

## Time is running out for Middle East peace effort

by Susan Welsh

When the historic agreement between Israel and the Palestine Liberation Organization was made public last September, Lyndon LaRouche welcomed it with these words: "The urgent thing here is that we must move with all speed to *immediately* get these economic development projects, such as the canal from Gaza to the Dead Sea, going, because if we wait until we discuss this thing out, enemies of progress and enemies of the human race, such as Kissinger and his friends, will be successful, through people like Sharon's buddies, in intervening to drown this agreement in blood and chaos; but now we have an opportunity. If we move fast enough to get the economic development started, we can have an agreement in the Middle East which succeeds where, because of the Bush and Thatcher administrations, we failed to seize the opportunity when the Wall came down in eastern Europe" (*EIR*, Sept. 17, 1993).

Today, the time for such a breakthrough is running out, as the Dec. 13 deadline for Israeli withdrawal from Gaza and Jericho has come and gone, and Israeli and Palestinian negotiators are bogged down in acrimonious discussions about border crossings, security arrangements, and sovereignty. More lives are being lost, as the radicals and terrorists on both sides shout that the current difficulties are "proof" that there can be no such thing as peace with their mortal enemy.

*Of course* the issues now under debate are thorny ones—that is precisely why LaRouche has insisted, dating back to his discussions in the 1970s with Israeli and Arab leaders, that the issue of economic development must be addressed *first*. Only once the economic underpinnings of a peace settlement have been created, establishing a common interest and common benefits, can the seemingly intractable political problems be settled in a fair and reasonable way.

Yet to date, nearly four months after the signing of the Gaza-Jericho accord on Sept. 13, not a single major project has been launched, and international funding for development of Israel and Palestine has been miserly in the extreme.

Among the principals behind the accord—Israeli Prime Minister Yitzhak Rabin, Foreign Minister Shimon Peres, and PLO Chairman Yasser Arafat—there is a recognition of the problem. But the ball is not currently in their court.

Peres commented on Dec. 22 on the killing of two Jews on the West Bank, apparently by the anti-Arafat Palestinian group Hamas: "Such a murderous act underlines the urgent need to achieve implementation of agreement with the Palestinians as soon as possible while safeguarding Israeli national security. . . . Any time wasted strengthens the terrorists, whereas an agreement strikes a blow at them. Hamas's worst enemy is peace, which will be achieved through dialogue with moderate Palestinians."

Earlier, in a speech to the Italian-Israeli Association in Milan on Nov. 27, Peres had referred to the opposition his government faces among Israelis. "It is not easy for our people," he said. "They can see the cost of peace, but not the fruit." Concerning the fact that Saudi Arabia had refused to donate a mere \$10 million for Palestinian development projects, Peres quipped: "What is \$10 million to Saudi Arabia? Three princes can get rid of that in a weekend in Paris."

As for the Palestinian side, senior PLO sources stressed in mid-December discussions with *EIR* that the accords are "heading for collapse." One well-informed PLO source pointed to recent opinion polls in Israel that show a marked collapse in support for Rabin since the signing of the accords, and to an alarming decline of support in West Bank and Gaza for the PLO. In December the PLO lost student elections in

a longtime PLO stronghold, Bir Zeit University in the West Bank, to Hamas.

The source also said that there was a financial siege under way against the PLO: "We have not gotten a penny for the last seven months. If the U.S. didn't agree with this financial siege, then it wouldn't be happening. The accords are under very grave threat right now, and I tell you that Hamas will be very moderate compared with what will happen if this doesn't go through. The PLO will be a different organization altogether if this collapses. It will go to maximalist line—us against them."

### Begin development projects now

As *EIR* underlined in our cover feature of Sept. 17, the Peres "Marshall Plan" approach involves high-technology infrastructure, a series of great projects ranging from the Dead-Sea Mediterranean canal, to desalination plants, to international electricity grids and rail and road networks. Palestinian economist Yousef Sayigh puts the price tag for such a program at about \$11.6 billion; Israeli economist Gad Yaacobi, in interviews with *EIR* in the 1980s, gave a much higher figure of \$25 billion over ten years. Peres himself in 1986 called for \$50 billion. By contrast, the World Bank is offering a miserable \$1.7 billion (with \$3 billion projected over the next ten years), and infrastructure development is at the bottom of its list of priorities.

