EIR National Economy

Jordan prepares for summit on Middle East development

by Muriel Mirak-Weissbach

In the closing days of October, the capital city of Jordan will play host to the Middle East/North Africa Economic Summit. The gathering will be held under the patronage of His Majesty King Hussein Bin Talal, and will be chaired by Crown Prince Al Hassan Bin Talal. With the co-sponsorship of U.S. President William Clinton and Russian President Boris Yeltsin, and the support and endorsement of Canada, the European Union, and Japan, the gathering is expected to bring about 1,200 guests together, from industry, banking, the political world, and the media. Some 600 on the guest list drawn up by the World Economic Forum, which is organizing the meeting, are to come from the private sector, and a large number of banks will be represented. If, as is hoped, several dozen heads of State come, flanked by prime ministers and other government officials, the meeting will live up to the appellation of a summit, with the authority to see through deals to be negotiated on the personal level.

The fact that the conference comes as the follow-up to a similar forum held in Casablanca, Morocco exactly one year earlier, does not mean that this will be simply a "Casablanca II," as it has been dubbed. In fact, there are serious efforts being launched to make sure it is not a carbon copy of the gala event in the Moroccan capital. As Dr. Mohammad Smadi, secretary general of the Jordan Ministry of Industry and Trade, told *EIR*, "Casablanca was more of a political opening for the peace process. I would rather call it 'Amman I' than 'Casablanca II,' because we want to focus on economic matters." Jordan's elites are nurturing great expectations that this time, concrete economic projects will not only be put on the table, but discussed in detail, until binding contracts are drafted, signed, and sealed.

Virtually all those involved in preparations for the upcoming conference who met with *EIR* in early July, had something to criticize in the way Casablanca was handled. The main charge was that, for all its pomp and circumstance, little of substance emerged. The Israelis, invited to such a forum for the first time together with Arabs, were accused of "overkill," according to one leading Palestinian banker, because they brought over a dozen government ministers and hundreds of businessmen. Personal contacts were made for the first time, in many cases, and thousands of visiting cards were exchanged. But beyond that, no agreements were struck which were to change the face of the regional economic landscape.

Unfortunately, the conclusion drawn by most Jordanians involved, is that the participants had been "overambitious" in their expectations and demands, "obsessed," as one person said, "with mega-projects and dreams." As engineer Boulos Kefaya, director of the Water, Environment, and Tourism Department in the Ministry of Planning, put it, "We went to Casablanca with a vision, with projects for a 10- to 15-year span. It was too much. We came back and scaled it down by half. But, it's still too big."

A fraction of the original program

As a result, Jordan, as a participant in the conference, will present only 27 projects, for a total cost of $3.7 billion, as compared to a comprehensive project worth ten times that much which it had taken to Casablanca. The differences are not merely quantitative, but substantial. In the earlier proposal, ten sectors of the economy were treated: agriculture, energy, environment, health, human resources, industry, transport, telecommunications, tourism, and water (see *EIR*, Jan. 20, 1995). The centerpiece of the big infrastructure projects was a plan for the Red Sea-Dead Sea Canal, with a price tag of $3 billion. Other large water projects presented in the Ministry of Planning's report, "Jordan: Tomorrow Has Arrived—Investing in People," included a water conveyance system from Turkey, and another, from the Euphrates to Jordan; they would have cost $3 billion and $1.5 billion, respectively.

Even this approach was criticized by *EIR*, for the simple fact that the crucial question of nuclear energy was omitted, not only from Jordan's plan, but from those of the Israelis, the Palestinians, and so forth. Yet, it has been demonstrated, without nuclear energy harnessed to provide the power source for desalination plants throughout the region, there is simply no way that the critical water shortage can be addressed.

Now, in the preparations for the Amman summit, the entire program has been whittled down to a fraction of the original. There are seven sectors of the economy considered, but the leading one is tourism. Whereas projects for mining, transportation, and infrastructure (roads, railroads, and electricity) are presented for a projected cost of a couple of hundred million dollars, the tourist sector development would cost over $1 billion (see table).

