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Israel/Palestine Center for Research and Information

Trilateral Confederation
A New Political Vision for Peace

The Just Way to Peaceful Co-Existence
On Both Sides of the Jordan River

Arieh Hess

A Final Status Series Publication
Supported by the Commission of the European Communities
and the Swedish International Development Cooperation Agency (SIDA)

January 1999

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An IPCRI Final Status Publication

Published and Distributed by IPCRI

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ISSN 0792-9226

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Trilateral Confederation: A New Political Vision

The Six-Day War ended in the gallant victory of the Israeli Army against all of the Arab forces combined. An unprecedented, daring, swift *tour de force*. Undoubtedly, any self-respecting military academy reserves an honored place for the lessons of the war in its curriculum. Sounds

The Six-Day War resulted in the Ideological Polarization of Israel

This gallant victory introduced the perpetual ideological polarization of Israel and the entire Israeli society, gradually growing into a continuous war of attrition between the leaders of the Greater Israel vision and those advocating the division of the land of Israel. This ideological confrontation has caused immeasurable social, moral, and political damage to Israeli society and the Jewish people. Indeed, there is a continual political struggle centered on the question of the future of the Land of Israel between the doves and hawks, the leftists and rightists, the Labor and the Likud, and some would say - the religious and secular, of Israeli society.

The Struggle between Doves and Hawks Leads Israel to Nowhere

Ideological war of attrition over false national visions leads Israel down the road to nowhere. National energies go down the drain, wasted in ideological dispute. The Greater Israel vision, today is completely unattainable. And because of Israeli settlements in the West Bank and Gaza, the same could be said for the partition of the land of Israel vision as well.

Fifty years have shown the lack of broad Israeli national consensus is debilitating, spinning toward internal, potentially fatal disaster for the State of Israel. It is sufficient just

to mention the assassination of Prime Minister Yitzhak Rabin, one of the great builders of the State.

Political reality has created a downward spiral of relations between leftists and ideological, and factional debate characterizes the Israeli government, Israeli vision of gathering the Jewish exiles in Israel. The ties between Israel and world Jewry, and the development and population of the Negev desert are threatened as well, decades of Jewish national renaissance in its homeland potentially down the drain.

Entering Final Status Negotiations with a New National Vision

in negotiations for the Final Status Agreement. Israel is in desperate need for a new vision of peace that will bring broad national consensus. This is a time when doves and hawks, leftists and rightists, secular and religious should be united in support of a new, common national vision. The new vision should be one that will inspire not only Israelis, but Palestinians, Jordanians and hopefully others as well.

One such vision is that of a trilateral confederacy on both sides of the Jordan River, covering all of the geographical regions of the historic land of Israel/Palestine/Jordan. This is an opportunity would turn the historic land from a land of strife to a united economic commonwealth.

Establishing a Palestinian State: Only Within the Framework of Confederation

In essence, this option suggests Israel, the Kingdom of Jordan and a Palestinian State form a trilateral confederacy that would be anchored in a confederate peace treaty signed by the three countries.

Confederation of the Historic Land of Israel/Palestine/Jordan

Such a confederacy would include the geographical regions and peoples throughout the historic land of Israel/Palestine/Jordan. It would be formed by Israel, Jordan and Palestine, three independent states, relying on the internal national agreement and self-motivation of the respective parties, comprising an economically and politically united entity, based on the wide national consensus of each nation.

Borders between the states of the Confederacy would be open to traffic by vehicles, people, currencies, and trade. The population of the united confederacy would total 12.5 million, including 6 million Israelis, 2.5 million Palestinians, and 4 million Jordanians.

Trilateral Confederation: Paving the way to Peace with Syria and Lebanon

The Israel-Palestine-Jordan Confederacy can be expected to pave the way to a commonwealth-style peace settlement with Syria and Lebanon, and will stimulate the development of a Middle-East free trade zone. This political idea envisions the hidden potential to double the local per-capita GDP.

Confederation is the right way to realize the full economic and social development of each party. Its effects and implications would be felt throughout the Middle East, being an unprecedented event for the region, both in its intensity and its political, economic, and world communications aspects.

In order to touch on the depth of such a proposal and to properly present this political vision, we will provide some important data on Jordan and the Palestinians.

Jordan and Palestine: Up-to-Date Economic and Social Data

The Jordanian Economy: Annual Per Capita Income \$2,000

The *International Economic Forum* based in Geneva gave Jordan the economic competitiveness rank of 28th in the world. Israel was ranked number 24. Competitiveness is defined as the ability of a country to advance the quality of life of its residents. The ranking system is based on the following criteria: openness to international markets, state involvement in economy, flexibility of the labor market, quality of the infrastructure, financial market growth, and technological levels.

The weekly Middle-East economic journal *Mead* ranked the Jordanian *Arab Bank Ltd.* 17th among the 50 largest corporations in the Middle East. Sixteen out of the 50 corporations were Saudi. Israel took second place, with 10 of the 50, 9 5 2 1 1;

Two years ago, the Economic Development Authority of the Office of the Prime Minister of Israel, provided the following data on the Jordanian economy:

- Unemployment rate 16%
- Average monthly wage \$400
- Poverty line 50% lower than in Israel
- Average family spends 43% of income on food
- Average expenditures per family 2,000 NIS
- Approximately 100,000 foreign workers in Jordan
- Labor force of Jordan only 23% of its population
- 900,000 workers in Jordan, 50% in public sector jobs; 6% commerce and services, 17% in sales and industry, 10% agriculture, 4.5% electricity and water, 20% transportation and communications, 28% financial and business services
- Population growth 5%. Labor force growth 4%, compared to 7%
- Annual inflation rate 5%

According to this report, the Jordanian economy will be forced to take the following steps to save itself from catastrophe:

- Increase trade with Israel
- Increase investment in large enterprises
- Renew full trade relations with Iraq
- Receive aid from Saudi Arabia
- Sign free trade agreements with various countries

Various other important figures regarding the Jordanian economy:

- Estimated GNP of \$8 billion
- Annual per capita income \$1,700
- Estimated population 4.5 million
- 3 million Palestinians in Jordan, including 1.2 million refugees
- 16% of national budget spent on defense
- \$1 billion annually income from gulf commerce, employing 250,000
- 12% of total income from tourism
- Estimated \$2 billion annual export, primarily phosphates - \$170 million; fertilizers - \$160 million; food products - \$150 million; Mostly to Arab and Saudi Arabia 7 5%; 20 11%;

imports from the U.S. is estimated at \$345 million, while total Jordanian exports to the U.S. is estimated at only \$21 million.

The potential of Jordanian exports to the West Bank and Gaza Strip is estimated at \$750 million.

Trade With Israel is Meager

Potential trade relations between Jordan and Israel are far from being realized. Israeli exports to Jordan total \$30 million, and Jordanian exports to Israel total \$10 million. Among the reasons given for such meager trade figures: security reasons; Israeli refusal to allow free movement of Jordanian trucks in Israel; flawed marketing skills and lack of governmental encouragement on both sides.

Economic activity between Israel and Jordan has much greater potential. Jordan can export more plastic, paper, and chemical products, and import food products. Israel can use Jordan as a base for the exportation of goods to the rest of the Arab world. Israeli companies can move some of the production facilities to Jordan,

primarily those requiring greater manpower. Regarding the encouragement of investment, the Jordanian government encourages investment in the tourism industry, while restricting foreign investment in real estate and agriculture. Jordan should encourage the establishment of regions of free trade and production along the border with Israel as is done today, albeit only at the

Developments can be made in high-tech as well. Israeli and Arab partnerships can be instrumental in helping to computerize Jordanian industries, and provide computer-based services. Jordanian workers can work at Israeli high-tech factories in need of manpower. Proposals for the establishment of joint funds in the hi-tech industry have been submitted to Jordan.

The Palestinian Economy: Annual Per Capita Income \$1,700

The 1996 United Nations Report on the social-economic condition of the West Bank and Gaza Strip estimates the unemployment rate there at 20%. The Palestinian work force in the West Bank and Gaza Strip is estimated at 500,000, with 17% of the work force employed by the Palestinian Authority.

The average monthly salary was \$400 in 1995; a figure reduced to \$370 in 1996. Total expenditures per family stood at \$800 in 1995, and at \$770 in 1996. Annual expenditures per capita for food declined from \$322 to \$285. The Palestinian GPA declined from \$5 billion in 1995 to approximately \$4.1 billion in 1996. The per capita GDP reached a record \$2,900 in 1992, declining to \$1,900 in 1995, and \$1,700 in 1996. In that same year, the per capita GDP in the West Bank stood at \$2,150, compared to \$1,100 in the Gaza Strip. Approximately 30% of Palestinian production are in agriculture. Industry - 10%; construction - 10%; 50%;

7,000 Factories and Business in the West Bank and Gaza Strip

The condition of infrastructure is quite severe. Israel invests about \$1000 per capita in infrastructure. Jordan - \$100; Palestine - \$15. The Palestinian economy is dependent on foreign trade and raw materials. The local economy is extremely small, therefore relying on foreign trade (read: export). There are roughly 6,000 factories and businesses in the West Bank, and 1,000 in the Gaza Strip. Almost

all tiny, employing an average of 4 workers. There are less than 100 enterprises equal in proportion with those in Israel.

The largest sales turnovers in the Palestinian economy are in the food, agriculture, and tobacco sectors of the economy, comprising approximately 40% of industry revenue in the West Bank and Gaza Strip. The greatest export potential is in the export of food products. Tourist centers are being built on the beaches of the Gaza Strip, by Palestinian investors overseas.

Economic activity between Israel and the Palestinians in the West Bank and Gaza Strip showed a surplus profit of \$400 million in 1994, \$619 million in 1995, and \$678 million in 1996. Israeli exports to the West Bank and Gaza Strip totaled \$1,145 billion in 1996. Israeli imports from the territories this year totaled only \$216 million. Israeli funds transferred to the territories, primarily the salaries of Palestinian workers and government transfers to the Palestinian Authority, totaled \$80 million in the last year.

According to the UN report, trade between the West Bank and Gaza Strip totaled \$50 million in 1995, a figure that declined to \$12 million in 1996. It is easy to see that the last five years have been among the worst, economically, for the two geographical regions of Palestine. The figures point to a consumer reliance on Israel, as well as a dependency on Israel for the supply of electricity and water. The distance between the two Palestinian territories has complicated trade between them.

The closure has deterred investors and manufacturers. The report points to a steep decline in investment and exportation. According to the authors of the report, the primary reason for the economic decline is the closure policy of successive governments of Israel since 1992.

It is also noteworthy that the Palestinian bureaucracy is not yet equipped to encourage foreign investment, and therefore does not attract large-scale, efficient business initiatives. The Palestinians have also refused to encourage business initiatives that involve Israeli investors.

Palestinian workers are attracted to the Israeli job market. The economy of the Gaza Strip is largely dependent on the Israeli job market. About half of the workers in the Gaza Strip are connected either directly or indirectly to the Israeli market. Israel absorbs the majority of exported goods from Gaza.

The Israeli job market attracts Palestinian workers. The gap between the economies of Israel and Palestine is remarkable in the tourism industry as well. There are 38 hotels in the West Bank and Gaza with a total of 2,400 rooms, compared to 305 hotels in Israel, with a total of 30,000 rooms. There are 35 travel agencies in Palestine, compared to 350 in Israel. Palestine has 90 tour guides, compared to some 3,000 in Israel.

Advantages of the Palestinian Economy

The advantages of the Palestinian economy entail human resources, including the potential to attract quality expatriate Palestinian manpower from overseas. The Palestinian economy has relative advantages in the agriculture, tourism, and certain industries. However, it is essential to develop the banking system including the Palestinian Stock Exchange, which was established in Nablus.

Tourism and industry have high investment potential. It is recommended to invest in factories that produce refrigerators, gas ovens, televisions, radios and communication devices, and solar energy installations. Likewise, it is wise to invest in factories that use readily available raw materials, such as stone, plaster, Dead Sea minerals, fish in Gaza, industry, construction, metal industries, carpentry, electrical appliances, ceramics, and sanitation.

A New Field: Representation of Foreign Companies and Agencies

There is great investment potential in agricultural products, services, import-export, marketing, packaging, insurance, investment brokerage, customs and new banks. Contractors will find certain profit in the paving of new roads, building of schools for all ages and levels, hospitals, and homes for the elderly. One field with a promising future is the representation of foreign companies and agencies.

