

August 13, 2025

To the office of PM Benjamin Netanyahu

Open Letter

From Leading Academic Economists in the United States and Europe

We write with urgent concern about the spreading starvation in Gaza and the Israeli government's plan to concentrate civilians in a so-called "humanitarian city." As human beings and as economists and scientists, we call for an immediate halt to any policy that intensifies widespread starvation.

Clearly Hamas should be held responsible for the October 7 atrocities and the holding of hostages. However, that does not absolve the Israeli government, which controls the flow and distribution of aid, of responsibility.

In recent weeks, the U.N. World Food Program has warned that nearly one-third of the enclave's 2.1 million residents have endured multiple days without food. Widespread hunger is evidenced by [insufficient aid deliveries](#), [firsthand reports from Gazans](#), and soaring food prices. Not only the UN but also the market hints at starvation: market prices of basic food in Gaza are now ten times higher compared to their prices just 3 months ago.¹ The collapse of U.N. aid distribution and its substitution by the handful of Israeli-coordinated Gaza Humanitarian Foundation (GHF) aid sites have led to deadly chaos: crowds stampede for scarce rations, with over a thousand killed or wounded in the scramble for sustenance. In response to international outcry the Israeli government has allowed in more aid since July 26th but insufficiently so and the health situation remains dire.

Furthermore, under the guise of relief, the proposed "humanitarian city" would relocate hundreds of thousands of Gazans into a confined zone, stripping them of freedom of movement and basic dignity. It is unconscionable for Israel to treat civilians as liabilities to be contained rather than as human beings entitled to livable conditions.

¹ See <https://docs.wfp.org/api/documents/WFP-0000167688/download/> and <https://www.nytimes.com/2025/07/31/world/middleeast/gaza-market-prices-flour.html>

While Gazans would suffer the most from these policies, Israelis are expected also to pay a steep price and economically, the fallout could be catastrophic. In light of mounting evidence of mass starvation and human-rights violations, European governments may well impose targeted sanctions, inflicting severe damage on science, trade and employment. There are already early signs of that. Ratings agencies are likely to continue to downgrade Israel's sovereign debt, driving up borrowing costs just as the state faces enormous reconstruction and defense bills. Skilled professionals would emigrate in growing numbers and the high-tech sector — responsible for close to 20 percent of GDP and one-third of income-tax revenue— would accelerate its exodus, depriving Israel of its chief growth engine.

We therefore call on the Prime Minister of Israel and the Knesset to:

- (i) restore sufficient provision of food and medical aid;
- (ii) renounce unequivocally any plan to establish camps for Gaza civilians;
- (iii) issue a formal declaration which rescinds all proposals to confine and control the population and reaffirms Israel's commitment to human rights and international law;
- (iv) actively pursue in good faith a ceasefire accord that will improve the humanitarian situation, return the hostages home and end the fighting.

Only by doing so can Israel avert widespread famine, preserve its democratic character, and safeguard its long-term economic prospects. We call on Western leaders to actively work to ensure that these policies are implemented.

Respectfully,

The undersigned Professors of Economics from leading universities across the United States and Europe

in alphabetical order

1. Daron Acemoglu, Institute Professor, MIT; Nobel laureate in Economics 2024
2. Philippe Aghion, Professor at the College de France, INSEAD, and LSE
3. David Autor, Daniel (1972) and Gail Rubinfeld Professor, Google Technology and Society Visiting Fellow and Margaret MacVicar Faculty Fellow, MIT
4. Olivier J. Blanchard, the Robert M. Solow Professor of Economics Emeritus, MIT
5. Sir Richard Blundell, David Ricardo Professor of Political Economy, UCL
6. Janet Currie, Henry Putnam Professor Emeritus of Economics and Public Affairs, Princeton University
7. Sir Angus Deaton, Dwight D. Eisenhower Professor of International Affairs, Emeritus, Princeton University; Nobel laureate in Economics 2015

8. Peter A. Diamond, Institute Professor and Professor of Economics, Emeritus, MIT; Nobel laureate in Economics 2010
9. Esther Duflo, Abdul Latif Jameel Professor of Poverty Alleviation and Development Economics, MIT; Nobel laureate in Economics 2019
10. Claudia Goldin, Henry Lee Professor of Economics and the Lee and Ezpeleta Professor of Arts and Sciences, Harvard University; Nobel laureate in Economics 2023
11. Matthew O. Jackson, William D. Eberle Professor of Economics, Stanford University
12. Charles Manski, Board of Trustees Professor, Northwestern University
13. Eric S. Maskin, Adams University Professor, Harvard University; Nobel laureate in Economics 2007
14. Costas Meghir, Douglas A. Warner III Professor of Economics, Yale University
15. Joel Mokyr, Robert H. Strotz Professor, Northwestern University
16. Roger B. Myerson, David L. Pearson Distinguished Service Professor of Global Conflict Studies, Harris School of Public Policy and Griffin Department of Economics, University of Chicago, Nobel laureate in Economics 2007
17. Maurice Obstfeld, Class of 1958 Professor of Economics and Chancellor's Professor Emeritus, University of California, Berkeley
18. Edmund S. Phelps, McVickar Professor Emeritus of Political Economy, Columbia University; Nobel laureate in Economics 2006
19. Sir Christopher A. Pissarides, Regius Professor of Economics, London School of Economics; Nobel laureate in Economics 2010
20. Helene Rey, Lord Raj Bagri Professor of Economics., London Business School
21. Joseph E. Stiglitz, University Professor, Columbia University; Nobel laureate in Economics 2001
22. Guido Tabellini, Intesa Sanpaolo Chair in Political Economics, Università Bocconi
23. Michael D. Woodford, John Bates Clark Professor of Political Economy, Columbia University