

The Palestinian economy is highly sensitive to international and regional changes. The ongoing Russia–Ukraine crisis is expected to negatively impact the economy due to its limited economic space and financial resources, Israeli control over local resources and borders, and control over tax transfers. The crisis could worsen the situation, leading to decreased foreign aid, rising prices, lower tax revenue, higher food insecurity, increased consumption, lower savings, expanded poverty, and delayed reconstruction. This will hinder the Palestinian economy's growth. The paper proposes a new strategy to revitalize the Palestinian economy, primarily focusing on freeing it from economic dependence on the Israeli economy.