Forty percent of Palestinians have the social status of refugee. 15% of Palestinians have a university degree; 8% studied in colleges without receiving a degree; 30% are high school graduates; 30% grade school graduates; 21% middle-school graduates;

The population density of the Gaza Strip is 1,750 per square kilometer, compared to 200 in the West Bank. In order to transform the Gaza Strip from third world status to that of a developing region, at least \$1 billion annual investment is

needed for housing, education, health, and employment. The investment of a similar figure is needed to put the Palestinian economy on its own two feet. \$2 billion of annual investment is needed to place the Palestinian economy on strong footing.

Some 150,000 Palestinians can potentially find employment in Israel. The Israeli hi-tech industry expects to employ thousands of workers of all skill levels, some of whom can be recruited and trained within the Palestinian sector.

Annual Palestinian Growth of 30% in Peace-Time

Experts estimate that in conditions of peace and open borders, the Palestinian economy would grow by an annual rate of 30%. Within a few years, it would be possible to double and triple the Palestinian GPA and the per capita GDP would increase similarly, as would the Palestinian buying power and quality of life.

Trilateral Confederacy to Close the Economic Gap

The big question is how to close the wide economic gap between Israel, Palestine, and Jordan. There are some 6 million Israelis earning average annual salaries of approximately \$17,000, and some 6 million Palestinians and Jordanians combined, earning an average annual salary of \$2,000.

Palestinian teams developed a comprehensive rehabilitation program for the Palestinian economy. According to their calculations, \$12 billion dollars is needed to build more than 200,000 residences, for approximately 500,000 refugees, for whom a communications infrastructure, land and air transportation, water, electricity and fuel, professional training, and environmental protection is needed in the West Bank and Gaza Strip.

They point to the need to develop an economic infrastructure based on export.

Likewise, Israeli and international teams have planned ambitious development and rehabilitation programs, but nothing has come of them thus far.

Strive for a Jordanian- Palestinian GPA of \$120 Billion

Economic calculations indicate that in order to close the gaps in the GPA and per capita GDP between Israel, Palestine, and Jordan would require Jordan and Palestine to reach a combined GPA of \$120 billion, which would stabilize the per capita GDP in these countries at \$20,000.

Regarding each state separately, Palestine must strive for a GPA of \$40 billion, compared to the current GPA of \$2 billion. Jordan must strive for a GPA of \$80 billion, compared to a current GPA of \$8 billion.

How can Jordan and Palestine aim to achieve such loft economic goals within a reasonable period of time? This is the great challenge set before the leaders of the region.

The author of this book believes that the key to a solving this multinational political-economic challenge is the immediate establishment of a comprehensive trilateral confederacy among the three parties.

Without a doubt, indeed confederation is the way to rehabilitate and develop the economies of Palestine and Jordan, and bring about a comprehensive and just peace for the entire region

Trilateral Confederation: An Historic and Didactic Review

In the framework of the discussions and clarifications underway before the final status negotiations between Israel and the Palestinian Authority, the idea of trilateral confederation has been raised more and more as a possible permanent status arrangement. It would serve as a means of instituting comprehensive, peaceful relations among Israel, Jordan, and the Palestinian State that will be established in the West Bank and Gaza Strip.

The idea was first raised as a possible way of settling the Israeli-Palestinian conflict, a few months after the Six-Day War. It was originally part of a memorandum submitted to then Prime Minister, Levi Eshkol, by a special commission headed by then Director General of the Prime Minister's Office, Yaacov Herzog. The Herzog Commission suggested the possibility of a confederacy among Israel, Jordan, the West Bank, and the Gaza Strip.

Since then, the idea was often raised in various forms, in articles and reports, by such persons as Shimon Peres, Abba Eban, Lova Eliav, Meir Amit, Dr. Edy Kaufman, Director of the Truman Institute of the Hebrew University, and journalists Yehoshua Schiff, Ehud Yaari, and Pinhas Inbari. The author of this book raised the idea in dozens of articles, reports and press releases, and in hundreds of meetings with Israelis, Palestinians, government officials, foreign diplomats, scholars, and economists, on both sides of the border from 1984 to 1988.

Also among Jordanians and Palestinians, there are those who dared to raise the idea publicly. They include Prince Hassan of Jordan, Hanna Siniora, and others. The idea received record exposure in Israeli and international media, when the French weekly *Le Observator* interviewed then Chairman of the PLO, now President of the Palestinian Authority, Yaaser Arafat. He expressed willingness to meet with a committee headed by the author of this book, to discuss the idea of confederation, which had been introduced to him by that committee.

Then as now, many influential figures divulged interest in the idea, including members of political parties such as Labor, Likud, Meretz, NRP, and the Arab Parties, as well as prominent figures in Jewish settlements

beyond the Green Line. Similarly, the idea raised interest among diplomats in Western Europe and the United States. During the *Intifada* years, however, such efforts almost completely ceased.

Arafat in Favor

President Arafat has declared his support of Trilateral Confederation as a viable option several times in the last two years, even suggesting the inclusion of Lebanon in the Confederacy. However, response to such declarations has been insubstantial.

Placing Confederation on the Academic and Political Agenda

Although the Confederation option has gained growing support in inner chambers, no serious, comprehensive clarifications of the idea have been undertaken in any Israeli, Palestinian, Jordanian or international forum. Academic discussions of the matter have also been sporadic and partial.

Academic institutions have, however taken initial steps towards addressing the issue. The first such academic institution, the Israel-Palestine Center for Research and Information, directed by Dr. Gershon Baskin and Dr. Zakaria al Qaq, believes in the idea and stands behind it. The second such institution, the Truman Institute of the Hebrew University, headed by Prof. Moshe Maoz and Director of the Institute, Edy Kaufman, also supports the idea.

It should be mentioned that little political, historic, and economic information has been gathered on the subject. Prior to the opening of Final Status talks between Israel and Palestine, the Confederation option should be placed firmly on the public agenda in Israel, among the Palestinians, throughout the Middle East and in the international arena.

Trilateral Confederation: A Didactic Review

Whenever discussing the Confederation option, it is pertinent to make the distinction among the various confederation proposals. In general, one of the advantages of confederation is that it can be presented and implemented using varied multi-step models. In search of a comprehensive and permanent political status for the Palestinian people in the West Bank and the Gaza Strip, there are three possible confederation structures, each with its own answer to the Palestinian question. However, each has its own implications for Israel and Jordan.

**** Option A: Jordanian-Palestinian Confederacy***

According to this proposal, a political confederacy will be established between Jordan and the Palestinian State, to be founded in the territories evacuated by Israel in West Bank and Gaza Strip. The structure of the confederation would be determined through negotiations between the two parties.

If such a Jordanian-Palestinian Confederacy were to be formed, it would stretch over a territory larger than 95,000 square kilometers, on both sides of the Jordan River. It would have a total population of more than 6 million, of whom 4 million are Palestinians. These demographic figures reveal a feared strategic threat to the Kingdom of Jordan, as well as to Israel.

Under such an arrangement, one would expect the growth of a strong Palestinian nationalist movement for the unification of the two parts of the Confederacy, a gradual Palestinian take-over of Jordan, and the transformation of that country to a Palestinian State. The population of such a Palestinian State would quickly grow to include more than 6 million Palestinians, and would pose an ongoing strategic threat to Israel.

**** Option B: Israeli-Palestinian Confederacy***

According to this proposal, a Palestinian State will be established in the territories evacuated by Israel in West Bank and Gaza Strip, while at the same time forming a confederacy between that Palestinian State and the State of Israel. The ideological meaning of such an option would be agreement between Israel and the Palestinian Authority to divide the land of Israel to the west of the Jordan River into two independent states, with a confederacy between them.

The status of Palestine, its political boundaries, and the structure of the Confederacy would be determined through negotiations between Israel and the Palestinian Authority.

If such an Israeli-Palestinian Confederacy were to be formed, it would stretch over a territory larger than 25,000 square kilometers, with a total population of close to 8.5 million, of whom 5 million are Jews, close to one million Arab Israelis, and close to 2.5 million Palestinians. One should take caution, however, that such a confederacy would be considered among the most densely populated countries of the world, characterized by a lack of water, pollution, traffic jams, and ongoing tension between the Jewish and Arab populations. The settlement of millions of Palestinian refugees would be economically impossible, and pose a strategic threat to both Israel and the entire region.

**** Option C: Israeli-Palestinian-Jordanian Confederacy***

According to this proposal, Israel, the Palestinian Authority, and Jordan decide to form a political, economic and defense confederacy, on both sides of the Jordan River. The political status of Palestine, its territory, and its confederate ties with Israel and Jordan would be determined through negotiations among the three parties.

**** Option D: Economic Union of Three Separate States***

Many of those involved in Israeli-Palestinian negotiations are considering the establishment of a Palestinian State in the West Bank and Gaza Strip, to be included in an economic unification between Israel, Palestine and Jordan. This option involves the unification of three completely sovereign and separate, in the form of a commonwealth. The model for this option is that of the unification of the Benelux States in Western Europe. This trilateral economic commonwealth would be a kind of Middle East version of Benelux.

The fault of this option is that the independent Palestinian State would attract millions of Palestinians wishing to settle on its territory. The resettlement of millions of Palestinians on Palestinian territory would forestall the success of the economic commonwealth, transform it into a bastion of constant friction and religious, economic, and political confrontation. It would pose an existential danger to both Jordan and Israel, until the eventual dismantling of the commonwealth, and resumption of the Israeli-Palestinian conflict.

Differences among Federation, Confederation and Economic Union

In discussions and articles wherein the confederation option is mentioned, most, primarily diplomats, do not differentiate between federation and confederation.

Confederation entails a high level of integration and cooperation in certain areas among independent political entities; each fully recognized as a sovereign state, in the belief that their strategic interests are best served by the development and cultivation of confederate relations with its neighbors.

Federation, on the other hand, is a country united by a government structure based on districts, cantons, or states, i.e. the United States. Other obvious models of such a federal structure include the Russia, Germany, Switzerland, Malaysia, Australia, New Zealand, Italy, Canada, Belgium, and more.

Federations include district governments, responsible for services to residents and regional development, and the central government is responsible for national interests, such as foreign policy, security, and the national treasury. The distribution of power between the central government and the federal districts is different from country to country.

Unlike the federation model, which is headed by a specific individual and central government institutions, confederation involves the integration and cooperation of separate and independent governments, united by pacts serving particular common interests, such as defense, economic development, foreign policy, natural resources, water, etc.

Confederation: Borders More Demographic and Less Geographic

A confederation is actually a unified geographical space, banded together for economic and defense purposes. The borders between the states of a confederacy are open to the free movement of people, vehicles, merchandise, and currencies. To be precise, the borders are more demographic in nature, and less geographic.

Federations feature a single national identity, passport system, currency, anthem and flag for all. Confederacy typically features separate national identities, passports, etc. However, as is sometimes the case, the members of a confederacy can reach agreement on some common symbols in addition to the separate national symbols of each state, including a flag, anthem, or currency.

Future Confederations in the Making

In the shrinking global world at the turn of the century, it can be said that the European Union is today an economic union taking initial steps toward growth as a political, economic commonwealth or confederation.

C

The first steps of political, economic confederation seem to be apparent among China, Hong Kong and Taiwan. This is a good illustration for Israel, Palestine and Jordan, because here too, there is a wide economic gap between China and its future confederate partners.

Indeed countries such as Canada, Sri Lanka, Syria, Lebanon, and Cyprus appear to be on the way toward establishment as parts of confederacies. The Confederacy of Switzerland is today closer to federation than confederation, despite its name. Russia is trying to cultivate confederate relations with some of its neighbors who were members of the former USSR. It is not unrealistic to imagine the formation of some sort of a confederacy among the United States, Canada, and Mexico at the beginning of the next century.

Similar processes are likely to take place in Central America and South America. Moreover, North and South American leaders have probed the possibility of an economic free trade zone between the two continents. A confederate structure is likely to develop between the two counties of former Yugoslavia. Extremely large countries such as India may gradually transform from federations to confederations. Perhaps there will be more examples of the succession of member states or regions from a federation, or the division of a federation into smaller states. For example, Slovenia, which seceded from Czechoslovakia, dividing it into two republics, or Singapore, which broke away from the Federation of Malaysia. In short, confederation requires coexistence among separate peoples, citizens of separate countries.

