of Israel was thus born in a region with unresolved disputes over borders, security, land ownership, and other matters and since then, Israel has experienced a number of conflicts with various Arab forces, most notably in 1948–49, 1956, 1967, 1973, 1982, 2006, and 2023–present.

Over the years, tensions rose in the region, particularly between Israel and Egypt, Jordan, and Syria. Mounting tensions between Israel and its Arab neighbours culminated in six days of hostilities (Six-day war) starting on 5 June 1967 and ending on 11 June - six days which changed the face of the Middle East conflict. For over three decades Israel engaged its Arab neighbours in war over territorial expansion. Israel seized Gaza and the Sinai from Egypt in the south and the Golan Heights from Syria in the north. It also pushed Jordanian forces out of the West Bank and East Jerusalem. The territorial gains doubled the area of land controlled by Israel. The victory heralded a new age of confidence and optimism for Israel and its supporters. The conflict displaced another 500,000 Palestinians who fled to Egypt, Syria, Lebanon and Jordan. In 1973 in what was referred to as the Yom Kippur War or the October War, Egypt and Syria launched a surprise two-front attack on Israel to regain their lost territory; the conflict did not result in significant gains for Egypt, Israel, or Syria, but only allowed Egypt and Syria to negotiate over previously ceded territory. Finally, in 1979, following a series of cease-fires and peace negotiations, representatives from Egypt and Israel signed the Camp David Accords, a peace treaty that ended the thirty-year conflict between Egypt and Israel.

The Camp David Accords improved relations between Israel and its neighbours, but the question of Palestinian self-determination and self-governance remained unresolved. In 1987, hundreds of thousands of Palestinians living in the West Bank and Gaza Strip rose up against the Israeli government in what is known as the first intifada. The 1993 Oslo I Accords mediated the conflict, setting up a framework for the Palestinians to govern themselves in the West Bank and Gaza, and enabled mutual recognition between the newly established Palestinian Authority and Israel's government. In 1995, the Oslo II Accords expanded on the first agreement, adding provisions that mandated the complete withdrawal of Israel from 6 cities and 450 towns in the West Bank. In the

year 2000, the Palestinian militants aggrieved by Israeli continued occupation of the West Bank launched the second intifada, carried out an intense campaign of attacks in the first three months of the year, including a hotel bombing which killed 29 on the eve of the Jewish Passover holiday. Palestinian sustained attacks against Israeli occupied area lasted till 2005. In response, the Israeli government approved the construction of a barrier wall around the West Bank in 2002, despite opposition from the International Court of Justice and the International Criminal Court.

The electoral victory of Hamas, a Palestinian political and militant movement inspired by the Palestinian Muslim Brotherhood, in 2006 Parliamentary elections changed the complexities of the Israeli-Palestinian conflict. In the summer of 2014, clashes in the Palestinian territories precipitated a military confrontation between the Israeli military and Hamas in which Hamas fired nearly three thousand rockets at Israel, and Israel retaliated with a major offensive in Gaza. The skirmish ended in late August 2014 with a cease-fire deal brokered by Egypt, but after which 73 Israelis and 2,251 Palestinians were killed. After a wave of violence between Israelis and Palestinians in 2015, Palestinian President Mahmoud Abbas of Fatah announced that Palestinians would no longer be bound by the territorial divisions created by the Oslo Accords. In March of 2018, Israeli troops killed 183 Palestinians and wounded 6,000 others after some Palestinians stormed the perimeter fence between the Gaza Strip and Israel and threw rocks during an otherwise peaceful demonstration. Also few months later, Hamas militants fired over one hundred rockets into Israel, and Israel responded with strikes on more than fifty targets in Gaza during a twenty-four-hour flare-up. In early May 2021, after a court ruled in Favor of the eviction of several Palestinian families from East Jerusalem properties, protests erupted, with Israeli police employing force against demonstrators. After several consecutive days of violence, Hamas, the militant group that governs Gaza, and other Palestinian militant groups launched hundreds of rockets into Israeli territory. Israel responded with artillery bombardments and airstrikes, killing more than twenty Palestinians and hitting military and non-military infrastructure, including residential buildings, media headquarters, and refugee and healthcare facilities. After eleven days, Israel and Hamas agreed to a cease-fire, with both sides claiming victory. The fighting killed more than 250 Palestinians and at least 13 Israelis, wounded nearly 2,000 others, and displaced 72,000 Palestinians.

