

The Global Political Economy of the Middle East

*Published Research by Shimshon Bichler & Jonathan Nitzan, 1989-2026*¹

Jerusalem and Montreal

March 2026



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Over the years, we have researched and published many papers and book chapters on the global political economy of the Middle East, with particular emphasis on the relation between oil, armament and regional conflicts as vehicles of income distribution in general and the differential accumulation by leading global corporations in particular. Below is a partial chronological list of these publications, along with their abstracts and CreativeCommons hyperlinks.

1. **Bichler, Shimshon, Jonathan Nitzan, and Robin Rowley. 1989. The Political Economy of Armaments. *Working Paper 7/89*, Department of Economics, McGill University, Montreal, pp. 1-34.**

Full: <https://bnarchives.net/id/eprint/132/>

The relation between oil exports from the Middle East in the 1970s and arms imports to this region has drawn attention from several researchers. The existing literature, however, is seriously flawed for it ignores the large corporate players whose actions synchronize the two flows of income and thus fails to identify the significance of these corporations for the political economy of armaments. This paper is the first in a series of four essays that attempt to relate the dynamics of market structures to the escalation of military sales. Here we briefly assess some neo-Marxist and institutional writings that offer insight into the subject of relevant issues. We find them deficient and perhaps outdated in some respects.

¹ Shimshon Bichler teaches political economy at colleges and universities in Israel. Jonathan Nitzan is an emeritus professor of political economy at York University in Canada. All their publications are available for free on *The Bichler & Nitzan Archives* (<https://bnarchives.net>).

2. **Nitzan, Jonathan, Robin Rowley, and Shimshon Bichler. 1989. *Changing Fortunes: Armaments and the U.S. Economy. Working Paper 8/89, Department of Economics, McGill University, Montreal, pp. 1-27.***

Full: <https://bnarchives.net/id/eprint/133/>

The present essay is the second in a series of four papers in which examine the political economy of armaments in recent decades. In this paper we focus on the ‘armament core’ of large military producers which recently emerged as a powerful bloc within the big economy of the United States. The rise of this core was heightened by a gradual shift of large civilian companies toward the armament business. We argue that the decline of large U.S.-based corporations in civilian world markets since the late 1960s was both a stimulus to and a partial consequence of the increasing involvement with better investment opportunities in government-related activity, especially military production. The increasing significance of international developments inhibits the earlier effectiveness of the U.S. government in assisting corporations based in the United States with its own military spending.

3. **Rowley, Robin, Shimshon Bichler, and Jonathan Nitzan. 1989. *The Armadollar-Petrodollar Coalition and the Middle East. Working Paper 10/89, Department of Economics, McGill University, Montreal, pp. 1-54.***

Full: <https://bnarchives.net/id/eprint/134/>

This is the third paper in a series of four essays that deal with recent developments affecting the political economy of armaments. It begins by identifying the ‘military-bias paradox’ of divergent behaviour, whereby the large armament corporations experienced an almost uninterrupted growth since the peak of the Vietnam War while domestic military spending exhibited a decade-long decline. The resolution of this apparent paradox could be found in the merging institution of arms exports, which supplemented domestic military budgets. The expansion of world markets for weapons coincided with the oil crisis of the 1970s. The Middle East became the focus of these developments. The interaction during the 1970s of rising military exports to this area and growing oil exports from the region provided a basis for cooperation between major armament and energy corporations in an ‘Armadollar-Petrodollar Coalition’. The consolidation of this coalition removed a major conflict between ‘civilian’ and ‘military’ producers in the United States and affected the course of U.S. domestic and foreign military policies.

4. **Bichler, Shimshon, Robin Rowley, and Jonathan Nitzan. 1989. The Armadollar-Petrodollar Coalition: Demise or New Order? *Working Paper 11/89*, Department of Economics, McGill University, Montreal, pp. 1-63.**

Full: <https://bnarchives.net/id/eprint/135/>

This is the final paper in a series of four essays that deal with the political economy of armament and oil. Since the 1980s, military imports to the Middle East increased while revenues from oil exports declined substantially. These disparities highlight structural changes which affect the Armadollar-Petrodollar Coalition of large armament and oil companies. Relations between oil producing countries and petroleum companies were re-structured and there was a surge in corporate concentration. A 'military bias' in Europe and Japan increased the global competition for military orders but also enhances the cohesiveness of an emerging international armament lobby of military contractors. In addition, the domestic influence of the U.S. Armament Core was heightened by corporate concentration and symbiotic relations between contractors and the Pentagon. The two sides of the Armadollar-Petrodollar Coalition have consolidated their positions and may again seek to benefit from renewed cycles of armed conflicts and oil crises in the Middle East.