In summary of this didactic review, we speak of three models of political cooperation between separate peoples. Federation is at the highest level, implying the union of separate national regions as a single country, i.e. Switzerland. Confederation is next, implying a high level of political, economic, and defense cooperation between separate and independent states, for which there are no concrete examples. The third and final model is that of economic union between separate countries, with an emphasis on open borders, common institutions, and joint economic development, i.e. Scandinavia.

Trilateral Confederacy in Small Steps

Concerning Israel, Palestine, and Jordan, many support the establishment of an economic union among the three countries, as a first step toward eventual confederation. The process would be carried out in stages, only taking firm hold when the independence of the Palestinian State is established and its existence is fully accepted by Israel and Jordan, and the new state will have a chance to disprove many of the fears about its establishment. The primary fear is that distrust developed among the peoples of the region in the last 100 years precludes deep and authentic cooperation.

The author of this book believes that discussion of this precise point leads to one unambiguous conclusion: the way to reverse generations of deep hatred and distrust is to begin immediately building frameworks of cooperation. These would reflect our common fate and mutual interest in the development of the region, quickly moving in the direction of trilateral confederation.

The establishment of a Palestinian State not as part of a confederation from the beginning is a sure recipe for increased separation and eternal conflict, giving the upper hand to extremists and isolationists alike, in a country cut off from Israel.

Superiority of the Trilateral Confederation Option

Precisely these arguments and issues (i.e. the future status of East Jerusalem and the Israeli settlements in the West Bank and Gaza Strip, the attitude towards terrorism, and even the future of the Jordan Valley) can be addressed more easily. In the context of confederation conflicts can each be examined and finally settled in a way agreeable to all parties in the region and the world.

Trilateral Confederation: A Multilateral Interest

Trilateral confederation is in the best political interest of all regional, national and international bodies involved in the Arab-Israeli conflict. Trilateral confederation would first and foremost serve the interests of member states.

Palestinian Interests

There are an estimated 5.5 million Palestinians, divided geographically as follows:

- 1 million Palestinians in the Gaza Strip
- 1.5 million Palestinians in the West Bank and Jerusalem
- 2.5 million Palestinians in Jordan
- 250,000 Palestinians in Lebanon
- 250,000 Palestinians in Syria

If a Palestinian State were to be established in the West Bank and Gaza Strip, within a few years, its population would number close to 3 million Palestinians, with another 3 million outside its borders. Israel is afraid to accept such a densely populated neighboring state.

The Palestinians will face extreme difficulties trying to settle on 4000 square kilometers, with its two geographical territories separated by Israel, a severe water shortage, mountainous and desert terrain, and more than 150 Israeli settlements in its midst causing friction between Israelis and Palestinians.

The only way that the vast majority of Palestinians and Israelis can live in an economic commonwealth with open borders is in the framework of the proposed confederacy. The rehabilitation of Palestinian refugees can only be accomplished in the framework of an economic commonwealth on both sides of the Jordan River, allowing

employment and residence opportunities throughout the entire confederacy thereby increasing income possibilities for them.

Only trilateral confederation offers the Palestinians a chance to develop as a modern, progressive independent state, providing its citizens with education on all levels, water, electricity, food, security, culture and arts, science and medicine, allowing reciprocal exchange between Palestinians living on both sides of the Jordan River, including Israeli Arabs.

Most importantly, only trilateral confederation can offer the Palestinian State political and international status equal to that of other countries, including Jordan and Israel, despite its territorial inferiority. Only confederation will ensure the Palestinians a stable government, a primary interest of the Palestinians. An extremist, unstable Palestinian government would pose a threat to the existence of any Palestinian State.

In the framework of confederation, the Palestinians would receive greater foreign aid, as the Confederacy would serve as an investment magnet, the Palestinians being the primary beneficiaries. It is the best way to integrate the Palestinians in the global economic community, international market, and the family of nations.

Jordanian Interests

The establishment of trilateral confederation is a crucial strategic interest of the Kingdom of Jordan. Confederation would ensure the viability and stability of the royal regime

Palestinian State outside of the confederation context. Being a member status in the Middle East.

The confederacy would also facilitate the resettlement of refugees from camps within Jordan to any place within the boundaries of the confederacy, thereby reducing the economic and social burdens placed on Jordan by absorbing the Palestinian refugees.

Jordanian relations with the United States, Europe, other industrial giants and Arab countries would be significantly strengthened. Foreign investment would pour into the Confederacy and would stimulate growth in the Jordanian economy. This would bring a sharp increase in the per capita GDP and the standard of living of all Jordanians.

Israeli Interests

The trilateral confederation option is of particular strategic interest to Israel. The establishment of a trilateral confederacy with Palestine and Jordan would institute immediate diplomatic relations with most Arab and Moslem countries. Like the other member states, Israel would enjoy unprecedented international investment, stimulating economic growth. Israel would expect significant increases to per capita GDP, and standard of living. The gap between imports and exports would likely close.

Trilateral confederation would likely serve as a catalyst, bringing Israel closer to its neighbors to the north, Syria and Lebanon. It would presumably accelerate negotiations and enable Israel to return the Golan Heights to Syria, making it easier for the two nations to sign a peace treaty.

The same holds true for Syrian leaders. In exchange, Syria will more readily accept its borders open to the movement of people, vehicles, and merchandise, enabling the continued existence of Israeli settlements on the Golan, despite their transference to Syrian sovereignty. Needless to say that a peace agreement with Syria will lead to peace, including an end to Hizballah activities in southern Lebanon.

From a global economic perspective, trilateral confederation would enable Israel to develop into a regional hub for multinational corporations, awarding it preferred status among the leading developed nations of the world in the next century.

The open borders of trilateral confederacy would allow most Israeli settlements beyond the Green Line to remain intact.

Only trilateral confederation will encourage and stimulate joint investment and business activity among Israelis, Palestinians, Jordanians, and Arabs everywhere.

Egyptian Interests

Trilateral confederation between Israel, Palestine and Jordan would advance Egyptian interests. Egypt has strategic aspirations to lead the Middle East and the Mid East bloc that would be created through peaceful settlement of the Arab-Israeli conflict. Confederation would lead to the development of a Middle East economic commonwealth. Israel, Jordan and the Palestinians have good reason to want Egypt to take leadership of such a commonwealth. Between Egypt and the member states of the trilateral confederacy, there would be ample room for large industrial parks in the Gaza Strip area, along the Israel-Egypt border, and along the Red Sea.

These industrial parks would enable mass population of the Sinai by millions of Egyptians, relieving Egypt of serious overpopulation, which currently damages Egyptian quality of life, feeds extremist movements in Egypt, and threatens the stability of the Egyptian government.

Economic cooperation among Egypt, Israel, Palestine, and Jordan would create great economic opportunities, which if exploited by Egypt, would raise the per capita GDP and standard of living of

strengthening of relations with the United States and other developed countries, who would in turn increase foreign aid to Egypt.

Syrian-Lebanese Interests

Trilateral confederation would serve as a catalyst for the development of peaceful relations among Israel, Syria and Lebanon. Such relations would lead to the signing of comprehensive peace treaties between Israel and those countries, including giving up the Golan Heights.

Syria and Lebanon would benefit from the growth in economic activity and tourism among the two countries and the member states of the Confederacy, creating new jobs and increasing the per capita GDP and standard of living in those countries.

The trilateral confederation model will help Israel, Syria, and Lebanon to strive for a similar model of peace and economic cooperation, also serving as a useful model for political and economic cooperation between Syria and Lebanon.

The mutual interests of Israel, Palestine, Jordan, Syria, and Lebanon in the development of an economic corridor along the Syro-African Rift are obvious. Such an economic corridor would serve as the backbone of the Middle-East economic commonwealth, to be established as an integral part of peace settlements with Syria and Lebanon. An economic corridor of this nature would serve as a catalyst for the economic development of both Syria and Lebanon.

Arab Israeli Interests

The trilateral confederacy has enormous potential to further the interests of Arab Israelis. Confederation would enable Arab Israelis to cultivate reciprocal relationships with Palestinians, Jordanians, and the rest of the Arab world, improve their status in Israel, and free them from the problems of dual identity.

Confederation would create opportunities for Arab Israelis to serve in senior positions of government, both in the national institutions of Israel, and institutions of the Confederacy. Arab Israelis stand to make great gains from the establishment of trilateral confederation.

Global Interests

Trilateral confederation will well serve the global interests of multinational corporations. If such a confederacy were to be established, its population would number more than 15 million within one decade.

Because of the geographical location of the member states in the heart of the Middle East, there is great potential for each of the member states to become centers of operation for countless multinational corporations in every industry, serving as bases of those companies in the Middle East.

The Confederacy will also serve as a catalyst for the growth of a Middle East economic commonwealth - an economic bloc representing a market of over 250 million people, attracting the investment of multinational corporations throughout the world.

Trilateral Confederation can serve as a model for political, economic cooperation, for the settlement of similar international conflicts in Eastern Europe and in other parts of the world. If such a confederacy were to be established, it would serve as a source of inspiration and a model for the study of conflict resolution on other continents, i.e. in the former Yugoslavia, the question of the Kurds, and more.

American Interests

of trilateral confederation. The United States is in the unique position to be a strong strategic partner of the Confederacy and its member states. The senior status of the United States would be guaranteed in the Middle East that would come about as a result of the confederation. It is fair to assume that member states will turn to the U.S. as one of the great brokers of the confederation accords, and that the U.S. will have a vital role through its ability to give assurances to all sides of the negotiations.

From an economic standpoint, countless American companies will establish their bases of Middle East Operations within the confines of the trilateral confederacy. This is of particular strategic value to the economic superpower leading the world in the number of multinational corporations, and wishing to maintain that status in the century to come.

European Interests

The European Union has an acute interest in the establishment of trilateral confederation. It is likely that deep reciprocal relations would be developed among the member states of the Confederacy, primarily the Palestinians, and the members of the European Union. The European Union can develop a mutually beneficial trade zone, creating new opportunities for international corporations based in Europe.

Establishment of confederation would serve both the interests of a Middle East economic commonwealth, and the interests of the European Economic Community, presumably giving life to deep relations between the two.

Pan-Arab Interests

Establishment of trilateral confederation would pave the way for a Middle East reciprocal relations among the various Arab nations of the world. Israel would not represent a deterring force in the development of such relations, rather a part of a greater mechanism that will encourage and facilitate their advancement as an international political and economic entity to be reckoned with, further strengthening the interests of all parties concerned.

Trilateral confederation would not only create windows of opportunity for inter-Arab cooperation, but also serve as a catalyst for the development of arid desert regions in Arab lands, an essential ingredient of their economic well-being as we enter the third millennium.

***Middle East Economic Commonwealth:
The Alternative to a Nationalist, Fundamentalist Middle East***

Confederation and a Middle East economic commonwealth would stimulate enormous international investment and economic cooperation throughout the region, mutual economic and defense guarantees, and the construction of dams and other projects vital to combat the growth of fundamentalist influences in all countries of the Middle East.

A Middle East overwhelmed by extremist religious nationalist movements is bound to be one characterized by violence, bloodbaths, and socioeconomic backwardness, spelling disaster for the entire region. In sharp contrast, a Middle East commonwealth would bring opportunities for political and economic prosperity. From this perspective, trilateral confederation is not merely a mechanism for formal cooperation among nations, but also a dam, blocking the flow of destructive nationalism and fundamentalism threatening all the countries of the region.

Institutions of the Confederacy

Confederate Presidency

The Confederate Presidency, consisting of nine members, will form the executive branch of the Confederacy. It will include representatives of each of the member states, holding the following offices:

Heads of State:

- The Prime Minister of Israel
- The President of Palestine
- The King of Jordan

The Foreign Ministers of each member state.
The Ministers of Confederate Relations of each member state.

Upon establishment of trilateral confederation, it is recommended that each of the member states form a new governmental ministry, charged with the responsibility of coordinating the affairs of that country with the institutions and member states of the Confederacy.

The Confederate Presidency will convene periodically as agreed by its members, in order to clarify and address issues and conflicts, set policy, and make decisions of common interest.