In late December 2022, the Israeli coalition government led by Benjamin Netanyahu and his Likud party prioritized the expansion and development of Israeli settlements in the occupied West Bank, endorsed discrimination against people on religious grounds, and voted to limit judicial oversight of the government in May 2023 after a delay due to nationwide protests in March. In early hours of October 7, 2023 Hamas fighters fired rockets into Israel and stormed southern Israeli cities and towns across the border of the Gaza Strip in a surprise attack, killing more than 1,300 Israelis, injuring 3,300, and taking hundreds of hostages including foreign nationals (HRW 2024). The attack, which caught Israeli forces off guard on the solemn Jewish holiday of Shemini Atzeret, occurred under the shadow of the 50th anniversary of the Yom Kippur War, with thousands of rockets launched into Israel in the span of 20 minutes (Britannica). The Hamas Oct. 7 attacks on Israel, described as the worst calamity suffered by Israel in the protracted conflict, unleashed a fresh cycle of violence that has rocked the Middle East in recent times. Swiftly the Israeli cabinet formally declared war against Hamas, followed by a directive to the Israel Defence Forces (IDF) to carry out a “complete siege” of Gaza, a punitive retaliatory action meaning “There will be no electricity, no food, no water, no fuel, everything is closed” (HRW, 2024) It is the most significant escalation of the Israeli-Palestinian conflict in several decades and the most deadly

attacks with high casualty figures. Reports from the Gaza Ministry of Health had it that since late November, 2024, more than 44,000 people had been killed and 104,000 wounded since hostilities escalated on October 7, 2023. Nearly all Palestinians in Gaza were forcibly displaced, and all faced severe food insecurity or famine (HRW, 2025). Since then the two belligerent nations have been embroiled in armed conflict with no sign of abating in the near future. UN Office reports say, Israel have orchestrated 757 settler attacks on Palestinians since January 2025, up 13 percent from 2024, as deaths since January near 1,000. Israeli settlers and security forces have intensified their killings, attacks and harassment of Palestinians in the occupied West Bank, including East Jerusalem. The violence also includes the demolitions of hundreds of homes and forced mass displacement of Palestinians as well as annexations of more land in violation of international law (Aljazeera News, 15 July, 2025) The Gaza Health Ministry says at least 55,104 people have been killed since the start of the war and 127,394 wounded. Many more are believed to be buried under the rubble or in areas that are inaccessible to local medics (Associated Press, June 11, 2025). The ongoing Israeli-Palestinian conflict appears to have defied solution as no truce or cease-fire brokered by any national government or organization is in sight. Worst still, as the prime minister of Israel, Benjamin Netanyahu, stated numerous times, Israel will not back off, but, instead, they will continue to attack the Palestinian territories, aiming to make them pay a heavy price for what is happening, meaning no hopes for a ceasefire. In the same respect, the Defence Minister, Benny Gantz, clearly declared that no ceasefire will be accepted by Israel anytime soon. The conflict has assumed a catastrophic proportion and seems the worst humanitarian crisis in the Middle East in recent times. As of January 2025, 1.9 million Gazans—about 90 percent of Gaza’s population—have been displaced and are categorized as facing acute or catastrophic food insecurity. There are currently no functioning hospitals in Gaza. The war has led to over 46,000 Gazan deaths, of which the Israeli military estimates 17,000 were Hamas militants. (Global Conflict Tracker May 28, 2025).

Implications of the Conflict on Global Peace, Security and the Economy

The Israeli-Palestinian protracted conflict no doubt has serious implications on global peace and security and the economy, especially considering the significant geopolitical relevance of the two states as the part that controls a large portion of the world’s oil resources, which is fundamentally important for Western countries and home to three monotheistic religions: Judaism, Christianity and Islam (Gherardini, 2024). A long-standing and deeply rooted political and territorial conflict, involving Israeli forces and Hamas has implications that extend well beyond the immediate Middle East.

