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## Interview: Gad Ya'acobi

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# The Marshall Plan: How it will work

*Economic Planning Minister Gad Ya'acobi, Labor Party Member of the Knesset, is the main promoter of Prime Minister Shimon Peres's Marshall Plan.*

**EIR:** Can you tell us what the Marshall Plan is?

**Ya'acobi:** The general idea is that the Mideast will be more developed from the economic point of view and will increase the average standard of living of the people who live in the area. People will therefore have more to lose as the result of war; and then, building factors will appear which will contribute to decreasing the military tension and which will help to establish a peaceful environment, or "peaceful-oriented" environment in the Mideast.

Now the plan, as a matter of fact, has been prepared over the last years, since [former Egyptian President Anwar] Sadat's visit to Israel, by a group of researchers and planners headed by Arnon Gafny, former governor of the Bank of Israel, and sponsored very much by Baron de Rothschild of Paris. The plan was presented to the Egyptians, including Sadat, concerning specific projects. Proposed in the framework of the plan, for example, was cooperation between Israel and Egypt in the field of chemicals production, in irrigation, in agriculture, in energy, including the possibility of establishing a nuclear-powered electric station in the Sinai, which would supply energy to both Israel and Egypt.

Several months ago, the Israeli prime minister thought he could provide leverage from the international point of view, initiating new access to some of the moderate Arab states, perhaps increasing the motivation of those countries to be ready for renegotiations for the next stage in the political process in the Mideast, namely, toward certain kinds of political settlements, including the possibility of peace in one stage or gradually. The outline of this plan is that in the next 10 years, the wealthiest nations, namely, the famous "Ten," will mobilize \$25 billion—\$2.5 billion a year—for economic and infrastructural development in the Mideast. This would include development of educational systems, vocational training, irrigation, energy, roads, R&D, industrial plants, housing, airports, and seaports. All this, in a certain context of readiness of those countries to reassess their attitude toward a possible political process which will lead to peace in the Mideast among the Arab countries themselves, and between the Arab countries and the state of Israel. This is the

general outline of the plan, which is, in a certain way, similar to the Marshall Plan that was introduced after the Second World War to Europe, and was very successful.

The plan was presented and introduced by the prime minister of Israel to the President of the United States and to the heads of the administration, including the secretary of state. Then it was presented to the prime minister of Italy, the chancellor of West Germany, and the President of France. All these people reacted very positively in general terms, and said that they would bring the matter to the summit meeting of the wealthiest countries, which was held in Japan two months ago. As you remember, in that meeting the main issue became the increase of terrorism in the world, and the ways and means to fight it. But in spite of this, the problem was mentioned and even presented and there was a very short discussion on it. The conclusion was that these countries will study the matter more carefully.

Since then, some of the Israel to study the potentials, the details, and to be able to advise the heads of state how to deal with the matter toward the next stage, which should be again some discussions or contacts among the Ten. We are following this process and I guess that the prime minister will meet again with President Reagan during the next two months and this matter will be discussed further.

**EIR:** These projects are supposed to be developed jointly with other nations of the region. Can you say more on this?

**Ya'acobi:** This is not written in the plan, but this is my own opinion: It has to be coordinated with those countries which are ready to take part in such a process, which includes two elements, the economic and social one, and the political one. I guess that the first candidate will be of course Egypt, and then perhaps Jordan and Saudi Arabia; we hope that later on other countries will join it, if they are ready to discuss jointly the mutual development program which this plan is based on.

**EIR:** Can you say something about the response on the part of the Arab states so far?

**Ya'acobi:** There has been no response so far, because I do not think that any concrete discussion has taken place. The best, I would say, as the operator for this plan, is the United States; if the United States takes the initiative, then I guess we will be able to have the cooperation of at least two Arab countries in the first stage, and then others can join, too.

**EIR:** If you could decide what should be done to push this plan through most quickly, what would you hope for?

**Ya'acobi:** I would hope for a very intensive involvement of the U.S. administration. I think that the main key, in the first stage, lies in the hands of the U.S. government. In the second stage, of course, it lies in the hands of the wealthiest countries, the Group of Ten, and the Arab states. But the key for the first stage is in the hands of the government of the U.S.A.