The Confederate Council

The Confederate Council will act as the parliament of the Confederacy. It will comprise 150 members, 50 representatives of each state. The Confederate Council will regularly consult with the members of the Confederate Presidency, and additional ministers of the member states, as deemed appropriate by Council members. The primary function of the Council will be supervision of the stability of the Confederacy, and the work of its various Bureaus and Authorities.

The Constitution and Laws of the Confederacy

At a later stage, when trilateral confederation is recognized as reality, the possibility exists of granting the Confederate Council legislative authorities, and the task of composing a confederate constitution.

In general, the Confederate Council is seen as the trilateral institution which gives legitimate backing of the three member states to the various Bureaus and Authorities of the Confederacy. It will function as a mechanism for the clarification and discussion of confederate issues, with representatives of all political and social walks of life from each of the member states, thereby justifying its establishment and baring witness to its importance.

The Confederation Commission

The Confederation Commission is the key institution for the design and development of the Confederacy, and the strengthening of reciprocal relations and cooperation of member states in all aspects of life.

It is also the institution responsible for the initiation and supervision of joint developmental projects, which will facilitate economic growth in each of the member states, the reduction of unemployment and poverty, the development of thinly populated regions, and settlement of desert areas.

Among its primary responsibilities is to plan, promote, and implement a comprehensive confederate and international program for the rehabilitation of Palestinian refugees.

The High Commissioner, assisted by the Deputy Commissioner and the Commission Chairman, will head the institution. They will coordinate the work of 25 bureaus, each responsible for the development and implementation of projects in different fields of social and economic interests of the confederacy, as determined by the Commission.

In addition, there will be a special Authority specifically responsible for the war against terrorism.

Confederation Bureaus

The following is a partial list of the various developmental bureaus that will operate under the auspices of the Confederate Commission.

- The War on Terror Bureau

Bureaus of Economic Development

-
- Water Resources
- Agricultural Development
- Energy Bureau
- Industrial Development and Cooperation
- Advancement of Medicine
- Computerization and Communications
- Recycling and Environmental Protection
- Air Traffic and Space Exploration
- Land Transportation
- Banking and Finance
- Small Businesses
- Tourism

Bureaus of Social Development

- Employment and Labor
- Higher Education and Science
- Education and Youth
- Sports
- Culture and Arts
- Religious Tolerance
- War on Drugs and Crime
- Communications and Information
- International Relations
- Middle East Economic Cooperation

Each Bureau will be headed by a task force of 30 members, 10 from each member state. The task force will be composed of experts in the particular

field of the bureau. The Confederate Commission will be responsible to nominate members to the bureau task forces, requiring the confirmation of the Confederate Presidency.

Bureau task forces are to be comprised of reputable professionals, working to develop innovative and progressive programs in all relevant subject areas. Their composition is to include individuals from academia, business, and the public sector.

Confederation Stability: A Key Function of Its Bureaus

The Confederate Commission and the various developmental bureaus operated and funded by it are expected to function as a collective body representing the interests of the three member states, maintaining control, balance, tenacity and assiduousness, throughout the process of developing the Confederacy. It will serve as the trilateral mechanism designed to carry out the work of the Confederacy, ensuring stability and industriousness on all levels.

This follows the example set by the institutions of the European Union and other international bodies. The Commission and its bureaus will gather the knowledge and expertise of over 600 professionals from the three member states in each field of confederate activity.

Budgets of Confederate Institutions

Confederate Institution Workers:

According to initial estimates, the confederate staff will include approximately 200 workers of various skill levels. This staff will be responsible for the operations of the Confederate Presidency, Council, Commission, and Bureaus.

Financing Confederation Headquarters:

Maintenance and administration of Confederation Headquarters, housing the offices of confederate institutions, will also require a calculated number of workers.

The operations of confederate institutions will require an estimated budget of \$10 million. This budget will cover the maintenance and administration of the structures of confederate institutions, the public relations campaigns and activities of the various institutions, workshops, training seminars, film-strips, bulletins, hosting delegations from throughout the world, the salaries of all bureau personnel, and the operations of the Confederate Council.

Building Confederation Headquarters:

A large, one-time budget will be required for the design and construction of Confederation Headquarters. The funding for this will be raised internationally, through one-time government grants from the United States and other developed nations around the world.

Sources of Finance for Confederate Institutions:

For the first few years, sources of finance for the operations of confederate institutions will include foreign aid from developed countries including Gulf States and Israel, and the contributions of international organizations and multinational corporations with interests in the economic development of the region. With the economic development of Jordan and Palestine,

gradually the member states will each take up equal responsibility for funding the confederacy.

Initial Funding of Confederate Bureaus:

Each of the countries contributing to the funding of confederate institutions will finance the operations of a particular bureau, according to the interests of each donor nation respectively.

For example, Switzerland and its multinational concerns will be invited to fund the establishment and initial operations of the Bureau for the Advancement of Medicine. Germany will be asked to fund the establishment of the Bureau of Transportation Infrastructure. Another donor nation will be asked to fund the Bureau of Tourism Development, etc.

Similarly, contributing multinational corporations with interests in the region will be asked to fund the establishment and initial operations of bureaus relevant to their fields, such as the Computerization and Communications Bureau, to be funded by one of the computer or communications corporate giants.

One Thousand Experts to Man Confederate Institutions and Bureaus

In summary of this chapter, the confederate institutions will employ more than 1000 personnel combined, including the Confederate Council Representatives, Bureaus of the Confederate Commission, and workers of the various confederate institutions. This international pool of personnel will include senior officials and experts from each of the member states, in each field of national activity.

In the course of the meetings and discussions of each bureau taskforce, interpersonal cooperation and professional collaboration among Israeli, Palestinian and Jordanian representatives will foster relationships that will presumably go beyond the matters of bureau operations. It is hoped that in this way, a forum of leading experts in various fields will gradually crystallize, bannng together and using the tools at their disposal, to form influential groups in the community, promoting and expanding the concept of trilateral confederation.

If the various institutions and bureaus function appropriately, the necessary status and strength will accumulate, ensuring the development of a powerful, independent, industrious Confederacy, able to exercise its full authority, using the tools at its disposal to make great strides for the entire region.

Such a mechanism will labor tirelessly for the realization and implementation of the confederation vision. It will gradually become an essential apparatus for the assurance of peaceful and cooperative relations among the member states.

If the confederation vision successfully faces the challenges put before it, it will pave the way to the establishment of a Middle East economic commonwealth, including all the nations of the region.

Confederation Bureaus and their Functions

The vision of an Israeli-Palestinian-Jordanian Confederacy is a daring political vision of the land of Israel, certain to be met by the opposition of many determined religious, political, and social groups.

From an Israeli perspective, the confederation vision has far reaching implications: division of the historic land of Israel on both sides of the Jordan River among three peoples: Jews, Palestinians, and Jordanians. The same holds true for the Palestinian people, which also claims rights to what it sees, as is the land of Palestine. Many Palestinians still dream of the establishment of a Greater Palestine. Realization of the confederation vision would put an end to that Palestinian vision as well.

The transformation of the historic land of Israel/Palestine/Jordan from the status of a land in dispute, plagued by 100 years of Arab-Israeli conflict, sodden with hatred and animosity, to the political status of trilateral confederation, will appear to many to be too abrupt, too sharp, dangerous, utopian, dreamlike, perhaps unattainable and unrealistic.

In order to get past the many expected and unexpected hurdles of disbelief, doubt, and opposition, the realization of the confederation vision must be carried out strategically, in small steps. This is the case with all great national visions. Therefore, it is recommended to initially begin with an agreed number of bureaus.

The Key to Success: The First Confederate Bureau

The key to success in this long and arduous trilateral confederation process is the development of the first confederate bureaus. From among the 25 confederate bureaus proposed herein, particular bureaus can be chosen, representing acute economic necessities to all three parties, to be the first

bureaus to be developed. Some possibilities are the Bureau for the Advancement of Medicine, the Bureau of Joint Water Resources, the Bureau of Recycling and Environmental Protection, and more.

The First Step in Opening Each Bureau: Establishing A Forum of Experts

The first step in establishing each of the initial bureaus is to establish a forum of experts in the field, including an equal number of Israelis, Palestinians, and Jordanians in each forum. This forum of experts will put propose a comprehensive confederate program of development. Upon approval by the governments of the Confederacy, the program will serve as a framework for the start of bureau operations.

Within a short time, the expert forum will be recognized as the bureau council or executive body of the bureau, poised to implement the new program. The governments of Israel, Palestine and Jordan will benefit from establishing and funding the first confederate bureau as soon as possible. Indeed, it is essential that the War on Terror Bureau be among the first ones to be established. The following pages include a detailed outline of confederate bureaus, including ideas for initial projects and developmental programs. It may even serve as a basis for beginning the operations of the confederate bureaus.

Confederate Bureau for the War on Terror

The Confederate Bureau for the War on Terror is one of the primary bureaus of the proposed Confederacy. This bureau must be one of the firsts to be established. Without security, and amidst ongoing fear of horrible terrorist attacks in Israel, the chances of progress in the peace process are insubstantial. There is no chance of developing peaceful relations in the shadow of terror.

No Israeli leader, no matter how brave and a great friend of peace he may be, will be able to conduct negotiations, while organizers of terrorist groups enjoy popular support in the Palestinian streets and alleys, encouraged by widespread organizational and ideological activities for that purpose. The establishment of the Confederate Bureau for the War on Terror is critical to the strength of peace, and there would not be any opportunities for progress in Israeli-Palestinian relations without it.

The best way to fight terror is to establish a trilateral confederate bureau that will systematically eliminate all terrorist elements in all villages, cities and states of the Confederacy. Such a bureau would be composed of the best security personnel from Israel, Palestine and Jordan.

The bureau would work in close coordination with the security and law enforcement authorities of all three states. For that purpose, the Confederate Bureau for the War on Terror would be equipped for direct, covert and overt operations against terrorist targets, with coordination with the state police forces of Israel, Palestine and Jordan. The heads of the confederate states would approve every special operation of the Bureau for the war on Terror.

The operations of the bureau will be run from a central base, which will be established for this purpose. The officers and personnel of the bureau will be from Israel, Palestine and Jordan. Service in the bureau will be on the basis of references and recommendation from one of the state security forces. The salaries of all police personnel in the bureau will be determined by all by all member states together. The bureau will operate an intelligence branch, military operations branch, a terror prevention branch, and a central lockup for detainees. The bureau would be enabled to act against inciters of terrorist activities, including religious institutions such as mosques and synagogues.

A Key Test

The proper functioning of the Confederate Bureau for the War will be one of the basic tests of the viability of the Confederacy and its institutions. The

will enable, encourage, and accelerate the growth of reciprocal relations and cooperation among all parts and interest areas of the Confederacy. Chief among them economy, employment, water resources, culture, and other important areas vital to the existence and strength of the confederacy.

With that, the success of bureau operations alone will still be insufficient to overcome all terrorist elements in the Confederacy. However, the very establishment of such a bureau will bolster the will of member states to persist in their efforts to fight terrorism by other means as well.

Economic Activity as Leverage against Terrorism

Aggressive war against terrorist elements must coincide with social and economic policies that will minimize the conditions that lead to popular support of these organizations. The more economic improvement in the region, and the lower unemployment rates get, the smaller the potential of terror organizations to enlist operatives and rally popular support.

As the reciprocal relations of the member states become deeper and more routine, everyone will feel the benefits of peace, and support for terrorist organizations and activities will decrease.

International Action against Terrorism

International support is crucial to the success of the war against terror. If need be, the international community must agree to place painful economic sanctions on countries that advise, harbor, finance, or arm terrorist groups.

The existence of a jointly operated Israeli-Palestinian-Jordanian bureau will bolster international obligations to fight terror. Even the wider populations

of Israel, Palestine and Jordan will become more aware and active in efforts to eliminate organizations that support and organize terrorist acts.

Palestinian and Jordanian leaders should be aware that a confederacy featuring borders open to traffic by vehicles, people, currencies, and trade, cannot possibly exist along side terrorism. Therefore, agreement by all parties to the establishment of the Confederate Bureau for the War on Terror, is a test of their desire to establish the proposed Confederacy.

The Bureau for the War on Terror must be put into operation immediately upon the establishment of trilateral confederation. Therefore, it would be wise for Israel, The Palestinian Authority, and Jordan to establish expert committees on the subject, as soon as possible.