What has occurred is obvious. The funds required for great infrastructure projects have not been made available, and leading political and economic operators have concluded that they are therefore not feasible. Furthermore, largely due to the lack of development funds, in the form of development loans or grants, Jordanians have pinned their hopes all the more on the private sector. Yet, no matter how eagerly the private sector in Europe, the United States, and Japan may respond to the call for investments and joint projects, there is no way that private initiative alone can complete the tasks which regional development defines objectively.

Unless the conceptual flaws in the approach now taken are corrected, there is a danger that the Amman summit, no matter how successful it may be in bringing foreign capital and business to work in the region, will fail to address the economic challenge embodied in the peace process.

Private enterprise, public needs

Jordan has mounted a gigantic effort to organize the Amman summit. The Ministry for Planning and the Ministry for Industry and Trade are coordinating on the government side, working closely with the private sector, which has its own organization for the conference.

As Dr. Shabib Ammari, who is rapporteur for the private sector, explained to *EIR*, "There is a higher committee under the prime minister, and a preparatory committee under the minister of industry and trade, which formed a committee to represent the various segments of the private sector. The preparatory committee already has three members from the private sector: the chairman of the Amman Chamber of Industry, the chairman of the Union of Chambers of Commerce, and the chairman of the Jordan Businessmen's Association." This preparatory committee in turn formed the executive committee with a consultative function. The ten-member private-sector committee, will coordinate the activities of especially organizations representing the private sector in Jordan preparing for and participating in the summit. About 100 private-sector participants from Jordan are expected. "We want to activate the private sector," Dr. Ammari stressed, "because one of the aims of the summit is the rehabilitation of the private sector."

The committee has formed ten sectoral committees, which are expected to a) identify development potential of the sector and highlight the comparative advantage of the sector compared to similar sectors of the region; b) develop and suggest appropriate policies and strategies to realize that potential; c) identify constraints, whether legislative, procedural, technical, financial, or other, and give specific recommendations to relax these constraints; d) prepare lists of projects, with a brief description of each, the need for it, etc. The parameters (profile) of the project must be consistent with the set of criteria set by the executive committee and discussed with the chairpersons.

The criteria established for screening projects for the summit are specific. Projects requiring foreign equity, rather than credit, are preferred, because of Jordan's foreign debt. Technology transfer is desirable, and/or the opening of new markets; for example, a regional company for marketing the agricultural produce of the region to the world. Projects which entail cooperation with an existing firm are preferable to those still in the idea stage. "The executive committee," Dr. Ammari explained, "will not play the role of matchmaker, but will encourage private sector companies to make contacts before the conference." Other important questions relate to the benefits derived from the projects to the Jordanian economy, the amount of added value obtained, job creation, environmental impact, export potential. In addition to these criteria for Jordan, the committee is examining projects from the standpoint of criteria for enhancing regional development. These include the total investment required, and the time required to set it up and operate. All the projects are being screened according to these criteria, after which they will be put into one document, which is an establishment profile or directory.

There will be profiles of the companies, with the founder, owner, legal status, contact person, volume of sales, paid capital, cooperation needed, etc. This will give the potential investor an idea of the sector and the company. "The committee," Dr. Ammari concluded, "will get 10 lists from 10 sectors, and, with the aid of CIDA [the Canadian International Development Agency] and Jordanian consulting firms, will draw up a document, to be submitted to the participants." Dr. Ammari expressed the hope that the cooperation between private and public sector consolidated at the conference would become institutionalized in a kind of "Team Jordan" which will continue after the conference.

