

being fully exploited, could increase the water supply for Jordan and Israel. Cooperation with Jordan could help solve the problem of soil erosion caused by the Dead Sea.

Another important area is tourism. If we could offer package tours to Israel, Jordan, and Egypt, it would increase the flow of people into the area. This could be accomplished if the ministers of tourism came together to guarantee safety from terrorism.

EIR: What have the reactions to the Marshall Plan been, in the Knesset?

Artzi: It has never really been discussed there formally, but has been brought up in the framework of Peres's trips and reports. Right now it depends on the big powers in the West, to set up the funds, or go for the idea. The Marshall Plan may change the whole region in a revolutionary way.

eral, among those of the region, to develop thinking on economic development.

EIR: This sounds like the Marshall Plan, which Prime Minister Peres has launched. Is there a connection?

Hirsch: No. The Marshall Plan is a government plan. The Hammer Fund is an independent project. We worked on projects which could be useful if the Marshall Plan were implemented. If adopted, our projects for joint Egyptian-Israeli cooperation, could receive funding.

EIR: What kind of development plans have you proposed?

Hirsch: For example, a port at Gaza could be used by Israel, the West Bank, and Jordan, as well as the Gulf states. It requires only Israel's and Jordan's agreement to allow goods to enter the port. The port would be run by Arabs, it would be an Arab enterprise, not an Israeli state enterprise. Other projects contemplate utilization of Nile River water for Gaza and the Negev desert, which would allow Israel to provide its water to the West Bank. Or, joint fertilizer production: currently Egypt and Israel each have some but not all of the basic raw materials for fertilizers; if they pooled these materials, they could jointly produce fertilizers.

EIR: The Mideast "Marshall Plan," according to Minister Ya'acobi, calls for nuclear energy plants in the Negev. What is your group's approach? Do you agree?

Hirsch: No. The first priority we see, in the energy field, is the sale of Egyptian gas to Israel, which could be accomplished through a pipeline.

EIR: The Hammer group talks a lot about free enterprise zones and free trade zones. Can you explain this?

Hirsch: These free trade zones would facilitate joint ventures between interests in different countries, without forcing the countries into cooperation. Egypt and Israel already have them.

"Armand Hammer is a master at combining political and commercial opportunities. This was clear in his entering deals with Russia, at the time of Lenin's New Economic Program."

EIR: What is Armand Hammer's interest specifically here?

Hirsch: I can only guess at it, but I know he is a master at combining political and commercial opportunities. This was clear in his entering deals with Russia, at the time of Lenin's New Economic Program.

Interview: Professor Ze'ev Hirsch

The Hammer Fund: free-trade zones

Ze'ev Hirsch, chairman of the Armand Hammer Fund for Economic Cooperation in the Middle East, is a professor at Tel Aviv University. The Hammer group sponsored a conference at the university in June, where this interview took place.

EIR: Could you tell us about the Hammer Project?

Hirsch: Prof. Ben-Shahar, in his opening speech to this conference, went through this. The work conducted through the Hammer Fund at the Tel Aviv University goes back to before [the late Egyptian President Anwar] Sadat's visit here. The idea was that peace should be taken seriously, and that once peace is established, economic considerations will become relevant, in which we want to minimize rivalries among nations and maximize benefits. We started thinking, then, what sort of economic approach we should have, once there is a political settlement. The president of the Tel Aviv University at the time, Prof. [Haim] Ben-Shahar, wanted to involve Americans financially in the area. David Rockefeller had been helpful in the early stages of negotiations between Egypt and Israel, but lowered his profile later, when it was clear the peace process would not encompass the rest of the region. Hammer intervened later; he is a person who sees opportunities offered by political changes. Ben-Shahar persuaded him to support a group working here at the Tel Aviv University. We worked on meetings, bilateral and multilat-