Beginning with the Middle East, the Israeli-Palestinian conflict is having strong reverberations across the Middle East, threatening peace and security of the region and having adverse effects on relations between Israel and other countries in the region. The conflict has gone beyond Israel and Palestine but extended to Iran, Jordan, Syria, Yemen and all the areas that have a “deal of darkness” against Israel and its right to exist. Since the commencement of the recent conflict, Israel has carried the war too far, extending its aggression to Syria and Iran, and this portends danger to the entire Middle East. The risk of regional spillover of this conflict remains high, given the multitude of actors involved. Israel’s stunning and sophisticated June 13 attack on Iran and Iran’s response in short order with ballistic missile and drone strikes, which led to a series of tit-for-tat exchanges between the two sides; and the June 21, United States attack on three key Iranian nuclear facilities in Natanz, Fordo and Isfahan with Iranian response on Monday with a telegraphed and limited strike on a U.S. air base in Qatar represent significant escalations in the decades-long rivalry

between Israel and the United States on one side and Iran on the other, which stoked fears of a wider regional war. Red-lines have been crossed, deterrence expectations have been shattered and the balance of power among regional powers, especially Iran, Israel and Turkey, continues to change in favour of the latter two at the expense of the former. Since its founding in 1948, Israel has fought with numerous Arab states, including Egypt, Iraq, Jordan, Lebanon and Syria. Rising great power rivalry with the United States supporting Israel and China and Russia supporting Iran, has also been conducive for the Israel-Iran conflict reaching this unprecedented level of danger. When the entire Middle East with its strategic position in the global map as the home to two major world religions: Islam, and Christianity, is embroiled in conflict, global peace is endangered. This is because tactical diplomacy may be called into play and nations will be polarized between supporters of Islam and Christianity. Besides, the recent conflict has churned out large army of refugees, especially in countries proximate to the conflict zone, for example Egypt and Jordan, and other European countries. The dispersion of these displaced persons portends serious threat to peace as their convergence can breed legions of terrorists and extremists thereby putting the global community in danger. This is compounded by America and United Kingdom's view of Hamas as a terrorist group, some of whom are now scattered in many countries of the world as refugees. Their displacement and dispersion across major European countries, with attendant poverty and dehumanization may serve as a catalyst for terrorist activities, thus endangering the lives of many innocent citizens.

On another plain, further strain on Israel's relations with its Arab neighbours, particularly Egypt and Jordan — the “original peacemakers” with Israel, and those Arab countries for which the Palestinian issue resonates most closely have serious repercussions. The Israeli-Egypt-Jordan relations have been the locus of efforts toward Israeli-Palestinian de-escalation, as witnessed by the 2023 U.S.-led Aqaba-Sharm El Sheikh process. Deterioration in these relations will have an impact on the prospects of ending the war and the release of the hostages and prisoners of war, which Egypt traditionally played an important role in achieving and may affect regional stability (Hesham Youssef, 2023). Israel's efforts to secure its borders and ensure its security have led to diplomatic tensions with neighbouring Arab states and strained relations with international actors sympathetic to the Palestinian cause. The continued daily fire across the Blue Line poses great risk to regional stability. There have been several instances of strikes deeper into the territories of Lebanon and Israel, raising the risk of conflict with potentially devastating consequences for the people of both countries.

