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# The Global Political Economy of Israel

by Jonathan Nitzan and Shimshon Bichler

London and Sterling, Va.: Pluto Press, 2002. 396 pp. \$95.95 (\$24.95, paper).

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The term "political economy" in Nitzan and Bichler's work gives the book away. It is neither economics nor political science but flow-of-consciousness Marxoid rhetoric. The authors could not pass a quiz in first-year economics, and I doubt they would do well in freshman political science either. Instead, they pack their book with the usual leftist pseudo-thoughts. The "ruling classes" apparently get together in large stadiums and conspire to dominate the world. Capitalists sit around and engineer "social constructs" and invent societal values and institutions. Masses of exploited workers are bullied about by monopoly capitalists. Moreover, capitalism itself has "desires," "needs," and "plans."

The two comrades take it as axiomatic that Marxism itself is a legitimate analytic tool and that Marx's "labor theory" is an accurate theory of capital and capitalism. In reality, the "labor theory" is a silly piece of snake oil debunked as such 150 years ago; Marx was wrong on just about everything. Not a single Marxist hypothesis that contradicts neoclassical economics can be supported with empirical evidence. Using Marxism for analysis is like using phrenology or alchemy.

*The Global Political Economy of Israel* is full of baseless sweeping generalities unsupported by any scientific evidence at all. It claims that Israel is believed to be an egalitarian classless society. Huh? Who ever believed that? No one seriously thinks Israel is short of richer folks and poorer folks. To the extent that there really is a "dominant class" in Israel, it consists of yuppie leftists who vote for the left-wing political parties, in other words people very much like the two authors themselves. It states that in Israel there is "total subjugation of the economy by the state"—oh, and it also tells us that the country has abandoned egalitarianism for laissez-faire capitalism. Do not bother trying to make any sense of this. Society is the hostage of vast "weapon-dollar-petro-dollar" conspiracies by "dominant capitalists." Never mind that many of Israel's "dominant capitalists" (a term the authors seem to believe means something) are kibbutzim, labor unions, pension funds, and the public sector.

The book is true to the genre of radical "scholarship" in believing that nothing is so powerfully analytic as the invention of a nice polysyllable. There are "capitalizations of power," "transnationalizations," "amalgamations," "corporate centralizations," and "global accumulations." Such pomposity, mixed with a few macroeconomic structural equations with some Greek letters that the authors clearly do not understand, is meant to convey the impression of depth and scholarship. Could the authors even read a balance of payments table?

The amount of labor evidently invested in the book by the two authors is as good a proof as any of why Marx's labor theory of value is complete hogwash.

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