

Mideast pact offers new chance to revive Europe

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The following is edited from verbal remarks addressed to EIR editors on Oct. 1. Based in Wiesbaden, Germany, the author has 20 years of experience in analyzing European politics for the LaRouche political movement. She has traveled extensively in Israel and Arab lands.

It's very clear that the horrendous crisis in this nuclear superpower—Russia, the former Soviet Union—is the result of criminal stupidity that has been committed by the West since the lost opportunities of 1989. The question I want to pose is how can we change the parameters of policy making globally.

There are two processes unfolding, through which we can effect this radical shift: 1) the historic opportunity that has opened up in the Middle East with the Palestine Liberation Organization-Israel agreement; 2) the collapse of the western European economy, accompanied by an outbreak of labor ferment quite unprecedented in the recent period. If we seize this opportunity, we can not only ensure a peace through development perspective in the region, but also by setting it as an example and tying a Middle East development plan to a revived European Productive Triangle project [Lyndon LaRouche's proposal for the intensive industrial development of the Berlin-Vienna-Paris triangle], we can hope to effect the global policy change needed to reverse the depression worldwide.

Where we stand in the Middle East

Since the news of the Israeli-PLO accord broke out four weeks ago, our movement has bombarded Israeli, Palestinian, and other Arab quarters with press releases, with LaRouche's interviews, and with our Oasis Plan, and also with the historical background and his role in the process. We've given marching orders to go quickly as possible with

the infrastructure buildup that was announced in the economic annexes [cf. *EIR* Sept. 17, p. 24]. This we did for two reasons: First, to provide proof to the populations on both sides, particularly the Palestinians who are in a desperate situation in the Occupied Territories, that peace works by giving tangible evidence of an improvement in the standard of living. Secondly, to outflank any maneuver on the enemy's side to subvert the process and turn it into a free market looting scheme. We've been making this point from the outset by warning Palestinians and Israelis that if any World Bank, International Monetary Fund, or other free market approach prevails, then the region would explode.

The major opposition seems to be quite neutralized despite public relations efforts financed by the Lubavitchers to mobilize the Sharon-Shamir faction against the treaty. Rabin and Peres did force it through the Knesset, and as a result, the Likud party is split. Thus, what was a slim majority of Israelis in favor of the plan at the beginning, is growing into a consensus. On the Palestinian side as well, the Hamas and the PLO have made an agreement in Gaza to prevent the outbreak of internal Palestinian conflict, thus defusing the potential for a civil war in the Occupied Territories which would spill over into Jordan and ignite flames throughout the region. Most Arab forces now support the plan, including the Gulf Cooperation Council, the Arab League, and most Arab nations. Iraq is still opposed. Syria is apparently trying to strike some better bargain with Israel. It should be noted however, that the Syrian minister of economy and foreign trade said in an interview with an Israeli newspaper, that economic cooperation between Syria and Israel would be welcomed. Clearly the Syrians' main concern is control over water in the Golan Heights. The Sudanese government, after being briefed by PLO head Yasser Arafat personally, announced its cautious welcome to the accords. Jordan, a very

important component of this process, reacted initially against the accords, mainly out of fears of Palestinian migrations and concern over water rights; now Jordan has also committed itself and there are reports of secret meetings between King Hussein and members of the Israeli government.

More importantly, the economic debate has broken out into the open. Think back to 1989, the last time we had this kind of historic opportunity. The British attacked the potential of Germany going with a Triangle project, with the Herrhausen assassination, with slander campaigns against the "Fourth Reich," and so on; but the content of the economic policy debate was not out in the open. Today instead, two diametrically opposed, mutually exclusive policy orientations on economy are becoming the subject of a political confrontation in Europe and the Middle East. One is seen in the Harvard study and the World Bank report. The other is seen in Israeli Foreign Minister Shimon Peres's "Marshall Plan," the PLO economic program, and most important, LaRouche's Oasis Plan.