***St
Valley***

Singapore managed in 30 years, to blossom from an underdeveloped, poverty stricken port-city to a city-state tiny in size, but enormous in economic proportions, becoming one of the most industrialized nations. Its residents enjoy a high standard of living, among the most modern factories and buildings in the world, quality education, transportation, environment, and other public services. To flourish in 30 years, and become one of the most developed and progressive economies in the world, is the challenge of the states of the Confederacy. Therefore, we have much to learn from the Singapore model of success.

Like the Singapore vision, in order to move in the direction of confederation, it is essential that we devise a strategic, comprehensive, and defiant plan for development. Grandiose developmental programs are needed to ensure international investments of billions of dollars. The adoption of a far-reaching developmental strategy is necessary to meet the political and economic challenges of the Confederacy, and to bring the member states per-capita among the highest in the world.

Large and defiant industrial development projects are needed, bringing with them far reaching cooperation and reciprocal relations among the three member states, until their transformation into a vibrant, united economic commonwealth, among the strongest and most progressive in the world.

The government of Singapore did not loathe or run from taking daring steps, in order to realize its vision. It did not hesitate to grant tax exemption to any company that chose to set up operations in Singapore. It matched investments in infrastructure and transportation, education, and the environment. Similarly, each of the Confederate partners will have to make daring decisions, if indeed we wish to follow in the footsteps of Singapore.

Four Regional Development Enterprises

an essential component of the great trilateral confederation challenge,

trilateral enterprise, comprised of four impressive, defiant regional development projects, yielding greater earnings than the economies and residents of the member states.

- (1) the development of the Dead Sea area as the tourism and leisure capital of the Middle East;
- (2) but very little progress has been made; ussion,
- (3) Jericho Valley development;
- (4) Jordan Valley development;

A developmental strategy of such worldly proportions will stimulate the growth of the Confederacy as an economic union, and as a common market, and deep, high level routine cooperation among its member states.

Dead Sea Tourism and Leisure Capital of the Middle East

The northern shores of the Dead Sea, on the Israeli, Palestinian and Jordanian sides, can and should be transformed into as the tourism and leisure capital of the Middle East. This can be easily accomplished by allowing investors from Israel and the world to build large casinos along the northern shores of the Dead Sea, on both sides as one region.

The revenues from tax collections and the sale of land for the tourism and leisure project will be used to fund joint development projects throughout the Mediterranean Sea shore opposite Gaza and southern Israel, the Jericho Valley industrial park, an international university in the Jordan Valley, and more.

Like Las Vegas, Nevada, in the United States, the northern shores of the Dead Sea will become a local tourism and leisure capital, bringing economic development and employment to all three states of the Confederacy.

Dead Sea tourism and leisure capital, together with Jerusalem, a half-hour driving distance, will become the dominant tourist attraction in the Confederacy. An estimated 10 million tourists will visit the Dead Jerusalem area annually, bringing revenues of \$10 billion each year. Upwards of 10,000 new jobs will be created through the establishment of tourism and leisure projects on the northern shores of the Dead Sea.

According to estimates, more than 100 large hotels will be built in the northern Dead Sea area, by the large hotel corporations of the world, and by investors in Israel and the entire region, including investors from Saudi Arabia and the Gulf States.

This project will stimulate the development of Jericho, as one of the largest Palestinian cities. Many Palestinian refugees on both sides of the Jordan River would find work opportunities and settle in this area. In such a way, the development of the northern Dead Sea would serve as one of the principal mechanisms for the rehabilitation of Palestinian refugees.

To be frank, the proposal to build a tourism and leisure center in the northern Dead Sea area stems from the presumed inability of the governments of Israel, Palestine and Jordan to invest the necessary funds to rehabilitate the refugees without such a project. The tourism and leisure district will bring revenue to fund additional developmental projects, as part of the trilateral confederacy challenge.

In order to advance this project, the governments of Israel, Palestine and Jordan will have to make a joint decision to establish a joint authority for the development of the area, for the immediate distribution of building permits to investors.

The Northern Dead Sea Development Authority will be headed by a reputable businessman appointed by the Confederate Commission, along side a Director and Deputy Director.

Investments in the northern Dead Sea area, based on the proposed project, are estimated at \$5-10 billion, mostly in multi-purpose hotels including

casinos, business and commerce centers, broadcast and sport facilities, and swimming pools.

This regional development enterprise does not require government funding or donations. It is contingent upon the joint decision of Israel, Jordan, and the Palestinian Authority. The economic commonwealth will do the rest.

The moment that the decision is made, the initial funds will flow to the Northern Dead Sea Development Authority. Within a few months, the first casinos will begin to operate, and the revenue from taxes and fees will be used immediately to fund the construction of additional developmental projects.

The development of the northern Dead Sea area will also give momentum to the growth of the southern Dead Sea region, to the East and West. The Jordanian villages in the northern Dead Sea area, and Jericho will show annual estimated growth above 20%. Yachts and small boats will travel between the two sides of northern Dead Sea. As a result, the trade relations among the three countries will flourish, and Jericho will quickly become the dominant city for commerce and services in the area.

Jordan Valley Tax-Free Trade and Manufacturing Zone

The second developmental enterprise requiring the joint resolution of Israel, Jordan, and the Palestinian Authority concerns the Jordan Valley, on both sides of the Jordan River. The proposed program is to create a tax and customs free zone in the Jordan Valley, on both sides of the Jordan River, for trade and manufacturing. According to the program, the Confederacy would establish a Jordan Valley Development Bureau, responsible for the economic development of the region as a series of industry and commerce centers, including factories of multinational corporations in all sectors of the market.

A Bureau Chief, Director, and Deputy Director will be appointed by the Confederate Commission, serving along side a bureau taskforce of 30 members, with 10 representatives of each country.

Israeli, Palestinian, Jordanian companies, multinational corporations, and others that build factories, commerce and service centers, hotels, institutions of higher education, import/export companies, and other businesses, will be exempt from the tax and customs regulations of Israel, Palestine and Jordan. Large work forces, including workers of all skill levels, can be found on both sides of the Jordan River, in the cities and villages of northern Israel, Jordan, and the West Bank. More than 3 million people reside in the immediate area, on both sides of the Jordan River.

The thousands of factories and businesses that will spring up in the coming decade will serve as a source of employment for residents of the entire region. In terms of transportation, the Jordan Valley is an ideal natural transportation route. It will be easy to transport merchandise from the Jordan Valley factories to the population centers of Israel, Palestine, Jordan, Syria, Lebanon, the Gulf States, Saudi Arabia, India, Turkey, Europe, Asia, Egypt, and Africa. The proposed Jericho Valley international airport will carry the goods of large manufacturers throughout the Jordan Valley to distant markets.

The development of the Jordan Valley as a tax and customs free, trilateral manufacturing and commerce center will transform the valley into a peaceful economic corridor. This corridor would be declared a demilitarized zone. The Jordan Valley Development Bureau and the he Confederate Bureau for the War on Terror would maintain responsibility for law enforcement and security in the corridor.

The Jordan Valley has great potential to flourish as a commerce and manufacturing center, located in close proximity to more than 300 million consumers. Its location is ideal for the transportation of goods to markets throughout the Middle East. Developing the Jordan Valley as the tax and customs free manufacturing and commerce center of the Middle East will create more than 20,000 new jobs, on all skill levels. This peaceful economic corridor will serve as a mechanism to narrow the socioeconomic gap between Israelis and the residents of Palestine and Jordan. From this perspective, the Jordan Valley will serve not only as a defense border, but also as a mechanism for increasing the per capita incomes of Palestinians and Jordanians, a strategic interest of Israel of the highest degree.

In such a way, the Jordan Valley will be transformed from a political and security problem, to an effective dam, to stop the flow of fundamentalism and terrorism in the region.

In order to develop the Jordan Valley as an industrial tourist center of international proportions, an international economic conference should be held, with the participation of the heads of large multinational corporations. It will evolve into an international steering committee with worldly economic interests and the power to draw investment to the region.

inaugurated jointly by the World Bank and the Confederate Presidency. The international economic conference may then meet every year or two to advance the four regional development enterprises, part of the trilateral confederation proposal. If so, this international economic conference would work to develop the Israeli-Palestinian-Jordanian economic corridor in the

The governments of Israel, Palestine, Jordan, and the Confederacy would have to facilitate the development of infrastructure throughout the region. Large sums would be needed to develop the education system and professional training programs at all skill levels, in order to provide quality workers for the many new jobs throughout the Jordan Valley.

The Jordan Valley will be used as a model for international economic cooperation in the Middle East, and it can be assumed that the model would be applied to other borders in the world. As is the case with the proposal for development of the northern Dead Sea shore area, the advancement of this trilateral development program only requires a joint decision. The contributions to and implications of such a decision regarding the entire relations would be extremely significant.

From a political perspective, such a decision would remove the expected sovereignty disputes regarding this territory from the agenda. That would

end one of the most bitter disputes among the Israeli, Palestinian and Jordanian peoples. This decision can also be implemented almost instantly, without cause to wait for more problematic disputes to be settled. An immediate decision on this matter would enable the operations of the Jordan Valley Development Bureau to serve as a pilot for the imminent establishment of other bureaus, and the eventual full operation of the Confederacy.

The residents of the Jordan Valley, on both sides of the Jordan River, will be among the first direct beneficiaries of this trilateral economic and political alignment, and it would be best to include them in planning discussions from the very beginning.

From the perspective of Israeli security, the development of the Jordan Valley as a demilitarized commercial and industrial zone would be the best way for the territory to serve its strategic purpose as a security border of Israel.

The same holds true for Jordan, which will not have to fear that a Palestinian - controlled Jordan Valley would stimulate the Palestinianization fundamentalists with nationalist aspirations. Such elements, in the hopes of uniting the Palestinians on both sides of the Jordan River, might otherwise use the Jordan Valley as a base of operations for terrorist acts in both Jordan and Israel.

The Palestinians would also approve of such a political-economic settlement of the Jordan Valley question, which would expedite the rehabilitation of thousands of Palestinian refugees on both sides of the Jordan River.

The development of the Jordan Valley as a trilateral employment region would serve as a mechanism for the rehabilitation of Palestinian refugees on both sides of the Jordan River, thus making a valuable contribution to the GNP of Palestine, and the Palestinian per capita GDP. Thus thrusting the Palestinian communities on both sides of the Jordan River ahead, as one of

The income tax revenues of Palestinian workers at the Jordan Valley factories and businesses will contribute to the development of modern homes and services throughout Palestine, in both the West Bank and Gaza Strip.

Jericho Valley Development

The third program proposed in the framework of the strategic development of the Confederacy is in Jericho Valley, transforming that area into a commercial and tourist district.

The projects included in this developmental project are the following:

- An international airport, jointly controlled by Israel, Palestine and Jordan, including a confederation airline, using this airport as its base;
- A commercial corridor of more than 500 businesses, including large chain stores;
- Shopping malls adjacent to visitor centers, representing all the countries of the Middle East;
- A hotel and motel district, with accommodations on all price levels;
- Operation of the currently inactive Ormat Solar Power Plant, at the northern Dead Sea;
- A highway and high speed railway between Jerusalem and Amman, crossing this commercial district;
- A Middle East university-level institution for commercial and tourism studies;
- The proposed Headquarters of the Confederacy

The entire Jericho Valley would gain recognition as a Middle East free trade zone. The winning bidders of the international tender for the project will carry out the construction of the Confederate Headquarters. The business potential of the Jericho Valley development program is enormous.

The suggested project would be located half way between Jerusalem and Amman, half an hour driving distance from a population over 4 million.

One should consider the large number of tourists expected to visit the nearby casinos on the northern shores of the Dead Sea, and the economic corridor to be established the entire length of the Jordan Valley, the business potential is much greater.

Similar to the development projects in the Jordan Valley and on the northern shores of the Dead Sea, the Jericho Valley program will stimulate enormous economic growth and create tens of thousands of jobs for Palestinian refugees that will find work in the commercial and tourist centers of the area. A confederate bureau to be established for that purpose will coordinate the project.

The fourth proposal included in this strategic development program is to about which there has been much discussion. No steps have been taken to build the canal, other than emphasizing its high costs.

A field survey of the proposed project, conducted by an independent French company, estimated the costs at approximately \$5 billion. There is a great deal of doubt in the combined abilities of Israel and Jordan to raise such capital for the construction of the canal. Anyone who thinks that Israel and Jordan can afford the enormous costs of construction is making a miscalculation.