Furthermore, the Middle East conflicts, particularly between Israel and Palestine and Israel and Iran could threaten global peace and security. For instance, for decades, Iran has vexed the international community following its extremist Islamic form of governance since 1979 and its support for militants abroad which defy international norms. The Islamic Republic has long opposed Israel and sought to expel U.S. forces from the Middle East. It has also deepened ties with other U.S. adversaries, including China, Russia and North Korea. Iran's leaders lauded Hamas for its unprecedented assault on Israel from Gaza on Oct. 7, 2023. The conflict quickly expanded as Iran's network of militia allies in the so-called “Axis of Resistance”, including Hezbollah, the Houthis and various Iraqi militias, launched attacks on Israel in solidarity with the Palestinians. Religion plays a pivotal role in the dynamics of radicalization and spread of extremism. Religion can act as a unifying element, bringing together community members even in the face of internal tensions and divisions. In most Muslim communities in Europe, some individuals may grapple with a profound sense of invalidation and disconnection from their cultural and religious roots and

these feelings of alienation can serve as a major factor that drives them toward the adoption of extreme ideologies, including those associated with terrorist groups such as Jihadists. The core of Jihadist ideologies is the belief that they are in a holy war in the service of God, often justifying acts of violence as a means to achieve their goals (Teran).

The escalation of the conflict between Israel and Palestine has heightened tensions in Europe and there is an increased global risk of terrorism. This situation has raised concerns about the potential for extremist groups to carry out acts of violence and terrorism, as observed in the past, such as the 2015 Paris attacks orchestrated by ISIS. Over the year's extremist groups like Al-Qaeda and its affiliates have justified their attacks on the U.S and other European nations on their support for Israel. Osama bin Laden once accused the West, particularly America of being responsible for the humiliating failure of the Arabs to succeed. "They have attacked our brothers in Palestine as they have attacked Muslims and Arabs elsewhere; the blood of Muslims is shed...we are only looked upon as sheep, and we are very humiliated." "The Americans won't stop their support of the Jews in Palestine until we give them a lot of blows. They won't stop until we do jihad against them" (Wright, 2006: 170-171). Bin Laden cited American support for Israel as the first cause of his declaration of war. This mindset resonates across the Arab world. The protracted Israel-Hamas war and the presence of the Palestinian and Muslim communities in Western countries have, in some instances, been associated with increased radicalization and the spread of extremism. This situation has raised concerns about the potential for extremist groups to carry out acts of violence and terrorism across the globe.

The support Israel enjoys from the West and America compounds the situation as Palestinian extremist groups view this support as aggression against the Palestinian people. The United States and Israel maintain a close and historically significant relationship. As part of this relationship, the United States provides annual financial assistance to Israel. In 2022, Israel received \$3.3 billion in aid from the United States. This assistance is aimed at supporting various aspects of Israel's security and defence needs. This overt American support has created an army of anti-American militias with military capabilities, who are posed for action at all times. For example, Hezbollah is today the most heavily armed non-state actor in the world and has a far larger arsenal than Hamas and is a far greater danger to Israel and its American allies. Thus, in a world already tensely polarized, the war has spilled over to distant continents, faraway capitals, and divided college campuses. It has fomented ugly divisions not simply described as pro-Israel or pro-Palestinian. Anti-Semitism, including death threats to Jewish groups and organizations in the United States, is on the rise in disgusting ways. Israel also receives support from several Western countries, including France, Britain, Italy, Germany, Australia, Canada, and New Zealand. These countries have condemned Hamas, expressing solidarity with Israel. On the other hand, Russia's stance towards Israel has shifted to increased hostility as it takes sides in the Middle East conflict. In the wider scramble for global influence in the 21st century, China has been doing a deep dive into the so-called Global South of developing nations. Many Global South nations are sympathetic to Palestinian cause, and the war is therefore an issue China can use to mobilize support for its leadership of developing countries. Beijing's long-term objective has been to 'degrade' Washington's global standing by capitalizing on sympathy for Palestinians worldwide (Robin Wright, 2023). The EU's shambolic response to the Israel-Hamas war has made China's forceful reaction all the more notable. Unlike its effort to remain neutral after Russia's invasion of Ukraine, China quickly expressed support for the Palestinians. The Israel-Hamas War has spilled onto the global stage and political polarization has deepened far from the conflict. The world is gradually

