

From Nakba to “Demolition Phase”: Profit, Dispossession, and the Political-Economy of Gaza

The dispossession of the Palestinians is not an episodic reaction to a security shock. It is a long-term colonial project shaped by ideology, administrative architecture, and economic incentives. October 2023 provided a tactical opening — a pretext — to accelerate that project. The rhetoric and plans now being circulated (settler mobilization, Likud party organizing, ministerial statements, and U.S. investor proposals) are best understood as an operational mapping of centuries-old dispossessive aims onto modern capitalist incentives. As Karl Marx observed in *Capital*, when profit potential is sufficiently high, capital becomes audacious — even willing to risk law and morality to capture returns. The current Gaza program combines mass violence with a market playbook precisely because the expected returns (shoreline real estate, tech clusters, and offshore gas) are enormous.

Foundational Intent: Dispossession from the Start (1930s–1948)

The plan to dispossess Palestinians is not an afterthought; it is embedded in the ideological and political foundations of the settler project. Contemporary archival statements from leading actors make clear the intended logic: clear land, prevent return, and transfer property to the settler population. The Nakba (the catastrophic dispossession of 1948) was the first massive operationalization of that logic.

“We must expel Arabs and take their places... if we have to use force... we have force at our disposal. The compulsory transfer of the [Palestinians]... could give us something which we never had.” - David Ben-Gurion, October 5, 1937, letter to his son

“There is no room for both peoples... Not one village, not one tribe should be left. The Arabs will have to go, but one needs an opportune moment, such as a war.” - Yosef Weitz, December 20, 1940, Director of the Jewish National Fund’s Lands Department

“We must wipe them [Palestinian villages] out.” - David Ben-Gurion, 1948, public address during the Nakba

Those historical statements—explicit calls for transfer, for using war as the “opportune moment,” for wiping out villages—establish a causal origin: dispossession was *intended* at state formation rather than merely incidental to wartime exigency.

2. Institutionalization: Occupation, Settlements, and Legal Architecture (1967–2000s)

After 1967, dispossession was institutionalized:

- Legal and administrative measures established land appropriation, settlement construction, and demographic engineering.
- Planning and infrastructure—roads, bypasses, settlement blocs—made Palestinian sovereignty and territorial contiguity progressively more implausible.
- Resource control—water, land, and energy—became an instrument of exclusion, not just governance.

This phase converted ideological intent into durable structures: laws, bureaucracies, and built environment that favored settler permanence and economic extraction.

Economic Strangulation: Gaza Blockade and Resource Denial (2007–2023)

Gaza's blockade and strict development limits had a dual effect: they were presented as security measures, but functionally they froze Gaza's economy and prevented infrastructure and resource development (notably Gaza Marine). The offshore gas field discovered in 2000—estimated at roughly 1 Tcf—was a potential sovereign asset for Palestinians; instead, it was left unrealized, rendering it a latent prize.

This deliberate underdevelopment did two things causally relevant to later events:

1. It kept the population economically vulnerable, making displacement more feasible.
2. It preserved the resource and waterfront as underutilized assets attractive to future investors once political conditions allowed.

October 2023: Tactical Opening, Not Origination

October 2023 supplied a widely visible pretext: a security crisis that could be used to justify massive military action, mass displacement, and extraordinary destruction. But the crucial causal point is that *the plan to make Gaza unlivable had long been conceived*; what changed was the political and operational possibility of carrying it out at scale.

The sequence is causal and predictable:

- Longstanding intent and institutional tools → structural capacity to undertake mass operations;
- A catalyzing event (war) → political cover to escalate;
- Massive destruction → conditions of unlivability and displacement;
- Public and private planning for redevelopment → monetization phase.

From Destruction to Redevelopment: Public Statements as Evidence of Intent

The transition from violence to marketization has been openly signaled by political actors and commercial imaginaries. These statements are not marginal; they constitute a public mapping of the profit motive onto dispossession.

Key public expressions include:

- **Likud flyer (Oct 2024): “Preparing for Settlement in Gaza ... Gaza is ours. Forever!”** — a party-level mobilization slogan aligning a governing party with settler expansion into Gaza.
- **Itamar Ben-Gvir (Oct 2024): “We are the owners of the land”** — direct ownership rhetoric that legitimizes transfer.
- **Bezael Smotrich (Sept 17, 2025):** Gaza is a “**real estate bonanza**,” with negotiations over “**how we will divide the land percentages**.” This frames demolition as a precursor to dividing spoils.
- **U.S. proposals and statements (2024–2025):** From Jared Kushner’s “very valuable” waterfront comments to publicized ideas for an “international real estate trust,” and President Trump’s Feb 2025 suggestion the U.S. “take over Gaza,” the conversation now includes international capital and privatized trusteeships. Plans for AI “smart cities” and a Tesla-style gigafactory complete the investor narrative.

These statements matter legally and causally: they document intent, map out beneficiaries, and reduce the operation from an ad hoc wartime act to a deliberately planned economic conversion.