The only way to raise the funds needed to construct the waterway is to distribute properties of various sizes along the route to international contractors and developers, each company constructing part of the canal on its property. In exchange, the companies would receive exclusive rights to the development of the land on his property, on both sides of the canal. This would include large-scale profitable projects, such as residential developments, vacation villages, fishing pools, tourist attractions, technological parks, shopping centers, and tax-free agricultural endeavors.

large amounts of salt water. It would seem appropriate to allow these

developers to use the salt water to create small lakes, around which residential and vacation homes, hotels, shopping centers, and tourist sites can be built. The role of the Israeli and Jordanian governments will be in granting guarantees for bank loans to contractors, and in the distribution of the land on both sides of the canal to developers.

Like projects proposed for the Jordan Valley, the northern Dead Sea, and Jericho Valley, Israel and Jordan will have to make the far-reaching joint decision to distribute land on both sides of the border to Israeli, Jordanian, Palestinian, and multinational corporations that will do the work. The responsibility for attracting and contracting Israeli, Jordanian, Palestinian, and multinational corporations, working with all of them to build this binational waterway will be that of a special confederate bureau for that purpose.

The construction of such a canal would be expected to cause the flourishing of dozens of new villages for thousands of families, along the length of the Arava. The result will be partnership the entire length of the Arava, which upon its completion will include 4

o settle its southern region. It is a golden opportunity for Israel to settle tens of thousands of families in the Arava. On both sides of the canal, it will be possible to build solar power plants, including the *Arubot HaSherav* project, initiated by a team of leading scientists from the Technion, headed by Prof. Dan Zaslowsky, to produce large amounts of drinking water and electricity.

Starting Small and Modest

In the beginning, small and modest steps must be taken. The canal has to be developed in a controlled and careful, systematic way, as a long-term economic program. This project can be seen as a program to build an

is a multi-purpose trilateral program that will deepen the relations among Israel, Jordan and the Palestinians.

The Israeli-Jordanian Riviera in the Arava will not only serve the tourists of those countries, but also the development of marine and desert agriculture on a larger scale. Not coincidentally, it will also contribute to the Palestinians. The Jordanian villages that will spring up along the canal will provide an opportunity for thousands of Palestinian refugees to begin a new chapter in their lives on the Riviera.

at

enormous. The canal project will contribute to the rehabilitation of thousands of Palestinian refugees, the growth of the confederate economies, and the per capita GDP of Israelis, Palestinians, and Jordanians. The success of the project will encourage similar development ventures in other areas, such as the Sinai Peninsula, the Gulf States, Saudi Arabia, southern Egypt, and Iraq. This is the sort of dramatic development needed to of Middle East economies close to the levels reached in Europe.

business aspects.

The strategic and technological advantages alone make the bold financial venture worthwhile. From an economic perspective, the enterprises that will be integrated with the canal are estimated to turn over \$10 billion annually. Some 10 million new jobs would be created, on both sides of the canal.

Confederate Water Resources

Cooperation at the highest levels is necessary, in order to assure ample water resources for the residents of Israel, Palestine, and Jordan in the coming century. The only alternative is conflict over control of existing and thinning water resources, severely damaging relations. Anyone wishing to torpedo any chances of signing a permanent settlement with the Palestinians, thereby destroying the entire peace process, needs only to exert

The other option is to jointly tap additional resources that will supply unlimited water to all the member states of the Confederacy, at a reasonable price.

As a first step in dealing with this complex issue, we propose the establishment of a bureau of water resources, in the framework of the Confederate Commission. It will be responsible for the development of new resources that will speedily solve the sharp conflict between Israelis, Palestinians and Jordanians over the use of water. A world-renowned professional in the field will head the bureau, assisted by a bureau taskforce consisting of 30 experts, 10 from each of the member states. The senior staff of the bureau will include a director and deputy director representing our confederate partners.

If there is one Middle East conflict that is widely spoken of, and relatively easy to resolve, it is that of the lack of ample water resources to meet the needs of all parties.

Learning from Turkey, Libya and Egypt

When it comes to grandiose development projects, it is worthwhile to learn from the experience of Turkey, Libya and Egypt, all of whom built large-scale mechanisms to tap water resources.

Turkey is implementing a \$20 billion project to construct 22 dams, which will enable the irrigation of millions of acres of land in southern Turkey. Egypt is implementing a \$2 billion project to direct water from the Nile

River to an artificial delta in southern Egypt, which they believe will enable the settlement of 5 million Egyptians residents in the area. Egypt has initiated a project on a similar scale in the Sinai Peninsula. President Muamar Qaddafi of Libya has initiated the construction of a \$27 billion

Several proposals have been drawn up, and Jordanian water issue. All rely on the use of purification plants to create large amounts of water for drinking and irrigation. The northern canal, represented for many years by the late engineer, Shlomo Gur, proposed construction of a waterway from the Mediterranean Sea to the Jordan Valley, through the Jezrael Valley. The southern canal proposal suggested a waterway from the Mediterranean Sea to the Dead Sea. A third proposal suggested a canal from the Red Sea to the Dead Sea.

These programs are sufficient to solve the water shortage of Israel, Jordan, and the Palestinians. Still, if the implementation of even one of the proposals were contingent on government funding, not one would have a chance at execution. The chances are slim that Israel, Palestine and Jordan would be willing to cooperate with other governments to initiate a project of such large proportions. The chances are also slim that a large multinational concern would be willing to enter into such a huge endeavor.

Another design that has captured much interest, proposed by the Israeli Boaz Wachtel, suggests building a waterway from Turkey to the Dead Sea, through Damascus and the Golan Heights. Such a waterway would provide an ample supply of water to Israel, Palestine, Jordan and Syria, and run through the Golan Heights, providing a buffer in case of a sudden Syrian tank attack against Israel.

A comprehensive peace settlement with Syria and Lebanon would be necessary to implement such a proposal. As negotiations progress, we will be able to focus more attention on this proposal.

Water Policy: North and South

There are several simultaneous, comprehensive, strategic proposals for the development of alternative water resources. The best chance for any water

resource development project to succeed is in the framework of trilateral confederation. The right way to actualize such a strategy is through two

to the northern and southern regions of the Confederacy.

In the northern Confederacy, developmental programs are based on the joint use of existing, fresh water sources in northern Israel, Syria, and Lebanon. The water supplies of north-eastern Israel, northern and central Palestine, and northern and central Jordan would be gathered from northern waters, among them the Jordan and Yarmuk Rivers, the Sea of Galilee, rainwater reservoirs and other sources.

Simultaneous projects in the south would develop alternative water resources that would cease dependence of the southern Confederacy on water from northern Israel, Syria and Lebanon. Large quantities of water, today brought by the National Water Carrier from northern to southern Israel, can be redirected to destinations in central Israel, northern and central Palestine, and northern and central Jordan.

The implementation of simultaneous northern and southern water projects is made possible by the existence of large, untapped salt-water supplies in the Negev desert, Dead Sea area, and on the Israeli and Jordanian sides of the Arava. This water supply can be desalinized and used for to create a series of artificial lakes throughout southern Israel, the Gaza Strip, and Southern Jordan. Desalinization plants, built adjacent to each of these lakes, would purify the salt-water to supply drinking and irrigation water to the southern Confederacy, while salt and mineral-rich water would be used for crops, fishing pools, marine agriculture, vacation villages, residential developments, and technological parks.

The cost of digging each of these artificial lakes, an area of 100,000 square meters, is estimated at \$5 million. The cost of a desalination plant that will produce 500,000 MCM/year of water annually is estimated at \$500,000 (cheaper for underground brackish water).

Annual per capita consumption is estimated at 100 cubic meters of water. Based on this calculation, a desalination plant is able to produce at least enough water for 1,000 families, totaling 5,000 people, possibly enough for 2,000 families. At each drilling station, desalination is said to yield

approximately 80% drinking water and 20% salt water, for lakes and economic ventures.

The construction of dozens of such lakes, each one adjacent to a desalination plant and a salt-water pond for tourists and vacationers, marine and desert agriculture, housing developments, industrial parks, and cultural centers, will drastically reduce dependence on the fresh water brought from northern Israel to the south. Furthermore, it would allow further cultivation and population of the Negev, the Israeli and Jordanian Arava, the southern Dead Sea region on both sides of the border, and along the length of the Gaza Strip.

This water resource development project would be seen as an impressive testimony to international cooperation, make a lasting contribution to the people of the region and the states of the Confederacy, and provide a model for the entire Middle East.

The Southern Water Resource Development Project

The southern water resource development project also requires a new fund raising approach. The advantage of this project is that large investors in Israel, countries in the region, and throughout the world can fund it. Contractors, investors and developers can fund a lake, desalination plant, and salt-water pond, in exchange for private building rights on the adjacent area, including housing developments for up to 1,000 families, vacation villages, and other ventures.

The role of the State in the project in each of its locations will be the distribution of land and building permits to contractors at symbolic prices. From a business perspective, this project will develop into a wealthy enterprise, and create many long-term sources of tax revenue.

A Seawater Carrier for Lakes in the Negev Interior

In addition to proposals to form artificial lakes using Negev salt-water, it has been suggested to construct a water carrier from the Mediterranean Sea to the Negev interior. A seawater carrier would enable the construction of

small desert ponds, or perhaps a large seawater lake, encouraging the seawater lake would provide fresh drinking water and saltwater needed for various industries, throughout the Negev.

dom canal would also provide fresh water and saltwater sources for residents and industries of the Arava, on both sides of the Israeli residents, tourists, commercial activities, manufacturing, and agriculture.

The supply and sale of purified water to Negev residents, using the additional source of income for canal investors.

Private Investors Funding Multinational Development

The outstanding economic advantage of this approach is that the vast majority of funding for water resources will come from major investors in Israel and abroad. Investors will fund lakes and adjacent desalination plants. The dominant business component of this project in each of its lake front locations is the construction of residential developments, offering investors immediate profits. In turn, some of these profits would be invested in the canal project, lakes and water purification facilities.

On this basis of this approach, the governments of Israel, Palestine and Jordan do not have to budget large sums for the construction of the southern water resource development project. Their primary role will be the distribution of land and building permits, and the provision of tax breaks for investors.

This project is also relatively easy to implement; perhaps beginning with a small-scale, experimental station in the Negev initiated by Israel. The success of one or two small stations will pave the way for large-scale implementation of the entire program.

The Confederate Energy Bureau

There is much to be said of the potential for confederate cooperation in the field of energy production and circulation. This would be the function of a Confederate Energy Bureau. Joining efforts in the field will benefit the economies of member states in various areas, reducing dependence on foreign sources.

The Energy Bureau will work in the economic interests of the Confederacy, to develop independent energy resources within its territories. The energy source of primary concern to the operations of the bureau is solar energy. The goal would be to transform the solar energy capabilities of the Confederacy to that of one of the world leaders in the field.

Developing this clean energy industry will require a comprehensive program for the construction of hundreds of solar energy plants, in villages and cities throughout the desert and mountainous parts of the Confederacy, mostly in the southern regions of Israel, Palestine and Jordan. The bureau will coordinate a special effort to establish new solar cities, in which all of the energy needs of residents are supplied by solar energy.

Solar energy will become one of the chief priorities of the Confederacy, through a series of decisions by the Confederate Commission, in coordination with the Ministers of Energy in each of the member states. The policies of the Confederacy will provide for the free distribution of land in desert regions, for the construction of solar-powered homes and towns. Likewise, tax reductions will be awarded to developers and homeowners by each of the member states, facilitating the integration of solar energy throughout the Confederacy.

Israel, Palestine and Jordan have a common interest in a united solar energy policy, giving preference to the wide use of solar energy. This confederate solar energy policy will include incentives for companies that contribute to the designing, manufacturing, and marketing of solar energy installations. Solar energy can be used to power the desalinization of seawater, the purification of rainwater, vehicles and transportation systems, public structures, hotels, schools, hospitals, universities, recycling plants, factories, and even entire industrial parks.

A Confederate Solar Energy Plant at the Northern Dead Sea

One of the responsibilities of the Confederate Energy Bureau will be to construct and operate a solar energy plant at the northern Dead Sea, for use by Israel, Palestine and Jordan.