5. **Nitzan, Jonathan, and Shimshon Bichler. 1995. Bringing Capital Accumulation Back In: The Weapondollar-Petrodollar Coalition – Military Contractors, Oil Companies and Middle-East “Energy Conflicts”. *Review of International Political Economy* 2 (3): 446-515.**

Full: <https://bnarchives.net/id/eprint/13/>

This paper offers an alternative approach to the repeated occurrence of Middle East “energy conflicts.” Our analysis centres around the process of differential capital accumulation, emphasizing the quest to exceed the “normal rate of return” and to expand one’s share in the overall flow of profit. With the evolution of modern capitalism, the dictates of differential accumulation become an ever-stronger unifying force, drawing both state managers and corporate executives into increasingly inextricable power-driven alliances.

The Middle East drama of oil and arms since the 1970s has been greatly affected by this process. On the one hand, rising nationalism and intensified industry competition during the 1950s and 1960s forced the major oil companies toward greater cooperation with the OPEC countries. The success of this alliance was contingent on the new atmosphere of “scarcity” and oil crisis, which was in turn dependent on the progressive militarization of the Middle East. On the other side of the oil arms equation stood the large U.S. and European based military contractors which, faced with heightened global competition in civilian markets and limited defense contracts at home, increased their reliance on arms exports to oil rich countries.

Over the past quarter century, the progressive politicization of the oil business, together with the growing commercialization of arms transfers helped shape an uneasy Weapon-dollar Petrodollar Coalition between the principal military contractors and petroleum companies. As their environment became intertwined with the broader political realignment of OPEC and the industrial countries, the differential profits of these companies grew evermore dependent on the precarious interaction between rising oil prices and expanding arms exports emanating from successive Middle East “energy conflicts.” At the same time, these companies were not passive bystanders. This is suggested firstly by the very close correlation existing between their arms deliveries to the Middle East and the region’s oil revenues and, secondly, by the fact that every single “energy conflict” since the 1967 Arab Israeli War could have been predicted solely by adverse setbacks to the differential profit performance of the large oil companies!

6. **Bichler, Shimshon, and Jonathan Nitzan. 1996. Putting the State In Its Place: US Foreign Policy and Differential Accumulation in Middle East “Energy Conflicts” . *Review of International Political Economy* 3 (4): 608-661.**

Full: <https://bnarchives.net/id/eprint/11/>

This is the second in a series of two articles looking into the interaction between differential capital accumulation and Middle East “energy conflicts.” Examining the historical record since the late 1960s, we find US policies to have been increasingly consistent with the coinciding differential interests of a Weapondollar-Petrodollar coalition of large defence contractors and oil companies. Contrary to aggregate views which emphasize the “national interest” or the broad imperatives of capital accumulation – but in line with the differential interests of these companies – US policies in the region seem to have contributed toward greater instability, imposed limits on the free flow of oil and led to higher unstable prices. Most significantly, every “energy conflict” since the late 1960s was preceded by adverse drops in the differential rate of the large oil companies, which then promptly removed in the wake of the ensuing crisis. While the US government was officially seeking regional conciliation, it passively or actively endorsed each one of these conflicts. The current peace drive between Israel and its Arab neighbours is overshadowed by negative differential profits for the oil companies and depressed weapon sales for the arms contractors. Left unresolved, these predicaments could eventually culminate in a new “energy conflict.”

7. Nitzan, Jonathan, and Shimshon Bichler. 2002. **The Weapondollar-Petrodollar Coalition, Ch. 5** in *The Global Political Economy of Israel*. London: Pluto Press, pp. 198-273.

Full: <https://bnarchives.net/id/eprint/8/>

A theoretical and historical account of the global political economy of oil, armament, energy conflicts and capital accumulation in the Middle East.

8. Nitzan, Jonathan, and Shimshon Bichler. 2003. **It's All About Oil. *News From Within* XIX (1, January): 8-11.**

Full: <https://bnarchives.net/id/eprint/38/>

The new wars in the Middle East are certainly about oil, but not in the way most people think.

