

# Building a Viable Palestinian State

by Muriel Mirak Weissbach

Statehood is not defined by a geographical area delineated on a map. For a nation-state to flourish, it must have the means to provide economic development, to serve the common good of its current and future population. If this is true in general, it is doubly relevant to the case of the state of Palestine, in the process of coming into being.

When the Oslo Accords were published in early September 1993, the hope shared by *EIR* and its founder, Lyndon LaRouche, was that the economic annexes to the peace agreement would lay the foundations for an economically viable state. There, in the lists of wonderful great projects to be pursued as joint ventures by the Israelis and Palestinians, were plans for major infrastructure projects: ports, airports, canals connecting the Red Sea and Dead Sea, as well as the Dead Sea and Mediterranean, transportation grids, electricity networks, and so forth. LaRouche and his associates welcomed the Oslo deal precisely because the concept that they had been organizing around for decades—that durable peace can only be achieved through economic cooperation for mutual development—seemed to have been adopted. Many of the projects outlined were, in fact, those launched by LaRouche and *EIR*.

What happened to that hope is a tragic story, which *EIR* has reported in detail: The World Bank moved in to nix the great projects, in favor of small-scale, labor-intensive projects, like “improving existing infrastructure” in Gaza and the West Bank—a cruel joke, considering there was no “existing infrastructure.” Casino gambling houses, hotels, and the like went up, instead of ports, water projects, transport, and housing. Whatever serious infrastructure was built, largely through the intervention of the European Union, was subsequently destroyed by Israeli military attacks.

Now the Palestinian people are in despair. Recent moves by the Sharon government and its successors, have raised a concrete wall between Israel and the Palestinian territories; crossovers between the two entities have been shut down, preventing vital food supplies from reaching the Palestinian people. International agencies have proclaimed a state of alarm.

In this dramatic situation, any proposal for building up infrastructure for the Palestinians, is worth serious consideration. Thus, a study on Palestinian development done by the

RAND Corporation, and presented to a conference in Berlin in late March, deserves attention.\* The study, entitled, “The Arc: A Formal Structure for a Palestinian State,” grew as a response to an inquiry by a RAND donor, regarding the need to deal with the prospect of large numbers of Palestinian returnees. The donor feared destabilization, and at the same time, expressed the hope that even militant groups like Hamas (which has since taken power), “might be induced to work constructively toward successful statehood and peace with Israel if the group’s leadership and supporters had a tangible vision of the benefits of peace.”

The donor’s initial idea was to build a mega-city for returnees, but the RAND group opted for a broader urban and infrastructural concept linking many cities. Interestingly, the donor for the study, Guilford Glazer, is an 84-year-old man who remembers the great projects, such as the Tennessee Valley Authority, launched by Franklin Delano Roosevelt.

## Providing for a Growing Population

The study starts from the well-founded assumption that the Palestinian population, with one of the highest fertility and birth rates in the world, will continue to grow. “As of early 2005,” it states, “there were approximately 3.6 million people living in the West Bank and Gaza, about 40 percent of the Palestinian population worldwide. . . . Fertility rates of Palestinian women in the West Bank and Gaza are among the highest in the world, 5.6 and 6.9 children respectively for each woman of child-bearing age. By 2015, the population will be over 5 million. Assuming an influx of perhaps 600,000 returnees, the total population of the West Bank and Gaza could reach nearly 6 million. By 2020, the population in the region could well approach 6.6 million people.” The most likely candidates to return are people currently living in refugee camps in Lebanon, Syria, and Jordan.

Thus, today, Palestine is one of the most densely populated areas of the world, with more than 1,400 people per square mile, compared to the Netherlands with 1,200, and Bangladesh, the most densely populated, with 2,200. Given projections of demographic growth, the density could reach 2,400 per square mile in 15 years.

Such a demographic increase will put further strains on the existing infrastructure, which is utterly inadequate, whether it be water, electricity, sewage treatment, or housing, not to speak of social services in the education and health sectors. An estimated 320,000 new housing units will be required, and all infrastructure must be vastly upgraded, or better, built anew.