Other Energy-Harnessing Facilities

Another energy source of great interest to the member states of the Confederacy is electricity. The following is a proposal for the construction of electric power plants for the joint production and distribution of electric power to Israel, Palestine, and Jordan.

The southern Hebron hills, the Upper Galilee, the Samarian Hills, mountainous regions of Jordan, and other areas of the Confederacy have great business potential for the construction of electricity-generating windmills. The proposed electric power generators are economically viable because they would be common to Israeli, Palestinian and Jordanian towns. On the basis of this approach, we encourage the construction of dozens of such power plants throughout mountainous and desert regions of the Confederacy.

Only within the framework of constructing energy-harnessing facilities for entire districts, for use by Israeli, Palestinian and Jordanian towns alike, can this proposal be made economically viable to major investors and multinational corporations.

A technological park specializing in the construction and marketing of electricity generating windmills, a confederate university institution, a research laboratory, commercial centers for the sale of wind-power related instruments, and a wind-power visitors center can all be part of the project.

Over the long term, the Energy Bureau will judge the viability of building hydroelectric power plants for the member states of the Confederacy.

Another subject for examination by the Energy Bureau is confederate cooperation in gathering the raw materials needed to generate electricity, such as natural gas, oil, and coal.

The Energy Bureau Taskforce will include the best experts in the field, and representatives of the large companies operating in Israel, Palestine and Jordan. The Confederate Energy Bureau can be one of the first bureaus to be established, since the possibilities of cooperation in the field are abundant.

The Confederate Bureau for the Advancement of Medicine

The medical field is one of the areas of enormous potential for cooperation between Israel and the Arab nations, Palestine and Jordan first among them.

Israel is considered one of the most advanced leaders of the world in the medical field. Life expectancy figures in Israel are among the highest, and medical services are among the finest. The recent wave of immigration from the former USSR states brought an abundance of medical professionals on all skill levels, including more than 10,000 doctors, and additional 10,000 medical and paramedical professionals. The remarkable bounty of doctors and medical professionals from the former Soviet Union is apparent in every medical institution in Israel. In Israel Medical Studies are in high demand. Demand is not proportional to supply. The high number of youngsters accepted to medical schools is still small compared to the number of those registered.

On the basis of the high potential of the Israeli medical field, and the quality of medical personnel in Israel, it is possible to develop a progressive, trilateral, confederate medical system throughout the member states. The medical field is one of the most worthwhile areas for Israel to invest in the development of confederate cooperation. Israel would do right to develop the entire Confederacy as the medical capital of the Middle East, and in so doing, make this one of the primary goals of the Confederacy.

Geographic Location for the Medical Capital of the Middle East

The location of the Confederacy in the center of the Middle East, and the outstanding quality and quantity of medical personnel in Israel are perfectly conducive to the realization of the confederate Middle East medical capital vision. Realization of the vision of the Confederacy as the focus of world

medical advancement; The development of the Confederacy as the Middle East medical capital will be a primary task of the Bureau for the Advancement of Medicine.

Confederate Hospitals

The proposed project for the advancement of medicine as a primary goal of the Confederacy entails the establishment of a network of dozens of hospitals throughout the member states, open to patients from anywhere in the world. These confederate hospitals would be located in the Negev, Gaza, northern Jordan, Nablus, Hebron, Amman, western Jerusalem, and eastern Jerusalem. All of the hospitals that are associated with this confederate network will welcome patients from throughout the Confederacy, the Middle East, and beyond.

Together with the establishment of a confederate network of hospitals, we propose the establishment of high schools and colleges for Medical Studies, to benefit students from throughout the Confederacy and beyond.

Likewise, we propose the initiation of a medical technology center, bringing scientists from throughout the Confederacy together, and a Technical Institute for Medical Research and Development. Also, an industrial park for the manufacture of medical products, a commercial center for the sale of medaproducts, medical services, and regional clinics for all specialty fields of the healing professions, including emergency services.

A New Field: Medical Desert Agriculture

Another area of interest, worthy of confederate cooperation and funding by the member states, is the development of large-scale agriculture specifically for healing herbs and nutrients. Development would focus on the development, large-scale reproduction, and sale of natural food products that prevent health problems such as high blood pressure, heart disease, and other common human ailments.

Preferred Status for Confederate Medical Institutions

If the Bureau for the Advancement of Medicine functions properly, we envision the development of a progressive confederate medical system, to include the advancement of medical research concerning physical disabilities, organ dysfunction, mental, emotional and chronic illness.

In order to realize the vision of the Confederacy as a Middle East and world capital of medicine, we suggest that each member state issue special preferred status to institutions that are established by local initiation with the support of multinational corporations, including tax reductions. The member states will provide assistance by providing free land for the construction of medical-related institutions, funding professional training, and guarantees for bank loans to investors.

Medical Advancement as a Means of Confederate Development

It can be expected that these international medical centers and advancement projects will create more than 50,000 new jobs throughout the Confederacy, on all skill and income levels. More than 100,000 students would study each year at the various educational institutions to be established, adjacent to new places of work.

The development of Medical Studies curricula for high schools and colleges throughout the Confederacy will be one of the important roles of the Bureau for the Advancement of Medicine, maintaining uniform standards throughout the member states. The bureau will make special efforts to ensure that the teaching staff of educational institutions include Israeli, Palestinian and Jordanian teachers and lecturers.

Another function of the bureau will be coordination of seminars and workshops on medical issues for the adult citizenry of member states. The bureau will also encourage and support the growth of medical industries and services throughout the Confederacy by funding projects in all fields of medicine.

The bureau will be headed by well known medical professionals from Israel, Palestine and Jordan, together with a bureau taskforce of 30 members, 10 representatives of each member state. These representatives will be chosen from the various sectors of the medical field, including hospital administrators, outstanding individuals from academia, medical professionals and paraprofessionals, medical industries, marketing and sales representatives of medical products, companies that produce healing herbs, doctors in every field, and more.

The advancement and realization of the confederate medical vision does not require complicated and endless clarifications. International consensus regarding the humanitarian nature of medicine will enable wide agreement to joint action.

Closing the Medical Gap

The realization of the confederate medical vision will benefit all of the residents of the Confederacy, becoming an initial effective mechanism for strengthening the Confederacy. Confederate developments to raise the life expectancy throughout the Confederacy, to assure quality medical services for the entire population, this is an attainable confederate goal worth striving for. This is not a political subject encumbered by strife and ideological difference. Rather, it is a field of cooperation of which the fruits of labor are guaranteed to have far reaching humanitarian, economic and social implications that will award popular support to the idea of trilateral confederation.

To advance the medical vision, the leaders of Israel, Palestine and Jordan, together with the Confederate Commission, must establish the Confederate Bureau for the Advancement of Medicine, without delay, equipping it with the appropriate budget to begin operation and assure immediate results upon its establishment. Israel would do well to fund the larger part of the budget, together with foreign aid from western countries and Jewish contributions from throughout the world. Within a short time, the medical gaps among Israel, Palestine and Jordan can be closed.

Bureau

Jerusalem is one of the main obstacles on the road to a permanent peace

Indeed, it is one of the most deeply emotional, religious, and historical issues remaining. Finding an agreed formula for the status of eastern Jerusalem will pave the way to a successful end of negotiations, and the signing of a final peace agreement. In the framework of trilateral confederacy, it would be possible to formulate an agreed solution to the question of Jerusalem.

On this complicated issue, Israel is entirely united in its uncompromising position that Jerusalem must remain one unified city, under full Israeli

and the leaders of the Arab world feel differently. The head of the Palestinian Authority also firm in his position that East Jerusalem must be the capital of Palestine.

What is needed, is the formulation of a new vision for the future of Jerusalem, common to Israel, Palestine and Jordan. According to this vision, Jerusalem will remain united, but will be recognized as the capital of two nations.

Two Municipal Governments in Jerusalem

East Jerusalem will be recognized as the capital of Palestine. However, the city will remain unified and without any separation between its two parts. The novelty of this approach is the establishment of a Palestinian municipality and capital in eastern Jerusalem.

be responsible for the overall development of Jerusalem, focusing on the development of a number of defined fields.

In other words, two municipal governments will be in operation in Jerusalem. One Palestinian, and one Israeli. In coordination with these two
lem Development Bureau will

be established, responsible for the development of the entire city, preserving its character as a unified city, without separation between its Palestinian and Israeli inhabitants.

The unified Jerusalem development bureau will be headed by a bureau task force of 30 — 10 Israelis, 10 Palestinians, and 10 Jordanians. The bureau will be responsible for initiating and implementing development projects in the city that will ensure the economic prosperity of the entire city, and will deepen cooperation among the different populations in the city.

Development would be focused on fields of cooperation such as the quality of the environment, tourism, transportation, medicine, computerization and communications, culture, education and youth, sport, recreation, and more. In each of these and other fields, the joint bureau will initiate projects, raising the funds necessary for their implementation.

It can be expected that the Palestinians will agree to such a dual structure for Jerusalem. This will pave the way to the transfer of all foreign embassies in Tel-Aviv to Jerusalem. The same is true for foreign embassies to Palestine, presumably to be established in eastern Jerusalem.

The transfer of embassies from Tel-Aviv to Jerusalem would result in the transfer of over 200 embassies from Tel-Aviv to Jerusalem, and a similar number of foreign nations would build embassies to Palestine in East Jerusalem.

In such a way, more than 400 foreign embassies and international organizations would be located in Jerusalem, including dozens of multinational corporations. This will bring tens of thousands of new jobs to Jerusalem. In other words, the primary consideration regarding the recognition of eastern Jerusalem as the capital of Palestine is the prior knowledge that over 100 embassies to Palestine will be built immediately upon its establishment as a state.

The governments of Israel and Palestine will have to assign the appropriate land plots for each of the foreign embassies to be built, and the offices of multinational corporations and international organizations that will begin operations in Jerusalem.

This developmental project is sufficient to create more than 10,000 new jobs throughout the Confederacy. These embassies will bring new beauty to the city, during the day and at night. The number of restaurants, nightclubs and commercial centers throughout the city will grow far beyond its current proportions.

An additional project proposal is to build huge medical complexes, integrating the Hadassah Hospitals in Ein Karem and Mt. Scopus. The goal of this project is to advance the medical and health care professions as one of the dominant fields in Jerusalem. These medical centers will encourage the growth of medical high schools adjacent to them, a medical industries park housing dozens of factories for medical products and pharmaceuticals, a commercial center for the sale of medical products and services, a medical business center, medical schools in all the fields, and more.

City of Universities and Embassies

We propose to offer free university education in both East and West Jerusalem. In western Jerusalem, we propose the establishment of a world Jewish University, at which more than 50,000 students would study the sciences and university disciplines. Similarly, a university will be established in eastern Jerusalem, attended by more than 50,000 Palestinian, Jordanian and other Arab students.

In such a way, Jerusalem will be transformed into a city of universities and embassies,

The Jerusalem Development Bureau will also facilitate meetings and events to bring the various sectors of the city together, such as the schools, the bodies responsible for the advancement of innovative waterworks projects, and more. The Jerusalem Development Bureau will also coordinate the development of public transportation system in the city, including a railway directly connecting eastern and western Jerusalem.

Labor and Employment on Both Sides of the Jordan River

The total labor force of the member states of the Confederacy is estimated at 5 million workers. The number of unemployed is above 600,000. In Israel the number of unemployed is approximately 200,000, in Palestine 100,000, and in Jordan 300,000. A large portion of the work force in Palestine and Jordan works in the public sector, agriculture, and labor-intensive industries, with a significant percentage dependent on sources of employment in Israel and oil-rich countries.

Under these circumstances, the Bureau of Employment and Labor will concentrate on creating new job opportunities, developing a comprehensive system of colleges for professional training, and assuring a minimum wage to Palestinian and Jordanian workers, close to the average wage of Israeli workers.

Confederate Professional Training Colleges

The challenge of the Bureau of Employment and Labor during its first years in existence will be the development of a network of confederate professional training colleges, and initiating new projects to increase the number of new jobs in Palestine and Jordan.

To that end, the bureau must be encouraged and equipped with the necessary budget to establish and operate regional training colleges in Palestine and Jordan. Fund raising efforts for this purpose should focus on the World Bank, international organizations, and donor nations.