9. Nitzan, Jonathan, and Shimshon Bichler. 2004. **Clash of Civilization, or Capital Accumulation? *News From Within* XX (3, June-July): 4-6.**

Full: <https://bnarchives.net/id/eprint/28/>

Over the past three years, we have published several articles where we made a series of very 'contrarian' predictions on the new wars. Specifically, we claimed: (1) That direct U.S. intervention will conveniently if not intentionally 'fail' to stabilize the Middle East; (2) That the new wars will make oil not plenty and cheap, but scarce and expensive; (3) That the leading oil companies will profit greatly from the new environment of heightened instability and soaring oil prices; (4) That rising oil prices are likely to fuel global stagflation (stagnation together with inflation); and, (5) That the shift toward stagflation – should it occur – would not hinder accumulation but rather boost it, particularly for the largest corporate coalitions. When these claims were first made, they were greeted with a mixture of indifference and hostility. The conventional 'postisms' of ethnicity, race and culture pays little attention to capital accumulation, oil prices or inflation, and none at all to their analysis. By contrast, analysts of politics and economics deal extensively with such questions – but to them our arguments sounded like conspiratorial nonsense. As it turns out, the pundits got it wrong.

10. Bichler, Shimshon, and Jonathan Nitzan. 2004. Dominant Capital and the New Wars. *Journal of World-Systems Research* 10 (2, August): 255-327.

Full: <https://bnarchives.net/id/eprint/1/>

The recent shift from 'global villageism' to the 'new wars' revealed a deep crisis in heterodox political economy. The popular belief in neoliberal globalization, peace dividends, fiscal conservatism and sound finance that dominated the 1980s and 1990s suddenly collapsed. The early 2000s brought rising xenophobia, growing military budgets and policy profligacy. Radicals were the first to identify this transition, but their attempts to explain it have been bogged down by two major hurdles: (1) most writers continue to apply nineteenth century theories and concepts to twenty-first century realities; and (2) few seem to bother with empirical analysis.

This paper offers a radical alternative that is both theoretically new and empirically grounded. We use the 'new wars' as a steppingstone to understand a triple transformation that altered the nature of capital, the accumulation of capital and the unit of capital. Specifically, our argument builds on a power understanding of capital that emphasizes differential accumulation by dominant capital groups. Accumulation, we argue, has little to do with the amassment of material things measured in 'utils' or 'dead labour.' Instead, accumulation, or 'capitalization,' represents a commodification of power by leading groups in society. Over the past century, this power has been re-structured and concentrated through two distinct regimes of differential accumulation – 'breadth' and 'depth.' A breadth regime relies on proletarianization, on green-field investment and, particularly, on mergers and acquisitions. A depth regime builds on redistribution through stagflation – that is, on differential inflation amid stagnation. In contrast to breadth which presupposes some measure of growth and stability, depth thrives on 'accumulation through crisis.'

The past twenty years have been dominated by breadth, buttressed by neoliberal rhetoric, globalization and capital mobility. This regime started to run into mounting difficulties in the late 1990s and eventually collapsed in 2000. For differential accumulation to continue, dominant capital now needs inflation, and inflation requires instability and social crisis. It is within these broader dynamics of power accumulation that the new wars need to be understood.

- 11. Bichler, Shimshon, and Jonathan Nitzan. 2004. Differential Accumulation and Middle East Wars: Beyond Neo-Liberalism. In *Global Regulation. Managing Crises After the Imperial Turn*, edited by D. Wigan, L. Assassi and K. van der Pijl. London: Palgrave, pp. 43-60.**

Full: <https://bnarchives.net/id/eprint/17/>

It is popular these days to talk about the “discontent” of neoliberal globalization. This “discontent” is no longer the prerogative of intellectuals. Increasingly, it comes from below, with opposition from the grassroots. But there may be another type of discontent lurking behind the scenes. This other discontent comes from above. It is the discontent of the ruling class. In our opinion, the world may have reached a historical junction in which a significant part of the global ruling class has become discontented with neoliberalism. The purpose of this presentation is threefold: (1) to explain why the world’s dominant capital groups have become discontented with neoliberal globalization; (2) to speculate on what may replace neoliberal globalization; and (3) to link this transition in the nature of accumulation to the new wars.