As for the public sector, the Industry and Trade Ministry and the Planning Ministry are responsible for preparing the projects which Jordan, as a participating country in the con-

Amman summit priority list of projects

June 18, 1995

Sector	Number	Projects	Estimated cost (U.S. millions of dollars)	Class (National/ Regional)	Finance (Private/ Government)
Energy	1	Power system interconnection	240	R	G
Total Energy	**1**		**240**		
Environment	1	Hazardous waste management	16	N/R	G and P
Total environment	**1**		**16**		
Minerals and Industry	1	industrial workshops	4	N	P
	2	potassium sulphate and dicalcium phosphate plant	79	N	P
	3	magnesium oxide plant	130	N	P
	4	phosphoric acid complex	350	N	P
	5	industrial minerals	N/A	N	P
	6	copper exploration	N/A	N	P
	7	granite quarrying	N/A	N	P
	8	oil and gas exploration	N/A	N	P
	9	bromine and derivatives	142	N	P
Total minerals and industry	**9**		**705**		
Transport					
A. Roads and bridges		Jordan River bridges and access roads			
		King Hussein bridge and access road	14	R	G or P
		King Abdullah bridge and access road	14	R	G or P
		Jordan Valley crossing bridge and access road	9	R	G or P
		Prince Mohammed bridge and access road	11	R	G or P
		Western border highways			
		Irbid-North Shuna highway	19	R	G
		Aqaba coastal highway	27	R	G
		Kufurhooda-Damia Junction highway	31	R	G
		South Shuna-North Shuna highway	106	R	G
Total A:	**2**		**231**		
B. Railways	1	Aqaba-Wadi II railway and Eshidiya link (super structure)	31	N	P
Total B:	**1**		**31**		
C. Sea ports	1	Multi-purpose jetty (Aqaba Ports Authority)	25	R	P
	2	Passenger berth	10	R	P
Total C:	**2**		**35**		
D. Airports	1	Aqaba International Airport	36	R	G
Total D:	**1**		**36**		
Total transport	**6**		**333**		
Telecommunications	1	Frequency management and licensing	4	N/R	G
	2	Digital telecommunication infrastructure	532	N	G
	3	National informatics infrastructure	20	N	G and P
	4	Private sector opportunities projects	N/A	N	P
Total telecommunications	**4**		**556**		
Tourism	1	Aqaba tourism development	500	R	P
	2	Infrastructure for Aqaba tourism project	14	N	G
	3	Dead Sea tourism project	500	R	P
	4	Infrastructure for Dead Sea tourism project	27	N	G
Total tourism	**4**		**1,041**		

(Continued)

Amman summit priority list of projects *(Continued)*

Sector	Number	Projects	Estimated cost (U.S. millions of dollars)	Class (National/ Regional)	Finance (Private/ Government)
Water	1	Integrated development of southern Ghors	300	N	G
	2	Water conveyance from Disi to Amman	405	N	G and P
Total water	**2**		**705**		
Total	**27**		**3,596**		
Energy	1		240		
Environment	1		16		
Minerals and industry	8		705		
Transportation	12		333		
Telecommunications	4		556		
Tourism	4		1,041		
Water	2		705		

Private financing has become dominant in discussions for regional projects which Jordan will present at the Amman economic summit. The most ambitious and costly infrastructure projects are those which have been conceived as preconditions for tourism "development" projects in Aqaba and the Dead Sea. The Aqaba airport is part of a joint Aqaba-Eilat project with Israel, which has "emerged as the highest transportation priority to meet the anticipated increase in demand caused by additional tourism," according to a document issued by a three-day seminar in June on the Jordan Rift Valley development, in Amman.
N/A = not applicable

ference, will present. Dr. Boulos Kefaya of the Ministry of Planning told *EIR,* that the ministry looks at project proposals "in a neutral fashion." "We need proper financial studies beforehand," he added, and stressed, "Thus, there is no prejudice against low-technology projects or for mega-projects. We say, here is a project, which will benefit us, with an impact, with a private sector flavor. The conference is oriented to this." In this spirit, the preparatory committee is sorting out projects, according to whether they are private, regional, or infrastructural. "Some," he agreed, "could be put on the fast track, to show the population the benefits of peace." Through this cooperative effort involving the government, private sector, and others, Dr. Kefaya foresees that there will be "a lot of work, on the bilateral, and trilateral basis. Some of the projects will be transnational, others national or binational, others will be four-party projects, involving Egypt, Israel, Jordan, and the PNA [Palestinian National Authority]." As an example, he cited the possibility that Jordan would build a stretch of road or rail up to the Israeli border crossing, whence the Israelis would continue the route.