The concept entails a transportation system, shaped like an arc, linking the major cities of a future Palestinian state,

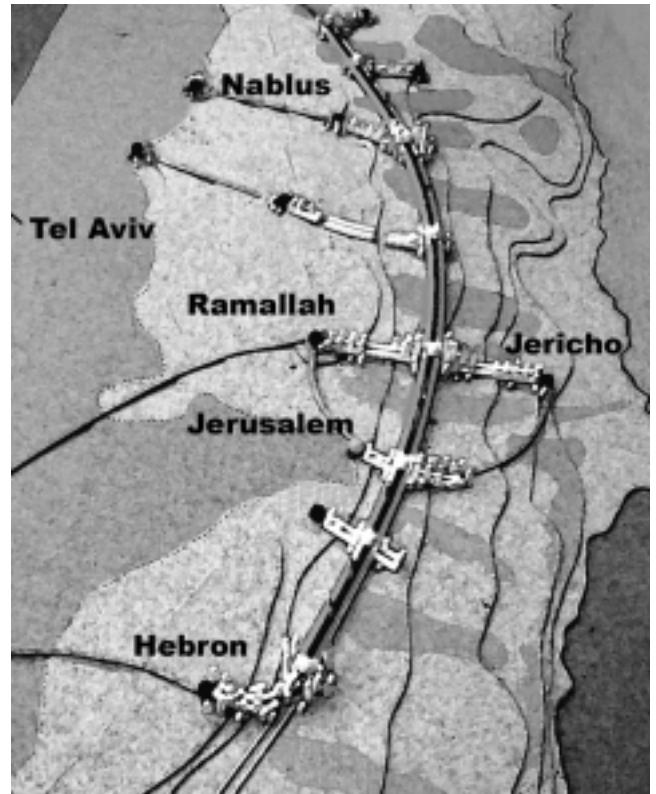
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\*“The Nuclearization of the Broader Middle East as a Challenge for Transatlantic Policy Coordination,” Second Transatlantic Conference, March 27-28, Berlin, organized by the Peace Research Institute Frankfurt. See *EIR*, April 7, 2006.



Courtesy of RAND Corp.

*The RAND Corporation proposes development of Palestinian cities and infrastructure, including high-speed rail transport linking Gaza and the West Bank.*



Courtesy of RAND Corp.

*The RAND proposal includes rapid-transit lines on the West Bank, leading from the main infrastructure arc, constituting zones for further urban development.*

and constituting the backbone for the parallel development of all basic infrastructure. Thus the high-speed rail line envisaged between Jenin in the northern West Bank, to Gaza and Gaza airport, would run through Tubas, Nablus, Salfit, Ramallah/Jericho, Jerusalem, Bethlehem, and Hebron. The length would be 70 miles. The connection to Gaza, another 70 miles, would have to be made through a corridor, to be negotiated with Israel. Travel time from Gaza to Jenin would be 90 minutes. The link to the rest of the world would be made through Gaza, which needs an international airport and a seaport. Through standardized container shipping, goods could be transported from the ports to the rest of the country along the arc. Other international connections could be built overland to Beirut, Cairo, Damascus, and Amman, as well as Israeli cities.

Along the rail line, there would be built a national aqueduct, parks, telecommunications, and electric power lines, as well as pipelines for gas and oil. The railway stations would be located 8-25 kilometers outside the cities, to protect the historic city centers. Between the two “poles”—the station and the city center, a new rapid transit system would be built. The poles as well as the “boulevard” would constitute the zones for further urban development; especially the boulevard

would become a corridor for new neighborhoods, equipped with shops, clinics, schools, mosques, etc.

Agricultural areas, farms, as well as national parks, would be developed in the spaces between the cities. In addition, to accommodate the influx of more people, new cities would be built, as if in a chain, along the route of the arc.

How much will such a project cost? This was the question this author posed to Dr. Seth Jones, who presented the RAND project at the conference in Berlin. His answer was: all told, about \$8.5 billion. The major outlays would be for the rail line itself, as well as a highway along the same route, the “boulevard” roads, the train stations, and housing for newcomers. RAND estimated that the total investment would be \$8.417 billion, and that in a five-year period, this investment could be translated into 100,000 to 160,000 jobs a year for Palestinians. The financial question, Jones said, was “an important one,” and under discussion. Who is going to fund the venture is not clear.