- 12. Nitzan, Jonathan, and Shimshon Bichler. 2005. The Scientist and the Church, Monograph. Montreal and Jerusalem (July), pp. 1-48.**

Full: <https://bnarchives.net/id/eprint/185/>

The April 21, 2005 issue of the LONDON REVIEW OF BOOKS carried a lead article titled ‘Blood for Oil?’ The paper is attributed to a group of university professors, writers and activists – Iain Boal, T.J. Clark, Joseph Matthews and Michael Watts – who identify themselves by the collective name ‘Retort.’ In their article, the authors advance a supposedly new explanation for the wars in the Middle East.

Much of their explanation – including both theory and fact – is plagiarized. It is cut and pasted, almost ‘as is,’ from our own work. The primary source is ‘The Weapondollar-Petrodollar Coalition,’ a 71-page chapter in our book THE GLOBAL POLITICAL ECONOMY OF ISRAEL (Pluto 2002). The authors also seem inspired, incognito, by our more recent papers, including ‘It’s All About Oil’ (2003), ‘Clash of Civilization or Capital Accumulation?’ (2004), ‘Beyond Neoliberalism’ (2004) and ‘Dominant Capital and the New Wars’ (2004).

In their paper, the Retort group credits us for having coined the term ‘Weapondollar-Petrodollar Coalition’ – but dismisses our ‘precise calibration of the oil/war nexus’ as ‘perfunctory.’ This dismissal does not prevent them from freely appropriating, wholesale fashion, our concepts, ideas and theories – including, among others, the ‘era of free flow,’ the ‘era of limited flow,’ ‘energy conflicts,’ the ‘commercialization of arms exports,’ the

‘politicization of oil’ and the critique of the ‘scarcity thesis.’ Nowhere in their article do the authors mention the source of these concepts, ideas and theories; occasionally, they even introduce them with the prefix ‘Our view is. . . .’ Their treatment of facts is not very different. They freely use (sometimes without understanding) research methods, statistics and data that took us years to conceive, estimate and measure – again, never mentioning the source.

These concepts, theories and facts are far from trivial. Until recently, they were greeted with strategic silence, from both right and left. Their publication has been repeatedly denied and censored by mainstream as well as progressive journals (including, it must be said, by the LONDON REVIEW OF BOOKS, that turned down our paper on the subject). They cannot be found anywhere else in the literature, conservative or radical. To treat them as ‘common knowledge’ is deceitful. To cut and paste them without due attribution is blatant plagiarism. The first part of our paper illustrates this process of ‘intellectual accumulation-by-dispossession’ with selected examples.

The issue, though, goes well beyond personal vanity and self-aggrandizement. At the core, we are dealing here with the clash of science and church, with the constant attempt of organized faith – whether religious or academic – to disable, block and, if necessary, appropriate creativity and novelty. Creativity and novelty are dangerous. They defy dogma and undermine the conventional creed; they challenge the dominant ideology and threaten those in power; occasionally, they cause the entire edifice of power to crumble.

For these reasons, the latent purpose of intellectual accumulation-by-dispossession – like the accumulation of private property – is primarily negative. The word ‘private’ comes from the Latin ‘privatus,’ meaning ‘restricted,’ and from ‘privare,’ which means ‘to deprive.’ And, indeed, the most important feature of private ownership is not to enable those who own, but to disable those who do not. It is only through the threat of prevention – or ‘strategic sabotage’ as Thorstein Veblen called it – that accumulation can take place. It is only by restricting the free creativity of society that society itself can be controlled. The second section of the paper explains how the appropriators of ‘Blood for Oil?’ fit this pattern.

The final section of the paper is an epilogue. It describes our failed attempts to get this paper published with The LONDON REVIEW OF BOOKS; Retort’s efforts to mislead us; and some additional insight from their AFFLICTED POWERS, a 2005 Verso book that contains the same plagiarism and more. The epilogue concludes with a few observations on the nature of academic dialectics.