Major role for the private sector

The preliminary outline of government projects issued for the conference includes in fact several such road projects. Significantly, the financing foreseen is private. Even for projected rail lines, the idea is to draw the private sector in. Dr. Michel Marto, deputy governor of the Central Bank of Jordan, gave his view to *EIR:* "Any project can be done by the private sector. For example, roads: If you establish tolls, you get the capital, and the returns will come. Even in industry, there are returns," he said. Although Dr. Marto agreed that "government must provide for health, education, and transportation," he recommended that some transportation projects be handled by the private sector. "For example," he said, "there is a city of 700,000, Zarqa, which has thousands of people who commute to work in Amman, a city of over 1 million, on a daily basis. Right now, they travel by car or bus. If there were a rail line, this would simplify matters and economize. The private sector can do it. They say, the private sector can't do it, but that's not true. Just give them a chance."

The project Dr. Marto cited, is prominent in the list of projects proposed by the government for the Amman summit. As Issa Ayyoub, of the Tranportation Ministry, explained to *EIR,* the Austrians have been working on the project, which would include a light rail line for urban transit inside the capital, but could also be extended outward to other cities, like Irbid, and even beyond, to Syria. During one of the many workshops held in preparation for the Amman summit, this one dedicated to rail development, Minister of Transport Samir Kawar announced that Jordan was in fact working together with French and Austrian companies on a design for a regional rail grid. This network would link up Jordan's Red Sea port city of Aqaba with Syria, Iraq, and Saudi Arabia, thus contributing to increasing the flow of goods and persons between Europe and Asia.

Government role needed

Such an infrastructure network spanning several nations, is precisely what the region needs. It would enhance the rates of productivity in the whole region, by greatly reducing the actual economic cost of transportation of goods and people. Such projects are the proper concern of governments, whose responsibility it is to provide the preconditions for economic growth. The history of successful industrialization, whether in Europe, America, or Japan, is a history of dirigistic policies, pursued by governments to provide basic infrastructure. In every documented case of industrial development, governments have created the financial institutions, like Alexander Hamilton's National Bank, to issue the credit needed to finance such projects. The reason why governments have historically assumed the responsibility for supplying basic infrastructure, lies in the fact that transportation, water management systems, and energy are not "profitable" investments in the short-sighted, monetarist sense of the term. The profit created by infrastructure is realized in the form of increased rates of productivity in the labor force as a whole, not in immediate monetary gain. Thus, it is only governments which have the ability to effect such massive outlays of capital, through classic national banking methods, to finance investments which are *not* "profitable," but without which, no economic growth can occur.

Why, given these facts of economic history, is the debate in Jordan so doggedly committed to private financing for activities which are properly in the public realm? Why would Crown Prince Hassan, in a major speech he delivered in May in Tokyo, say, "The need for regional structural investments has been reckoned at $45 billion by the year 2000. Our region must tap *global private investment* if reconstruction is to succeed in the investment market" (emphasis added)? Why would Israeli Foreign Minister Shimon Peres push the same concept? Speaking to the press in April at an Amman conference on Jordanian-Israeli joint development of the Jordan Rift Valley, he said, "I think an early estimate [of the cost] was $25 billion. We feel that banks, insurance companies, corporations, will make consortiums to invest. The idea is that the private companies will invest and the respective governments will guarantee." During the workshop on railways held in June in Amman, Transport Minister Kawar made it very clear: The funds required for the ambitious regional rail grid are simply beyond the reach of the Jordanian government. Indeed, even the relatively modest sums estimated for domestic infrastructure projects, like the relatively limited Zarqa-Amman rail link, are considered to be beyond the budgetary possibilities of the government. Thus, the estimated $1.2 million for the plan, is expected to come from private hands.