Marx’s Observation and Capital’s Behavior

Capital flees tumult and strife and is of a timid nature. That is quite true, but not the whole truth. Capital has a horror of the absence of profit, or of very small profit, as nature has of a vacuum. With corresponding profit, capital becomes bold. Ten percent certain, and you can apply it everywhere; twenty percent, it becomes lively; fifty percent, positively venturesome; at 100 percent it tramples all human laws under its feet; at 300 percent, there is no crime it will not risk, even at the peril of the gallows. If tumult and strife bring profit, it will encourage both. Proof: smuggling and the slave trade. - Karl Marx, Capital, 1867

Marx’s observation, quoted above, explains why such projects should be expected when profit is immense. Capital is risk-sensitive: low returns breed caution; high returns breed boldness. Marx’s escalation ladder—10%, 20%, 50%, 100%, 300%—is a method for understanding how escalating profit expectations can erode legal and ethical restraints. When an investor can foresee enormous rents from beachfront redevelopment, technology clusters, and monopolized gas extraction, the moral calculus shifts: legal prohibitions are re-framed as transaction costs to be managed, not absolute barriers.

Applied here:

- The Gaza coastline plus a “smart city” premium plus a strategic gas field create an enormous profit vector.
- That vector provides motive for political actors to convert destruction into an investment opportunity.
- Where political and legal impunity exist, the Marxian tendency of capital to “encourage tumult and strife” when profitable becomes a practical driver of policy, not merely an analytic aphorism.

Financial Mechanics: Why Investors Would Be Interested

The investor case being publicly discussed maps precisely onto classic capital calculus:

- **Scarcity premium:** Mediterranean waterfront is rare in the region—scarcity inflates per-square-meter values.
- **Tech/AI cluster valuations:** “Smart city” and tech-hub branding can exponentially raise land values and attract sovereign and private funders.
- **Industrial anchor:** A gigafactory or EV/battery plant creates industrial demand, supply chains, and economic multipliers, further raising assets’ value.
- **Energy returns:** Gas export revenues and strategic leverage in regional energy markets add an immediate revenue stream.

These combined returns can rationalize extraordinary risk-taking, including legal risk, if political cover and financing are secured — precisely the terrain Marx warned about.

Legal Consequences: Crimes, Obligations, and Complicity

Tracing the causal chain from historical intent to present plans yields a cluster of legal prohibitions and affirmative duties:

Prohibited acts and international crimes

- **Forcible transfer** → war crime and potentially a crime against humanity.
- **Settler transfer / annexation** → breach of Fourth Geneva Convention Art. 49(6) and customary law.
- **Pillage / exploitation of resources** → war crime and unlawful appropriation.
- **Genocidal acts or intent** → under the Genocide Convention and Rome Statute; the ICJ’s provisional measures (Jan 2024) found a plausible risk of genocide; subsequent COI findings and NGO assessments have used the term explicitly.

Third-state duties and complicity

- **Duty to prevent** (Genocide Convention): once a state knows of a serious risk, it must take measures to prevent genocide; inaction or material support risks complicity.

- **Non-recognition and non-assistance** (ICJ advisory guidance): states must not recognize or assist illegal situations resulting from serious breaches of peremptory norms.
- **Corporate and financial liability**: funders and contractors face serious reputational, regulatory, and potential legal exposure under domestic and international frameworks for aiding violations.

Evidentiary significance of public plans

- Public speeches, flyers, policy memos and planning documents convert rhetorical intent into documentary evidence — highly relevant in judicial or quasi-judicial proceedings (ICC, ICJ, national courts).

Causality Recap: How the Past Made the Present Possible

1. **Intent (Nakba era)** created an ideological and policy trajectory for dispossession.
2. **Institutionalization (post-1967)** built the administrative and physical apparatus to make dispossession durable.
3. **Economic strangulation (blockade)** preserved unexploited assets (gas, coastline) while weakening society.
4. **Trigger (Oct 2023)** provided the public pretext and operational cover for mass destruction.
5. **Public marketization (2024–2025)** turned the aftermath into an investor playbook, aligning capital with dispossession.

This causal chain shows not accidental cruelty but a deliberate political-economic program.

Conclusion: The Choice Facing the International Community

The case is now plain in three registers:

- **Historical**: dispossession has deep roots and has been repeatedly articulated by elites.
- **Political-economic**: the drive to monetize Gaza's coastline and gas creates the motive for violent clearance.
- **Legal**: the actions and plans implicated are prohibited; states have duties to prevent, investigate, punish, and block complicity.

Marx's insight that capital will encourage "tumult and strife" when it expects extraordinary profit is not metaphorical here — it is a warning about incentives. Where financial returns are massive and legal enforcement weak, markets will seek to capitalize on violence. The remedy is straightforward if politically difficult: enforce international law, block the financing and insurance that would make this project possible, pursue criminal accountability, and uphold the Genocide Convention's duty to prevent.

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