- 13. Nitzan, Jonathan, and Shimshon Bichler. 2006. New Imperialism or New Capitalism? *Review XXIX* (1, April): 1-86.**

Full: <https://bnarchives.net/id/eprint/203/>

Over the past century, the institution of capital and the process of its accumulation have been fundamentally transformed. By contrast, the theories that explain this institution and process have remained largely unchanged. The purpose of this paper is to address this mismatch. Using a broad brush, we outline a new, power theory of capital and accumulation. We use this theory to assess the changing meaning of the corporation and the capitalist state, the new ways in which capital gets accumulated and the specific historical trajectory of twentieth-century capitalism up to the present.

- 14. Nitzan, Jonathan, and Shimshon Bichler. 2006. Cheap Wars. *The Economy of the Occupation. A Socioeconomic Bulletin* (10, September): 1-32.**

Full: <https://bnarchives.net/id/eprint/223/>

The new conflicts of the twenty-first century – the ‘infinite wars,’ the ‘clashes of civilization,’ the ‘new crusades’ – are fundamentally different from the mass wars and statist military conflicts that characterized capitalism from the nineteenth century until the end of the Cold War. The novelty lies not so much in the military nature of the conflicts, as in the broader role that war now plays in capitalism.

- 15. Nitzan, Jonathan, and Shimshon Bichler. 2009. ‘The Pattern of Conflict’, in *Capital as Power. A Study of Order and Creorder*. RIPE Series in Global Political Economy. New York and London: Routledge, pp. 386-394.**

Full: <https://bnarchives.net/id/eprint/259/>

Since differential accumulation lies at the heart of the capitalist *creorder* (creation of order), its specific regimes are important for understanding the broader nature of institutional and structural change in capitalist society. Perhaps the most important change concerns the pattern of conflict, and the role of the Middle East in global capitalism provides a good illustration of the temporal spread and geographical integration of differential accumulation on the one hand and of conflict and war on the other.

- 16. Bichler, Shimshon, and Jonathan Nitzan. 2014. Energy Conflicts and Differential Profits: An Update. *Research Note* (October 29): 1-5.**

Full: <https://bnarchives.net/id/eprint/415/>

During the late 1980s and early 1990s, we identified a new phenomenon that we called ‘energy conflicts’ and showed that these conflicts were intimately linked to the differential profitability of the leading oil companies. This link remains as true today as it was in the early 1970s. Like earlier energy conflicts, the ‘Arab Spring’, the outsourced wars that followed and the third Gulf War against ISIS continue to march to the drum beat of differential profits.

- 17. Bichler, Shimshon, and Jonathan Nitzan. 2015. Still About Oil? *Real-World Economics Review* (70, February): 49-79.**

Full: <https://bnarchives.net/id/eprint/432/>

During the late 1980s and early 1990s, we identified a new Middle East phenomenon that we called ‘energy conflicts’ and argued that these conflicts were intimately linked with the global processes of capital accumulation. This paper outlines the theoretical framework we have developed over the years and brings our empirical research up to date. It shows that the key stylized patterns we discovered more than twenty years ago – along with other regularities we have uncovered since then – remain pretty much unchanged: (1) conflict in the region continues to correlate tightly with the differential profits of the Weapondollar-Petrodollar Coalition, particularly the oil companies; (2) dominant capital continues to depend on stagflation to substitute for declining corporate amalgamation; and (3) capitalists the world over now need inflation to offset the spectre of debt deflation. The convergence of these interests bodes ill for the Middle East and beyond: all these groups stand to benefit from higher oil prices, and oil prices rarely if ever rise without there being an energy conflict in the Middle East.

- 18. Bichler, Shimshon, and Jonathan Nitzan. 2017. Profit Warning: There Will Be Blood. *Real-World Economics Review Blog*, December 10.**

Full: <https://bnarchives.net/id/eprint/526/>

The Weapondollar-Petrodollar Coalition might no longer be in the Middle East driver’s seat. However, with the oil and armament companies, the region’s oil-exporting autocracies and various non-state groups all keen on seeing their oil-related incomes rise from record lows, the prospects of a new energy conflict, whether premeditated or coincidental, seem extremely high.

