

No Way for Israel to Continue the War



To succinctly illustrate the impact of the current conflict on Israel's economy, one needs only to glance at the inflation rate in occupied Palestine, which has risen from 3.7% to 5% in this short period. It's crucial to note that one of the fundamental pillars of the Israeli regime is its economy. Since its establishment, economic incentives have been a compelling factor in attracting Jews worldwide. Therefore, when the economic aspect is affected alongside security concerns, it indeed strikes at one of the regime's core foundations, necessitating serious and immediate solutions.

During the initial phase of the current war (48 days until the four-day cease-fire), Israel aggressively targeted Gaza's population with high-cost bombings, mobilizing hundreds of flights day and night, and calling up over 300,000 reserve forces. The regime's Finance Ministry announced in October that the daily cost of the war is

approximately \$270 million. To put this into perspective, it's more than \$8 billion monthly, surpassing the annual budget of the Defense Ministry, which is around \$24 billion. This financial strain prompted the regime to initiate budget reforms in 2023, a matter causing internal disagreements, overshadowed by the war news.

In the past three days, Yedioth Ahronoth newspaper highlighted another figure, stating that Israel incurs a daily cost of \$246 million. Additionally, the Financial Times reported that Israel's budget deficit for the next year (2024) is expected to triple, reaching approximately 5 to 8% of its Gross Domestic Product. Before delving into the details of some of the

expenses incurred by Tel Aviv, it's worth mentioning that the damages from this war are divided into direct and indirect categories. These costs are so substantial that, apart from the global public pressure to halt the war, it may well become an economic factor pressuring the regime's leaders. This pressure is significant as the internal front in Israel is neither willing to endure high human casualties nor prolonged economic damages.

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The direct and indirect costs of Israel's war against Gaza following Operation Al-Aqsa Storm indicate that the economic situation does not allow the leaders of Israel to continue the war without a time limit.