The Harvard study and the World Bank plan propose doing the same wrecking job on the Middle East that these same forces have imposed on eastern Europe and the former Soviet Union since 1989. They would cede a mere \$5 billion of financial aid or credits over ten years. The World Bank is calling for "sustainable development," i.e., Palestinian slave labor employed in construction and services, the introduction of free trade zones, concentrating on tourism, the introduction of swindles like total deregulation, and Anglo-American banking structures.

Regarding infrastructure, what does the World Bank say? The report calls for repairing existing roads and cleaning up sewers and wells. As for highways—they don't even talk about railroads—they postpone them to the medium and the long term, which means never! Regionally, the World Bank would like to set up a free market arrangement including Israel, the Palestinians, and all the Arab nations for the free flow of cheaply made goods and services among all these states. This would be a Middle Eastern NAFTA. They would like to use the Palestinians as a Trojan Horse to take over the region's economies for looting.

The Peres approach

Peres's plan, which we discussed back in 1984 with people like Gad Yaacobi—then economic planning minister of Israel, and today ambassador to the U.N.—is totally different. In interviews, and particularly according to the article he wrote for the Italian magazine *Acque & Terre*, the subject of economic growth is science. This is called the "Middle East in a New Era," and I quote:

"We study a country by learning about its geographic dimensions, climate, population, natural resources, and history, and with this information we determine whether a country is large or small, rich or poor, yet what we should be looking at is that nation's level of education, its scientific

and technological capacity, and its capability to meet the challenges of change in the future. . . .

"To begin with, there is economic change. The production of bread today depends more on production efficiency than on the quality of the soil. Today we require less work, less land, and less water in order to produce more and more crops. The United States, which employs 1.5% of its work force in agriculture, produces 25% of the total world food supply, while the ex-Soviet Union, employing 33% of its work force in agriculture, cannot supply its own food needs. The U.S.S.R., for example, bought cows from Israel. Why? Because the Israeli cow gives three times more milk than the Russian. The cows are the same ones with the same horns; the difference is in the method that can increase production threefold. In other words, if in the past successful agriculture depended on land, water, sun, and the farmer, today it is increasingly dependent on science.

"And that is not the last word. Science will eventually adapt and harness the two great reservoirs of future food production, the salty seas and arid deserts. With a threefold worldwide population growth in the 20th century, efforts will concentrate on tapping these two reluctant factors for the world food supply. People will harvest directly from the sea or create potable water by desalination, and they will make the desert bloom by cultivating rocky terrain that until now has mocked man's plow."

This concept of increasing productivity through the application of new technologies is expressed in Peres's plan by the introduction of nuclear-powered desalination plants. These plants, which could be mass-produced in Germany and elsewhere and floated down to the area by sea, could be set up along the new canals that are to be dug between the Dead Sea and the Mediterranean Sea, and between the Dead Sea and the Red Sea. This would provide enough fresh water for a growing population of households, for industry, and for irrigation. This is apparently what Peres had in mind when he spoke in New York recently of "new beginnings." He said, "We can fight the desert to produce food for Muslims, Jews, and Christians." Right now, the Middle East is dependent on food imports. Solving food production by tackling the water shortage with advanced technologies, through nuclear plants for desalination, is the key to solving the economic problems.

On the Palestinian side, unfortunately we do not know exactly what their program entails; the PLO group under Yusef Sayegh has not yet made it public. We know from discussions with various Palestinians involved in this work, as well as from other Palestinian projects, such as "Master Plan: the State of Palestine; Suggestive Guidelines for Comprehensive Development," a report put out by the Palestine Studies Project in March 1992 in the perspective of establishing a Palestinian state, that they place primary emphasis on basic infrastructure, particularly water. They are calling for building a deep seawater port in Gaza, which in the context

of the Red Sea-Mediterranean Canal, a Dead Sea-Mediterranean Canal, would transform Gaza from an extended refugee camp into a major transshipment point for expanded world trade. The studies also emphasize the need to vastly expand and upgrade educational facilities in order to increase the ratio of Palestinians engaged in science, engineering, agronomy, and medicine.