The economic protocols of the Gaza-Jericho accord (Annex III) specify that the two sides agree to cooperation in water development, electricity, energy, finance, transport and communications, trade, industrial development, labor relations, and other programs of mutual interest. They call for exploitation of the Dead Sea area, the Mediterranean Sea-Dead Sea Canal, desalination and water development projects, a regional plan for agricultural development, and regional measures for energy development. (See *EIR*, Sept. 17, 1993, p. 24, for the full text of the protocols, which have received scant coverage in the U.S. press.)

LaRouche, commenting on these proposals in an interview published in *EIR* on Sept. 24, added that "without nuclear power, you cannot develop the Middle East at all." There is a need for mass desalination and the development of the Negev desert, and that requires nuclear power, he said.

### Scant progress

Looking at progress to date toward this agenda, one finds nice-sounding speeches, but little of the concrete actions—and dollars—that are required:

**United States:** The Clinton administration has taken little initiative on the Mideast, and is basically supporting the World Bank's approach of building free enterprise zones and boosting the tourist trade. *EIR* correspondent Bill Jones on Nov. 12 asked Rabin and Clinton, at a Washington press conference, for their estimate of the magnitude of funding needed for development projects. President Clinton replied

that, from the Oct. 1 World Bank-sponsored donors conference, "we have commitments over the next few years for several billion dollars and a few hundred million dollars right off the bat. We think that's enough to make a big difference."

**Europe:** Prime Minister Rabin, in a speech in Jerusalem on Oct. 24, scored the "inaction" of the European countries. The war in Bosnia, he said, shows that Europe is not able to play the political role it wishes to play, also in respect to the Middle East. The Europeans have so far hardly made use of the immense economic opportunities presented in the Gaza-Jericho plan, and have even fallen behind some of the Arab states, which have begun to negotiate joint projects with Israel in power generation and other infrastructural areas, Rabin pointed out. Jordan and Israel are discussing joint infrastructural projects, and one of the Arab Gulf states is willing to sign a contract soon with Israel for construction of a gas pipeline.

The European Community in November pledged a mealy \$19 million in aid to the Palestinians, \$18 million of which will go to the six universities in the Palestinian territories.

Yasser Arafat visited Bonn early in December, and was told by German Foreign Minister Klaus Kinkel that Germany would increase economic, financial, and political aid to the Palestinians, mentioning the areas of water projects, solid waste disposal, and sewage treatment, plus "state administration systems." At a press conference in Bonn on Dec. 7, *EIR* asked Arafat what the status was of the development projects, and how Germany could help. "We have no communications, no ports, no airports, no harbors . . . so we have to start from there," the PLO leader replied.

**Regional initiatives:** Israel and the PLO on Dec. 17 agreed that Palestinians for the first time will be able to legally export farm produce to Israel and import goods freely from Arab states that are officially at war with Israel.

Palestinian businessmen from abroad have teamed up with entrepreneurs in the Israeli-occupied territories to invest \$200 million into a holding company, the Palestine Investment Company, which plans to build a cement factory and "satellite cities" throughout the West Bank and Gaza to alleviate the severe housing shortage. Palestinians in the West Bank have set up a sister company called Ruwad Holding Company, which has a capital of \$75 million. The Israeli industrial giant Koor has meanwhile drafted an agreement with Palestinian and Arab investors to set up a company called Salaam 2000 (Peace 2000).

Israel proposed construction of a canal from the Red Sea to the Dead Sea, during a meeting in Beijing in November of the Water Working Group, a multilateral organization trying to solve the Arab-Israeli issues. This laudable initiative has been on the drawing boards since at least 1979. As Israeli expert Uri S. Würzburger said in an interview with *EIR* published on Nov. 26, 1993, the project was stopped in 1985 for political reasons. But now, in the interests of world peace, it and the others like it must be quickly revived.