- 19. Bichler, Shimshon, and Jonathan Nitzan. 2017. Blood and Oil in the Orient, Redux. *Research Note (December)*: 1-11.**

Full: <https://bnarchives.net/id/eprint/525/>

This research note updates selected charts from three previous papers. The new data present a rather startling picture, suggesting that the Middle East – and the global political economy more generally – might face an important crossroads. Our assessment here rests on the analysis of capital as power, or CasP. Beginning in the late 1980s, we suggested that, since the late 1960s, the Middle East was greatly influenced by the capitalized power of a Weapondollar-Petrodollar Coalition – a loose coalition comprising the leading oil companies, the OPEC cartel, armament contractors, engineering firms and large financial institutions – whose differential accumulation benefitted from and in turn helped fuel and sustain Middle East ‘energy conflicts’. These conflicts, we argued, reverberated far beyond the region: they affected the ups and downs of global growth, the gyrations of inflation and, in some important respects, the very evolution of the capitalist mode of power. And this impact, it seems to us, is now being called into question.

- 20. Bichler, Shimshon, and Jonathan Nitzan. 2018. Arms and Oil in the Middle East: A Biography of Research. *Rethinking Marxism* 30 (3): 418-440.**

Full: <https://bnarchives.net/id/eprint/566/>

This essay interweaves two stories—one theoretical and empirical, the other autobiographical. The first story embeds the Israeli-Palestinian conflict in the broader political economy of the Middle East and the global accumulation of “capital as power.” The second story narrates the authors’ personal journey to uncover, theorize, and research this enfoldment. The essay explores and contextualizes the misleading duality of politics and economics; the link between military spending, finance, and stagflation; the concepts of “dominant capital” and “differential accumulation” and their evolution through “breadth” and “depth”; the manner in which these concepts and processes inform the political economy of Israel and the Israeli-Palestinian conflict; and the ways in which they help identify the key role of the Weapondollar-Petrodollar Coalition and predict the periodic eruption of Middle East “energy conflicts.” In their explorations, the authors have encountered numerous gatekeepers who tried to derail their research as well as a few open-minded editors who sought to promote it, and it is probably fair to say that, dialectically, they have benefited from both.

- 21. Bichler, Shimshon, and Jonathan Nitzan. 2020. Still in the Danger Zone. *Research Note*, January 8, pp. 1-2.**

Full: <https://bnarchives.net/id/eprint/633/>

In December 2017, we posted a RWERB entry, titled ‘Profit warning: there will be blood’. We warned that, although the Weapondollar-Petrodollar Coalition might no longer be in the Middle East driver’s seat, the oil and armament companies, the region’s oil-exporting autocracies and various non-state groups were all keen on seeing their oil incomes rise from record lows. And we observed that, in this context, ‘the prospects of a new energy conflict, whether premeditated or co-incidental, seem extremely high’. [. . .] We can only hope that the current round of Middle East hostilities won’t be proportional to the size of its current danger zone.

- 22. Bichler, Shimshon, and Jonathan Nitzan. 2021. Relative Oil Prices and Differential Oil Profits. *Real-World Economics Review Blog*, December 30.**

Full: <https://bnarchives.net/id/eprint/729/>

If you thought that oil profits are about producing oil, think again. The enclosed chart, updated from our 2015 Real-World Economics Review paper, ‘Still About Oil?’, shows that the main determinant of oil profit — and specifically of differential oil profit — is not output, but prices.

- 23. Bichler, Shimshon, and Jonathan Nitzan. 2023. Blood and Oil in the Orient: A 2023 Update. *Real-World Economics Review Blog*, November 10.**

Full: <https://bnarchives.net/id/eprint/809/>

The 2023 war between Hamas and Israel elicits many different explanations. As with previous regional hostilities, here too, the pundits and commentators have numerous overlapping processes to draw on – from the struggle between the Zionist and Palestinian national movements, to the deep hostility between the Rabbinate and Islamic church, to the many conflicts between Israel and Arab/Muslim states, the contentions between the declining superpowers (United States and Russia) and their rising contenders (like China, Iran, Turkey), the rift between western and eastern cultures, and so on.

The experts also highlight the growing importance of local militias – from Jewish settler organizations, to ISIS, Hamas, Islamic Jihad, Hezbollah, the Houthi movement, the Wagner Group and Kadyrovites Chechens – groups that operate under different political, religious and criminal guises; that receive varying financing and support from local, governmental and international sources; and that proxy and/or challenge different states.