Debt and credit

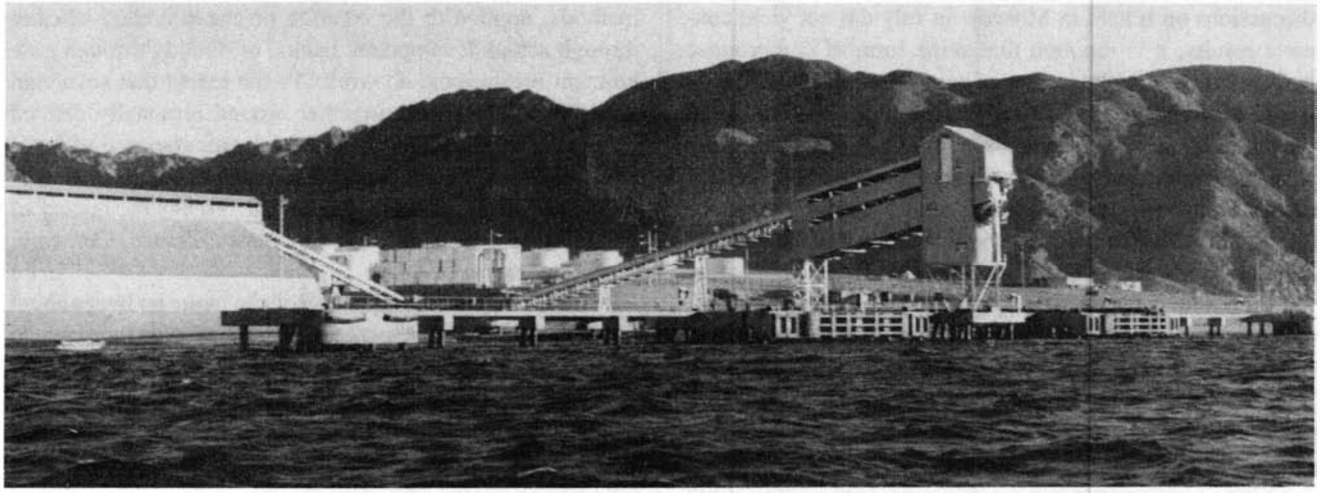
Why, one is prompted to ask, does Jordan not follow the precedents of national banking systems, to issue credit for infrastructure development? The answer, put bluntly, is that the institutions currently dominating the existing monetary system, will not allow it. To be specific, the International Monetary Fund (IMF) and World Bank, which have succeeded in hijacking the peace process, feel that they should dictate to sovereign governments what credit and monetary policies they may adopt.

In the case of heavily indebted Jordan, the IMF's role is no secret. Dr. Fahed Fanek, a leading economic commentator, told *EIR* outright that the IMF had defined how much the central bank must have in foreign exchange reserves, how low the deficit must be held, and thus how internally generated credit must be held to a minimum (see interview, p. 23). Dr. Umayya S. Toukan, director general of the Amman Financial Market and rapporteur of the Preparatory Committee for the Amman Summit, put it bluntly: "We have to follow the rules; we have ceilings on the amount of credit that can be issued. It should not exceed 5% of GDP, and inflation should be kept at 5%, that makes 10%." Yet, he added, Jordan "is at 16%." The fact is, he concluded, "Egypt, Tunisia, Morocco, Jordan have all been following the structural adjustment programs, restricting credit, in the belief—mistaken or not—that it is the main cause of our problems."

Central Bank Deputy Governor Marto described to *EIR* Jordan's relationship to the IMF in the following terms: "We have an agreement for economic adjustment with the IMF, which extended us a fund facility. We have been implementing structural adjustment for six years, and have succeeded in stabilizing the economy, with a 6% annual growth and 4% annual inflation rate." Dr. Marto proudly stated that Jordan's foreign debt was "under control." This, he explained, had been achieved "through management and through some debt forgiveness—for example, from Germany. Our foreign exchange reserves and our budget deficit are in better shape," he concluded.

In point of fact, Jordan has succeeded in convincing not only Germany, but also France, the U.K., the Paris Club, and the United States to grant debt relief or forgiveness. Before adjourning for its summer recess, the U.S. Congress voted to write off the $488 million which remained of Jordan's debt to the United States. The U.K. signed an agreement in July to reschedule $267 million of Jordan's debt, over 20 years, with a five-year grace period. In June 1994, the Paris Club had rescheduled $1.21 billion. Despite this substantial reduction, Jordan still carries, *officially,* a foreign debt of $5.75 billion, which includes $1.8 billion to Japan, $700 million to France, and $475 million to Germany. Thus, efforts to further reduce the debt continue.