LaRouche's approach

Lyndon LaRouche's major writings on the subject, particularly his 1983 and 1986 pieces on Israel and Mideast development, where he stressed the primacy of "flank," have been crucial in shaping the outlook of the Palestinian and Israeli plans now on the drawing boards. It is not just that he focused on water as a starting point, or that he has proposed concrete projects like the Dead Sea-Mediterranean-Red Sea canal (and another canal between the Red Sea and the Suez Canal). But his unique understanding of the science of economy is emerging as the mode in which these other approaches have been cast.

The World Bank held its meeting in Washington Sept. 20-21 and proffered a miserable \$1 billion for Mideast peace. President Clinton suddenly recognized the PLO so that he could invite Arafat to the signing ceremony in Washington the next Monday. Clinton had magnanimously called for a Donors Conference in order to pool together somebody else's money for the Middle East.

A number of people in Europe are adamantly opposed to the idea that this precious opportunity for peace might be ruined. Norway, the country that hosted the secret PLO-Israeli talks, "does not want the World Bank to have a central role," says its foreign secretary. European Community spokesmen have been quoted as suspicious of the Washington conference, because they fear a replay of the disastrous donors' conference for Russia, where everybody talked about aid but came up with no money. The EC, according to one official, "is not keen on seeing the World Bank take the lead on the Middle East." Another official is quoted: "We don't need new structures like the ones the World Bank is willing to finance." Manuel Marino, the EC commissioner responsible for relations with the Mideast, said, "We don't need to invent any new financial and legal structures." With unusual candor, he denounced the British and some other governments for wanting to put the process under their control.

This voicing of opposition within Europe to Anglo-American meddling is not limited to EC spokesmen. Former German Economics Minister Jürgen Möllemann, the head of the German-Arab Society, went to Damascus to meet with President Hafez Assad and to Tunis to meet with Arafat, and afterward issued an outline of a policy role for Europe to play. France has been talking to Peres about projects for months. The French press first published the economic protocols, which most other media ignored or suppressed. Arafat is meeting with the French and is scheduled to meet with

Germans. France would like to use its high-speed TGV train in the region, to set up a Middle East railway network and presumably link those to the European network. Italy is also very interested in the Middle East development from an economic standpoint. Since the time of [national oil industrialist] Enrico Mattei, Italy has enjoyed good relations with the Arab world and is eager to provide engineering expertise and industrial goods. The Scandinavian countries have had very good relations over the past 40 years both with Israel and the PLO (one reason why the Norwegians hosted the secret meetings).

Every national economy in Europe is sinking

The Europeans are not saying "keep the World Bank out" in a vacuum, but in the midst of the most dramatic economic collapse in their memory—due, of course, to their own stupidity since 1989. There's an upsurge in labor across the board. Farmers are demonstrating against GATT throughout France. Industrial workers in Germany and Italy are taking to the streets in the hundreds of thousands. These are not mostly demonstrations or strikes controlled or called by the unions, but a rank and file protest against the effects of the depression and the austerity policies being shoved down their throats.

Yet the Mideast developments over the past four weeks have sparked a certain optimism in Europe. We in the LaRouche movement see it in the street organizing every day as well as in some elites, particularly in industry. We must nourish this optimism by forcing Europe to take on and win the policy fights against the free marketers: internationally vis-à-vis the Middle East, and domestically, too, since you can't have people proposing derivatives markets and other monetarist swindles in Germany, and at the same time have a sane Mideast policy.

If we can win this policy fight, we'll provide infrastructure for the Middle East but at the same time rapidly force a change in policy in Europe vis-à-vis the East. As LaRouche has elaborated, there is no way that western Europe can make the Oasis Plan work unless it develops the Productive Triangle at the same time—unless it harnesses its entire industrial potential to develop the Eurasian continent, so as to provide the kind of technology transfers required for great projects in the Middle East, in the Horn of Africa, and elsewhere.

We have very little time. People who have just recently been in Jericho, in East Jerusalem, and particularly in Gaza tell us that if the projects are not initiated right away there is serious danger that the optimism will turn to bitterness, pessimism, and rage. Refugees are living in concentration camp conditions. One observer who was in Gaza just two weeks ago, said that in some areas there's three feet of water on the ground because the pipes have broken, there is no sewerage, there is no drinking water. It's undescrivable horror.