Our article does not deal with these specificities. Instead of focusing on the particular and unique, we concentrate on the general and universal. Concretely, we argue that the current war between Hamas and Israel shares an important common denominator with prior clashes in the region – namely, that it constitutes an energy conflict and that it correlates with the differential nature of capital accumulation. We coined these two terms in the late 1980s and have studied their underpinnings and implications for the Middle East and beyond ever since. Our purpose in this paper is to highlight our theoretical arguments, update some of our key empirical evidence and show how both the theory and findings apply to the current Hamas-Israel war.

24. Bichler, Shimshon, and Jonathan Nitzan. 2024. The Road to Gaza. *Working Papers on Capital as Power* (2024/01, August): 1-19.

Full: <https://bnarchives.net/id/eprint/830/>

The war that started in 2023 between Hamas and Israel is driven by various long-lasting processes, but it also brings to the fore a new cause that hitherto seemed marginal: the armed militias of the rabbinical and Islamic churches. The Rabbinate's militias, embodied in Jewish settler organizations, have taken over not only Palestinian lands, but, gradually, also Israeli society. The Islamic militias, represented by Hamas and the Islamic Jihad, rose to prominence after the traditional resistance groups of the Palestinians – primarily the PLO and the PFLP and, by extension, also the Palestinian Authority – weakened and proved unable to reverse, let alone stop, the Israeli occupation.

The rise of these militias, though, is hardly unique to Israel/Palestine, or even the Middle East. It is part of a broader, global process, in which 'private' military organizations, financed by states, church-related NGOs and/or organized crime, fight for and against states as well as each other. The ascent of such groups is closely related to the decline of the nation-state and its popular armies, a model that developed in the wake of the French Revolution but no longer resonates with the increasingly globalized nature of capital accumulation.

Our previous studies of Middle East wars emphasized the 'state of capital' – our notion that the capitalist mode of power fuses state and capital into a single logic in which dominant capital groups are driven by the power quest for differential accumulation. We showed that, in the Middle East, this logic was imposed by a Weapondollar-Petrodollar Coalition of large oil and armament corporations, OPEC, financial institutions and construction firms, whose differential incomes and profits were tightly correlated with – and helped predict – the cyclical eruption of 'energy conflicts'.

But this mode of power comprises not two elements, but three. In addition to state and capital, it also includes the supreme-god churches, and in this paper, we outline the role of these churches and their militias in capitalism generally and in Middle East wars specifically.

- 25. Bichler, Shimshon, and Jonathan Nitzan. 2024. The Road to Gaza, Part II: The Capitalization of Everything. *Real-World Economics Review* (109, November): 18-28.**

Full: <https://bnarchives.net/id/eprint/846/>

Our recent article on ‘The Road to Gaza’ examined the history of the three supreme-god churches and the growing role of their militias in armed conflicts and wars around the world. The present paper situates these militia wars in the broader vista of the capitalist mode of power. Focusing specifically on the Middle East, we show the impact these militia wars have on relative oil prices and differential oil profits and explain how the wars themselves, those who stir them and the subjects that fight them all get discounted into capitalized power.

- 26. Bichler, Shimshon, and Jonathan Nitzan. 2026. Middle East Danger Zones: A 2026 Update. *Research Note*, March, pp. 1-7.**

Full: <https://bnarchives.net/id/eprint/885/>

In February 2026, the United States and Israel attacked Iran, kickstarting a new Middle East ‘energy conflict’. And like most energy conflicts over the past half century, this one too began after the region fell into a ‘danger zone’.

The notion of a danger zone was first introduced in our 1995 paper, ‘Bringing Capital Accumulation Back In’. We coined it to denote a period in which the Middle East is likely to experience an oil-related conflict or war and examined its implications for the region’s global political economy.

Capitalism, we argued in our research, was a regime built on the capitalization of power, organized through relative pecuniary quantities and ruled by state-backed, dominant-capital coalitions. In line with this approach, we proposed that, since the late 1960s, Middle East danger zones hinged on the differential profits of dominant oil companies; that is, on whether their rate of return beats or trails the corporate average.

Specifically, we claimed that when the differential profits of the oil companies are positive – namely, when they beat the average – the risk of regional conflict is low. And conversely, when their differential profits are negative – i.e., when they trail the average – the region is in a danger zone, and the risk of conflict is high.

Today's dominant capitalists, top state officials and supreme-god clerics believe they run the world. But, in the end, they too, just like their subjects, seem dancing to the all-imposing tune of differential earnings and capitalized power.