When *EIR* asked Dr. Smadi what he would like to see the U.S. administration do to help Jordan develop economically, he had no hesitations. "The U.S. administration has been giving us a lot of support and we appreciate it, particularly on the debt issue. The debt forgiveness relieves us of a big burden, but the effects of the peace process on the average



Jordan increased shipping traffic in the port of Aqaba twelvefold in the seven years leading up to 1959, including the conveyor belt installation which could load phosphate on ships at the rate of 500 tons an hour. Now, the emphasis is on tourism.

person are still not being felt. We want support from the U.S. for what we are doing. We would like to see more investment coming in to help us overcome the problems of the last five years. . . . President Clinton visited and spoke to Parliament, he spoke of a $75 million pledge for a $250 million fund for investment in the region. We are still looking for U.S. support with other partners for further debt relief. Unless Jordan is relieved of debt, there is always a shadow cast on the capability of the country to absorb investments."

After having overseen Jordan's progressive indebtedness over the years, and limited its internal credit-creation ability, the IMF has exercised its extraordinary prerogatives to "recommend" changes in legislation, to "attract foreign capital." As Dr. Marto put it, "We need to 1) upgrade and update our investment law, this is important. We need transparency, to encourage local and foreign investment. 2) We need a modern, new income tax law, 3) tariff reforms, and 4) upgraded company law." During a special, three-month session, Parliament introduced far-reaching legal changes responding to the IMF's demands for liberalization, and lifted the boycott against Israel. Jordan's trade agreement with Israel bears the stamp of the same free-market ideology, with the introduction of a free-trade regime. For the World Bank, all this is still not enough; its latest report calls for special legislation to deal with privatization and even the creation of a ministry to supervise selling off what remains of state enterprises.

In late August, the Central Bank introduced sweeping changes to allow Jordanian commercial banks to invest foreign exchange holdings in international capital markets, to buy foreign bonds, and high-yield debt instruments. Banks will be allowed to lend and invest in foreign currencies, and non-residents will be able to move funds in and out freely. Such liberalization measures open the banking sector up to large-scale speculation, even money-laundering.

The IMF has succeeded in ramming through policy in Jordan, but it has not succeeded in convincing Jordan's elite of the wisdom of its choices. More than one government source told *EIR* off the record, that indeed the main cause of Jordan's economic woes over the last years has been the IMF.

The Middle East Development Bank

In this context, it is no wonder that the proposal for a new financial mechanism, floated in Casablanca, endorsed by the Group of Seven summit in Halifax, Canada, in July, and high on the agenda for Amman, should have kicked up so much dust. The Middle East Development Bank (MEDB), promoted by the United States and the four regional parties (Israel, Jordan, Egypt, and the PNA), as conceptualized thus far, is simply not the instrument required. As presented, it should be a bank, financed by Saudi and other Gulf capital, which would lend at international market rates. Opponents of this conception, mainly in European circles, have pointed out that another institution lending at commercial rates, will not break the financial bottleneck. Rather, they propose an institution which would identify and coordinate projects and policies regionally, and seek funds elsewhere, preferably in the form of development grants.

The problem with the latter approach, is that it looks to institutions like the IMF and World Bank, to control actual credit issuance. The reason why Israel, for one, objects to this approach, is that its per capita income is too high for it to be eligible for World Bank loans. But, to appreciate the real reason why World Bank control would spell disaster, one need only review the history to date of that institution's effective blocking of funds for development for Gaza. Funds have been allocated on paper, but virtually nothing of major infrastructural impact has been implemented through the World Bank.

The MEDB has become a *cause célèbre* in the organizing process for the Amman summit. Although the most recent discussions on it held in Moscow in July did not yield concrete results, it is reported that some form of compromise between the two conceptions is being sought. Ali Abvu El Ragheb, minister of industry and trade, stated on Aug. 5 that the birth of the bank, or of a compromise "intermediary financial lending institution," might be announced at the Amman summit.