drifting to the pre- 1914 Triple Alliance and Triple Entente situation which finally culminated to the first global war in 1914. It must be emphasized that none of the then “System of Alliances” was constructed for war but were attempts to prevent war by appearing so strongly embattled with allies that the other would not dare to launch an attack. However, the system of rival alliances marked the end of century old relationships, abandonment of traditional foreign policies and the adoption of the new mobile, dynamic diplomacy invented by Cavour and Bismarck in then Europe, which ushered in bitter rivalries and war at last. The most important thing about World War 1 is that it was the unsought, unintended end product of a long sequence of events which began in 1871. No man, no nation worked for this result, which was the total outcome of the interplay of diverse policies and strategies usually aimed primarily at providing national security, stability, even peace (Thomson, 1980:528-532). The war between Austria-Hungary and Serbia was the catalyst that the Alliance partners needed to ignite the global flame. The Israel-Hamas war has fuelled fragmentation among European Union member states. The ongoing Israel-Hamas war exacerbates existing geopolitical tensions, highlighting the widening gap between these Cold War allies and Western powers such as the US, UK, and France. The 1914 scenario is gradually playing out and if not properly managed, can lead to global conflagration. Instability in the Middle East can trigger broader geopolitical reactions, creating additional pressure on international relations.

The Israel-Hamas war, in addition to its economic instability, has a significant impact within Western European countries. These regions are home to substantial Jewish and Muslim populations: over 1.3 million Jews and approximately 23 million Muslims, among them 100,000 Palestinians, live in Europe. As the conflict escalates, Jewish communities may find themselves subject to collective attribution for the actions of the Israeli government. Simultaneously, The Muslim community may experience divisions, with some aligning themselves with the ideals of Hamas rather than supporting the people of Palestine. This alignment may manifest in street demonstrations urging governments to support Hamas, condemn Israel, and call for the cut of diplomatic ties with Israel (Teran, 2024).

On the global economic sphere, the ongoing Israeli-Hamas conflict has rippling worldwide economic implications. The conflict affects political, economic, food, health, and environmental security. The ongoing conflict started since October 7, 2023 has caused significant damage to Gaza's infrastructure, including homes, schools, and health centres, resulting in significant economic losses. Additionally, the war triggered a rise in food, fuel, and energy prices worldwide, particularly in the Middle East, due to the uncertainty caused by the conflict. This price increase causes production and transportation costs to increase, thereby affecting the prices of goods and services (Rusanti et al, 2025:1-19).

Historically, conflicts in the Middle East have often resulted in an increase in oil prices due to the region's significant role in global energy production. During the outbreak of the Yom Kippur War, there was a significant surge in oil prices, reaching a staggering 300%. On October 18th 2023, Reuters reported a comparatively moderate increase in oil prices, with a rise of over 2% to exceed \$92, representing a 7.5% gain over the previous week (Reuters,2023).The interconnected nature of global supply chains and energy markets makes price increases unavoidable. Disruptions to oil shipping routes, such as those through the Suez Canal, exacerbate these price changes (Hussain and Khan 2021). The Middle East region is home to the most important energy producers in the world, and the region account for more than 48 percent of global energy reserves and 33 percent of the world's oil in 2022 according to the Statistical Review of World Energy. Therefore, instability in the Middle East would have serious consequences for world energy prices (Ozili,

2025. The impact of the Israel-Hamas conflict on the global economy may not be immediately apparent, but it would worsen if it affected the broader Middle Eastern region, especially Iran, a major oil producer and supporter of Hamas. Oil prices currently around \$90 could increase, which would have repercussions for the global economy. Rising oil prices contribute to global inflation, which in turn raises energy and production costs. Ongoing interest rate hikes from central banks may continue to hinder the growth of the global economy. Major oil-importing nations such as India could face import inflation due to elevated oil prices (Batool, 2025).

