

LaRouche: Israel-Palestine economic plan is 'a very pleasant déjà vu'

The following is taken from the Sept. 8 "EIR Talks" radio interview with American statesman Lyndon LaRouche. The interviewer was Mel Klenetsky.

EIR: I'd like to ask you about a particular project that you have been involved in for many, many years: the Oasis Plan, and of course this is the plan that is being discussed in the Israeli-Palestine Liberation Organization talks at this point.

What do you think needs to be done in these talks, and what are the parameters that you have been working on for many, many years in these types of talks?

LaRouche: Briefly, I started on this in April of 1975, at which point I made approaches to both Israeli and certain Arab circles, a wide variety of Arab circles, including the Palestinians, proposing this as a basis for peace, and indicating, as I indicate to the present day—warning also, in the same sense—that unless you start with an economic development package which is based on infrastructural development for the Middle East, that any attempt at a political solution of the conflict between Arabs and Israelis, particularly between Palestinians and Israelis, will fail.

Now, I have had more sympathy on that from the Israeli side over the years, than I have from the Palestinians. Some Palestinians very much so; but the Palestinians and most of the Peace Now movement, have, up to now on the Palestinian side, insisted that they had to get a political solution—that is, the political question settled—before going into a discussion of economics.

I said, if you do that, you will fail. And over the years, they *have* failed.

We had two periods in which a leading faction of the Israelis was moving in this direction. One was in late 1975, early 1976, when I was working with a number of Israelis as well as Palestinians, to try to bring this into shape. Then again it erupted in the middle of the 1980s, at the time that Shimon Peres was taking his turn as prime minister of Israel. During that period, we worked closely with Shimon Peres's office, and several of his key aides, to try to move very rapidly and concretely on economic development projects which would be the basis for the sought agreements.

At that point, I produced a number of reports, not only for Mr. Peres's office, but also for the [U.S.] National Security Council, that is, a report to both, on my proposals on this, in which, for purposes of explication, we referred to it as a new

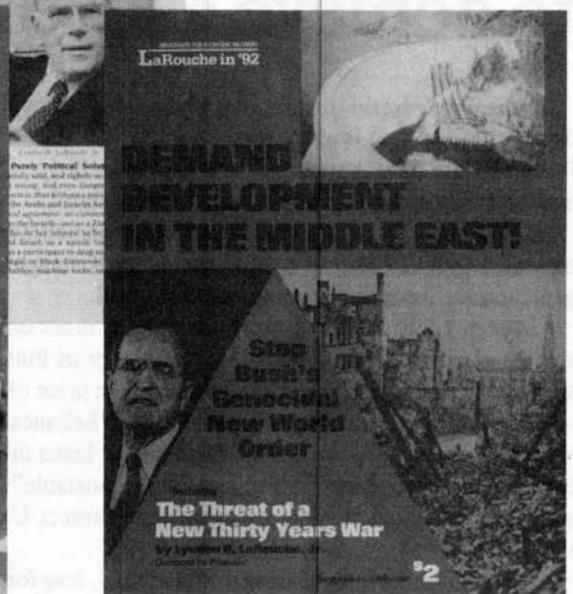
Marshall Plan for the Middle East, that is, something done as an emergency relief exercise, excepting all such things as IMF conditionalities, as was done with the Marshall Plan with Europe; and also we called it an Oasis Plan, to emphasize the importance of water and water development and water management projects as the keystone of any successful economic development program for that region.

That continued. Unfortunately, the factional opposition to Mr. Peres prevented him from carrying that out as his office intended, and now, lo and behold, we find again that Shimon Peres comes back in as foreign minister in a Rabin government. He meets discreetly with the PLO leadership in Norway and places like that; and lo and behold, he comes forth with an agreement in which, under the economic section of the proposed transition to peace, we have the first five points which are a straightforward revival of the kinds of proposals for immediate action which Peres's office and we agreed upon, together with certain Palestinians, back in the Spring of 1986, to be specific.

So it's quite a *déjà vu*—a very pleasant *déjà vu*. 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 [Ariel] 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: Mr. LaRouche, I would like your comments on some aspects of this Oasis Plan, or these new Middle East peace talks in terms of economic programs. I know you have emphasized infrastructure development. I know also in these discussions, they are talking about enterprise zones. What do you recommend, in terms of the general approach that should be taken, in terms of these parameters?

LaRouche: There are three things which, broadly, are absolutely indispensable; and don't—*don't*—introduce at all into the Middle East this idea of Chinese coolie labor called enterprise zones. I can think of no better way to blow up Gaza



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than to declare it the kind of enterprise zone which my old acquaintance Jack Kemp—an affectionate fellow, but wrongheaded on economics—would recommend.

The basis of economy is infrastructure, especially modern economy; and anybody who wants to put a factory in the middle of an infrastructurally undeveloped swamp, should be certified as an economic idiot; and that's essentially what enterprise zones amount to. They are just coolie slave-labor projects, pure and simple, which are doomed in the long run, and which will blow up in any case.

What's needed, is this:

First of all, the key to the Middle East is water. The density of useable water for agriculture and human consumption, as well as industry, per capita and per square kilometer, is the key to develop the Middle East. *Without satisfying that requirement, you're banging your head against a wall; you'll fail.*

The first thing are canals and desalination. The second thing that's required, of course, is power.

Now, the Palestinians, more than the Israelis, have been brainwashed—let me use the term advisedly—into saying, well, we don't want nuclear power, because then we will lose the support from around the world of our lefty friends the environmentalists; and the Palestinians have come, foolishly, to rely upon their lefty environmentalist friends.

I can see no way in which the kind of success which we envisage can be done without nuclear power, particularly in

desalination. I would use things like the ASEA Brown Boveri (ABB) multi-megawatt units which are thorium based or that sort of thing, which involve no problem of nuclear proliferation, but which work; and I would use installations of four units, to keep them very simple—it's called a potato reactor. I would use that, and use them in units of four, so that you can shut one down whenever you want to. Otherwise, you use the power mainly for industrial and related load. But use all your off-power, your excess capacity or potentially idle capacity for desalination.

That will provide us power. The third thing we need, is other forms of transportation, and that involves railroads. Railways are the key. The Middle East is not a very big area, but we do require railroads if we're going to function efficiently. I understand the French are interested in helping out with that one.

We also need urban infrastructure: sewage, sanitation, housing, that sort of thing. And we should then plug into that basic infrastructural development appropriate agro-industrial complexes industry. That is, a combination of agriculture and manufacturing, which should be moved toward high-tech manufacturing. That would give us exactly what we need. If we do that, it will work. I admit we have to fight over this issue of nuclear power, which is indispensable in my view, but let's get the other things going and then argue about that as we go along.