The MEDB issue has become something of a red herring. Yet, it embodies the fundamental conceptual flaw permeating the economic discussion of the Middle East peace process. The most straightforward manifestation of the flaw appeared in a speech which Joan Spero, U.S. undersecretary of state for business, economic, and agricultural affairs, delivered via satellite, to business leaders convened in Tel Aviv, Jerusalem, and Casablanca on July 20.

Spero's basic concept was that the Amman summit could be "an impetus for economic change" if the public sector created the preconditions for effective private sector intervention. So far, so good. Yet, what Spero defined as the preconditions are nothing but the IMF prescriptions which have destroyed economies in every documented case where they have been applied. She said, "The public sector must improve the economic environment for liberalizing trade policies, reducing regulation, privatizing industry, and improving the investment climate." Speaking as "a former executive myself from the private sector," she said, "the primary concern of business people is to make sound and profitable investments." Following this reasoning, she outlined what she said were the goals of the Amman summit organizers, which included creation of regional institutions, "encouraging regional states to liberalize their economies and to develop a free-market approach to development."

Emphasis on tourism

Significantly, Spero focused on tourism as the driving force for "economic development." She also strongly supported the MEDB idea, saying that the role of government in the institution, would be to "act, if you will, as an investment banker, mobilizing private and public sector funds." Yet, she specified, public funds would not be forthcoming: "It is unrealistic to expect that we are going to be able to persuade our legislatures, our congresses, and our people, to use public funds for development in the Middle East and North Africa. We will continue to try to find ways to leverage our funds; but . . . we have needs at home, and there is not a feeling that we should or can provide massive new flows." Spero supported her position with what she claimed were the lessons of history: "All the history shows us, all the economic analysis shows us, that large government projects funded by large government institutions and foreign aid, are not what create development."

Whether Spero is well meaning or not, is irrelevant. The point is, her remarks fly in the face of history, denying what has been demonstrated time and again: national banking methods, applied to the creation of cheap credit, whether through actual development banks, or directly through government institutions, do work. To the extent that sovereign governments, working together around regionally defined infrastructure projects, exert control over issuance of long-term, cheap credits earmarked for infrastructure, real economic growth is virtually guaranteed. This is the history of the industrialization of the United States, France, Germany, Japan, and so forth.

U.S. economist Lyndon LaRouche made no bones about the conceptual issue involved, when asked in an interview to comment on the MEDB, as it is currently shaped. LaRouche stressed that if the projects are to be financed through "private banking arrangements," then, "it's not going to happen." This would be "a token in the direction of what's needed, but not substance" (see interview, p. 20).

Facing the facts

If the Amman summit does not want to repeat the errors of Casablanca, certain facts must be faced. First and foremost is the fact that the entire IMF system, its monetary and financial structures, is in the process of disintegration. The body which pretends to call the shots for the region, is about to decompose. This is a fact which leading financial operatives have indicated their full awareness of recently, by bolting out of paper titles and buying up hard commodities—metals as well as food—in anticipation of the crash. Yet, to mention this fact in Amman, among those circles involved in preparing the conference, produces the same embarrassment which would ensue, were one to belch rather loudly at dinner at the royal court. It simply "is not done." For the sake of a smooth-running conference, no facts relating to this particular reality are to be permitted.

The second fact is that the causes of the ongoing financial and monetary disintegration process are precisely those policies and policymaking parameters which the IMF and World Bank have defined as the economic framework to the Middle East peace process: liberal, free-market ideology.

The third fact, which flows from the first two, is that no economic perspective anywhere on the face of the earth can have a chance of success unless it is premised on the creation of new structures and new economic policy thinking, to replace the rotting old system.

In this light, the Amman summit could become an important inflection point in the process, which defines a new direction overall. Here is an international gathering of economic and political protagonists, from North America, the European Union, Japan, and many countries of the developing sector, including the Arabian Gulf. If the original vision of peace, through vast infrastructure projects spanning sovereign nations, can be revived for practice and a plan put forward to create new monetary and financial structures independent of and different from the IMF system, then the summit could mark a step toward peace after all.