The ongoing Israel-Hamas conflict significantly impacts regional commerce, causing serious consequences for global supply chains. Kilani and Abdullah (2021) note that trade routes to and from Gaza are often closed or heavily restricted during periods of heightened violence. This situation hinders the transport of essential goods, including food and medical supplies, resulting in bottlenecks in local markets. The repercussions go beyond the immediate conflict zone, as these disruptions generate ripple effects across the broader Middle East, influencing international trade. Besides, the ongoing conflict affects food security as agricultural production and food distribution are impacted. The conflict has caused significant economic disruptions in Gaza, where much of the local agricultural infrastructure is either damaged or severely restricted by blockades. This situation not only leads to food shortages in Gaza but also hampers food exports, contributing to further inflation in global food prices (World Bank, 2022). The OECD report (2021) has shown that inflation in essential commodities, such as wheat, is often worsened by conflicts in the Middle East. This stems from the interconnectedness of global supply chains and reliance on regional agricultural exports. The conflict between Israel and Hamas has reduced the availability of arable land and the labour needed for agricultural production, which in turn worsens food scarcity in nearby regions.

Ghosh and Jain (2020), and Miskin and Glass (2019), note that the Israel-Hamas war has serious impact on global stock market. Ghosh and Jain (2020) argue that the conflicts in the Middle East international relations greatly enhance the volatility of the markets, especially on the global stock exchange while Miskin and Glass note how sudden escalations in the Israel-Hamas conflict, such as the 2014 Gaza war, lead to significant fluctuations in stock market indices. During tension both the Tel Aviv 100 Index and broader indices like the S&P 500 often experience sharp declines during times of heightened conflict. This volatility is associated with increasing uncertainty in the region and the perceived risks related to trade and investment near the conflict zone. The current Israel-Hamas conflict has significant implications for international diplomacy and economic relationships. The lingering conflict forces countries to adopt specific stances, leading to shifts in trade relations and military alliances. These geopolitical developments can affect global trade patterns, as nations adjust their economic strategies in light of the ongoing conflict (Raviv & Tsoory, 2017).

The long-term economic effects of the Israel-Hamas conflict go far beyond the immediate humanitarian crisis, but also include significant human and economic costs of conflicts, which encompass displacement, loss of life, and the breakdown of social and economic systems. These factors contribute to lasting economic stagnation, particularly in conflict-affected regions. The lack of access to education and healthcare, along with the destruction of infrastructure, results in a “lost generation” that struggles to re-enter the workforce, exacerbating economic inequalities in the area (Chen et al). Indeed, the global community is experiencing a trying time and global action is urgently needed to address the protracted Israeli-Palestinian conflict.

Conclusion

This paper has painstakingly examined the Israeli-Palestinian conflict, extrapolating its historical context and implications on global peace, security and the economy. This protracted war seen as the world's longest territorial conflict has divergent socio-economic and political implications. The conflict has created humongous humanitarian crisis, not only in the Middle East but across the global community, with army of displaced persons scattered across countries in the Middle East and beyond and thousands of lives lost on both sides. The continued violence poses a threat to global peace and security as opinions are divided among world leaders and nations on the peace process between the two belligerents; and the continued displacement and dispersion of people could lead to the birth of legion of terrorists across many nations in Europe, America, Africa and other areas. This portends a great danger to the global community. On the economy, the protracted conflict has rippling worldwide economic implications bordering on damage to infrastructure, including homes, schools, health facilities etc resulting in economic loses; inflation and rise in food, fuel and energy prices globally causing production and transportation costs to increase astronomically; disruptions in world stock market and world market supply chain, resulting in bottlenecks in local markets; heightens food crisis leading to increase in global food prices; fluctuations in world stock market indices as well as disruptions on international diplomacy and economic relationships. Unless the global community takes concerted efforts to address the lingering Israeli-Palestinian conflict, the situation might get worst in no distant future. To this end the United Nations Resolutions 181(1947) and 242(1967) which call for "partition of the Mandatory Palestine into Arab and Jewish states, and international status for the City of Jerusalem" and "Termination of all claims or states of belligerency and respect for and acknowledgment of the sovereignty, territorial integrity and political independence of every State in the area. Calls on Israel's neighbours to end the state of belligerency and calls upon Israel to reciprocate by withdrawing its forces from land claimed by other parties in the 1967 war" respectively should be embraced by the belligerents, supported by all Nations, including America and be implemented with immediate effect.

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