### **No Mention of Nuclear Energy**

The Arc would, for certain, provide the basic infrastructure urgently required, and the best feature of the study is its

understanding of transportation lines as development corridors. That said, the study has its weaknesses. First and foremost, is the issue of energy, and, related to it, water. Although the study acknowledges at the outset, that infrastructure for water, electricity, and sewage treatment is “grossly inadequate,” that in itself is a gross understatement. Palestine is running out of water. As *EIR* has documented, most of the Arab-Israeli wars were fought over water, not land per se. Israel built its national water pipeline system, drawing largely on underground aquifers from Palestinian land. Now these are drying out. In the occupied territories, the Palestinians are experiencing a critical water shortage for basic needs: households, agriculture, and what little industry there is. Thus, unless *new* sources of water are developed, there will be no water for the existing population, not to speak of hundreds of thousands of returnees.

The LaRouche program for the region, known as the Oasis Plan, tackled this problem head-on with a revolutionary solution: Nuclear-powered desalination units should be stationed at critical points to provide massive amounts of new fresh water for all uses. The critical locations included points along the Suez Canal, Gaza, Aqaba, and along newly activated Red Sea-Dead Sea and Dead Sea-Mediterranean Sea canals. (The railway route proposed by LaRouche, similar to RAND’s, goes from Gaza through Beersheba, to Hebron, Jerusalem, Ramallah, Tulkarm and to Irbid. Later elaborations of this rail project linked it up to the Eurasian Landbridge via Syria and the Arab rail network, as well as into Africa, through Egypt.)

Nuclear energy is the critical missing component in the RAND study. Not only would it uniquely provide the amounts of energy required for large-scale desalination, but it would revolutionize the Palestinian economy, by raising the technological level by several ratchet notches. The Oasis Plan also foresees the installation of a research reactor in Gaza, as a means of educating scientists and firing up the imagination of Palestinian youth, about their country’s future. Instead of nuclear, RAND speaks of natural gas, and then adds: “The generation of electric power from preferred renewable energy sources such as the sun or wind—both plausible options given the climate and ridgeline location—can find expression in photovoltaic installations or wind-mills.” It even suggests that “These can visually reinforce the presence of the arc as a concrete symbolic expression of national identity and aspiration, while demonstrating the interrelationship of the natural environment, the land, and human settlement.”

### Support for the LaRouche Plan

Leading figures involved in the peace process at the time of Oslo, went on record in *EIR*, endorsing the LaRouche approach. These included Dr. Mohammad Nashashibi, at the time Finance Minister of the Palestinian Authority, and then-

Crown Prince Hassan of Jordan, who was active in promoting regional development plans. Independently, on the Israeli side, Shimon Peres published an article in an Italian publication, *Acque e terre*, in which he proposed “islands” under international supervision, where nuclear plants could be located for desalination purposes. As with the great projects in the Oslo annexes, this approach of LaRouche was axed by the World Bank. However, it remains on the table.

The other shortcoming in the RAND approach has to do with the returnees. First, it assumes that Palestinian refugees would return to the new state, not to modern-day Israel. This issue, the study rightly says, would be contested, but could be settled through negotiations involving land transfers. More problematic is the study’s assertion that an influx of returnees to the new state could overwhelm fragile institutions, and (citing Samuel Huntington’s *Political Order in Changing Societies*), lead “the government of Palestine to suspend democracy, and rule under some form of martial law.” Therefore, RAND argues, refugee absorption will have to be regulated, and, in essence, limited, if the state is to survive. The report also states that since there are about 600,000 refugees in the West Bank and 850,000 in Gaza, who make up 40% of the total population, their absorption into the general population would engender resentment on the part of non-refugees, “especially given that resources will likely flow in greater abundance to refugees in Palestine.” Added to this are the refugees from other countries.

Although possible social tensions should be factored into any such large-scale immigration process, it is hard to understand why the study emphasizes this aspect to the extent that it does. Were an overall infrastructure development project to be implemented, like the Oasis Plan and the best aspects of the Arc (which in part overlap), the objective economic preconditions for absorbing refugees over time would be in place.

The central point, however, which makes the study interesting, despite its drawbacks, is one which is all too often overlooked in considering the Palestinian-Israeli conflict: that there can be no peace established by signing a treaty, unless there is commitment to forging the cooperative economic agreements which lay the foundations of a true state.

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