The labor policies of the Confederacy will have to address the issue of training women, encouraging them, and facilitating their entry into the work force. One of the reasons for the low average income per family in Palestine

home. Entry of women to the workforce in Palestine and Jordan will result in a significant increase to per family incomes, buying power, and standard of living. A social revolution requiring a deep conceptual change regarding the place of the woman in Palestinian and Jordanian society is necessary.

Confederate Unemployment Compensation Fund

Another function of the Confederate Bureau of Employment and Labor will be unemployment compensation for the large number of unemployed and supplementary wages for low-income workers. Here too, the potential sources of funding are international financial bodies.

Israel can and must play a vital role in the creation of new jobs for the maximum number of Palestinian and Jordanian workers, since lowering the unemployment rates in Palestine, and the rest of the Middle East is a primary interest of Israel.

Preferential Policies for Workers from Confederate Member States

Another area of bureau operations is the advancement of labor policy that gives preference to workers from the member states of the Confederacy, over foreign workers from outside the Confederacy. Israel must not deter the opening of its job market to Palestinian and Jordanian workers of all skill levels. Likewise, Israel must guarantee that workers in Israel from the member states of the Confederacy receive appropriate wages.

Confederate W

and Jordanian workers receive appropriate wages. The union can and should be a leading force in the struggle against high unemployment rates in Palestine and Jordan. This may sound utopian, but upon the establishment of

comprehensive organization, serving Israelis, Palestinians and Jordanians alike.

Confederate Employment Services

It is a primary interest of Israel to open its borders to the free traffic of vehicles, commerce, and people from neighboring states. Proponents of separation between Israel and its Arab neighbors suggest closing the Israeli

job market off to Palestinian and Jordanian workers, in sharp contrast to the very nature of peaceful, deep, reciprocal relations. Israel must not adopt this futile approach, which precludes cooperation with our neighbors.

The Confederate Bureau of Employment and Labor should include people of outstanding experience and skill in the field of employment, from Israel, Palestine and Jordan. The bureau will hold sessions at regular intervals, to pressure Israel, Palestine and Jordan to adopt confederate policies that will strengthen confederation, and will increase the standard of living and incomes in all the member states.

The Bureau of Employment and the bureau taskforce must be involved in the process of determining the rate of taxes imposed on employees and employers throughout the Confederacy, having a direct effect on the employment status and income levels of workers.

Reaching the Tourism Potential

Trilateral confederacy among Israel, Palestine in the West Bank and Gaza Strip, and Jordan will significantly increase the tourism potential of each of the member states. Their attractiveness to tourists as a confederacy is much greater than the combined attractiveness of each of them separately.

10 million tourists, \$20 billion annual income

Travel packages that will include the special tourist sites of Israel, Jordan, the West Bank and the Gaza Strip will double or perhaps triple the combined number of tourists to the region. It has been estimated that the member states of the Confederacy can draw a combined total of 10 million tourists per year, bringing \$20 billion of annual income.

A Confederate Bureau of Tourism is needed, in order to progress toward this tourist target. First and foremost, the bureau will represent the member states in the world tourism market. A travel package including selected sites in each of the member states would be an attractive offer to potential tourists of all ages.

Confederate Travel Packages

A confederate travel package would offer tourists vacation opportunities transcending a variety of geographical regions, cultures, religions, climates and landscapes. The following is a partial list of impressive tourist attractions:

- The Aqaba, Eilat and Petra areas, including the northern beaches of the Red Sea
- The Dead Sea area
- The Ashdod - Ashkelon
- The cities of the Mediterranean coastline, namely Tel-Aviv, Haifa and Acco
- Jerusalem and its plethora of historical and holy sites
- Amman
- Jericho Valley
- The Sea of Galilee

- The Hula Valley and Naftali Hills
- Northern Jordan
-
- Hebron
- Nablus, Ramallah, and more

There are unique and attractive sites, museums, commercial centers, and recreation in each of these locations, for the enjoyment of any tourist. The trans-border tourist can enjoy some of the most beautiful and unique views in the world. These include the Negev, the Judean Desert, the desert

Jewish holy sites, authentic Middle Eastern markets, modern shopping malls, Arab, Middle Eastern and Western music, museums and archaeological digs from all periods.

In every corner of the Confederacy the tourist can find wonderful sites, hotels, and motels. The Confederate Bureau of Tourism will make inroads in every aspect of marketing and advertising both here and abroad. On one hand, it will strive to advance the tourism industries of each of the member states. On the other hand, it will have to establish a worldwide tourism-marketing network that will benefit the industry on both sides of the Jordan River.

A comprehensive and daring plan for development of the tourism infrastructure, including new hotels, motels and hostels, tourist attractions, broadcasting and commercial centers, special events, conferences and festivals, will be necessary in order to significantly increase both domestic and foreign tourism throughout the Confederacy.

The leaders of the tourism industry should strive for 10-12 million tourists each year. If each tourist spends an average of \$2,000, the confederate tourism industry will turn profits of more than \$20 billion annually, employing more than 100,000 workers

The bureau taskforce would include the ministers of tourism from each of the member states, hotel owners, tourist site managers, administrators of tourism schools, marketing companies in the field, consultants, and more.

Emphasis on Attracting Jewish and Moslem Tourism

It would be wise to concentrate on the development of religious tourism. We must find a way to draw much larger masses of Jewish tourism. Less than 10% of Jews living abroad have visited Israel even once. In addition, we must promote Jewish and Israeli tourism in Palestine and Jordan.

The potential for Moslem tourism is estimated at hundreds of millions from throughout the world. They should be encouraged to visit Jerusalem and other sites throughout the Confederacy. The same is true for Christian tourism.

An additional tourist route is that of winter packages to the shores of the Dead Sea and southern Mediterranean coastline. Specialist winter travel packages can be designed for the East and West European markets.

Confederate Tourism Tax Policy

Another function of the Confederate Tourism Bureau would be to formulate a uniform tourism tax policy for the entire Confederacy. The appropriate tax policy would encourage millions of tourists to come to the region, seeing the Confederacy as a preferred tourist destination.

Singapore and Dubai are good examples of countries that established huge commercial centers, tax and customs free to tourists. Tax reductions can be offered to airlines flying tourists to the member states of the Confederacy.

The quality and cost of food in restaurants also should be taken into account as a factor influencing the attractiveness of the region to tourists.

Confederate Transportation Infrastructure

The state of land-transportation infrastructure throughout the Confederacy is one field that will occupy much of the time of the Confederate Commission. A comprehensive plan will have to be laid, for the development of progressive, cost-effective, and direct routes for vehicles of all sizes and trains, throughout the Confederacy.

One of the first challenges will be the design and construction of wide interstate highways, connecting the various parts of the Confederacy, essential for the cultivation of deep reciprocal relations and cooperation among them. First and foremost, roads and train routes must be developed, to allow the swift and direct traffic of Palestinians in the West Bank, Gaza Strip, and Jordan. Next, the necessary infrastructure for traffic among the major cities of the Confederacy, among them Amman, Jerusalem, Tel-Aviv, Irbid, Gaza, Nablus, Hebron, Eilat-Aqaba, Haifa, and other population centers.

Confederate Parkways

In an effort to meet this strategic confederate target, large sums will have to be invested in the paving of wide and direct highways along the following routes:

-
-
- Irbid
-
-

Similarly, a high-speed railway system should be constructed, to provide quick and easy access among the various population centers of the Confederacy. The first of such railways should run along the Syro-African rift, from Kiryat Shmoneh in the north, to Eilat in the south, serving Israeli, Palestinian, and Jordanian passengers.

Confederate Railways

In the future, this railway route will be extended to connect more distant destinations in Turkey, Syria, Lebanon, and other nations in central Asia, carrying Moslem pilgrims on route to Mecca, Medina, and Jerusalem, and Christian pilgrims on route to Jerusalem, Bethlehem, the Galilee, and the Jordan River.

The Confederate Bureau of Infrastructure would have other functions, among them promoting road safety and the prevention of accidents. Also, the bureau would play a role in the development of commercial and service centers along the routes of confederate parkways and railways.

Confederate Transportation Policy

One function of the bureau will be to prepare for the eventual growth of the number of cars throughout the Confederacy, to the levels of other developed countries. The bureau will also have to maintain a uniform standard of regulations regarding emissions and other environmental issues concerning transportation. The bureau will accomplish this by setting regulations for vehicles traveling on confederate roadways. Furthermore, transportation regulations can charge lower registration fees for more advanced-model vehicles, less harmful to the environment.

An Advanced-Model Vehicle for Every Family

Upon establishment of trilateral confederacy, families should be offered incentives to buy advanced-model vehicles, as part of the promise of higher standard of living. One of the outstanding features of the confederation era should be a vehicle for each family.

The existence of an advanced transportation infrastructure, and high quality vehicles throughout the Confederacy will stimulate investment both by local residents and multinational corporations worldwide, in development projects in the region.

A developed public transportation system will facilitate the distribution of the population among thinly populated areas of the Confederacy, especially desert regions in Israel and Jordan.

The funds for the paving of roads and laying railroad tracks would have to be raised. To that end, consistent economic policies that encourage investment in transportation would have to be adopted. International investors would build the railroad system, and the member states roads would pave the roads, with the assistance of the World Bank, and other international financial institutions, using loan guarantees from wealthier nations.

It is recommended that the bureau taskforce of the Bureau of Transportation consist of the leading transportation experts of Israel, Palestine and Jordan, their decisions in this field binding the Confederate Commission and Presidency.

Confeda-Banking and Finance

The Confederate Bureau of Finance will concentrate its efforts on encouraging the growth of central confederate financial institutions, and on issuing confederate currency.

The Confederate Bank

confederate bank that will raise funds for various confederate development projects. The Confederate Bank will maintain a treasury of more than \$1 billion, which it will use to offer loans for the implementation of large development projects, initiated by the Confederate Commission. The establishment of the Confederate Bank will be funded by loans from several wealthy nations who have interests in the economic development of the Confederacy.

Confederate Financial Center

Exchange, operating as one of the largest stock exchanges in the Middle East. The Confederate Bank and Stock Exchange will be the backbone of a Confederate Financial Center, to be established by the bureau.

This financial center will be the focus of dozens of international banks, foundations, Israeli, Palestinian and Jordanian banks, banks from other parts of the Middle East, various financial service providers, investment firms, and more. In the framework of the Confederate Financial Center, a professional training in economics and finance will be established, welcoming students from throughout the Confederacy.

Confederate Currency

After many years, when the Confederacy is firmly founded and recognized as an economic entity, the Confederate Bureau of Finance will develop a

program to issue Confederate currency, that will be recognized as legal tender along side the currencies of member states.

The Bureau of Finance will also encourage international investment in various confederate development projects, and in the various stock exchanges located in the Confederacy. It will develop working relationships with international banks and financial institutions with local concerns, fostering global interest in the Confederacy.

The bureau task force will include the leading banking and financial experts from throughout Israel, Palestine and Jordan.

Air Traffic Cooperation

The Air and Space Bureau will facilitate confederate air traffic cooperation and participation in space research. As the local standard of living increases, the tourism industry becomes more developed, the security and political stability of the Confederacy become internationally recognized realities, world tourism to the Confederacy will grow exponentially, as will tourism from the Confederacy to the nations of the world.

Therefore, comprehensive confederate air traffic cooperation is essential, requiring the coordination of Israeli, Palestinian and Jordanian air traffic officials. The focus of confederate air traffic policy will be cooperation among the national airlines of member states, and international airlines that fly to and from destinations throughout the Confederacy.

The bureau taskforce will consist of outstanding professionals, businesspersons, and scholars in the fields of air traffic and space exploration, representing Israel Palestine and Jordan.

Space Exploration Cooperation

The Air and Space Bureau will also be concerned with cooperation of Israel, Palestine and Jordan in space exploration and research. The bureau will establish and operate a Confederate Space Agency, facilitating cooperation in a number of areas.

- (1) determining the extent of cooperation in meteorological research and monitoring
- (2) conducting joint research on the possible use of solar power stations in space
- (3) cooperating with foreign space agencies regarding participation in research and exploration
- (4) initiating research and exploration expeditions in cooperation with other Middle Eastern nations and small countries throughout the world
- (5) expanding and investing in the faculties of astronomy and related sciences at universities throughout the member states of the Confederacy

The space agency will provide financial and technical assistance to universities, colleges, and high schools for related studies, facilitate the exposure of youth and adults to the field through community centers, and even operate an air and space visitors center.

The bureau will examine the possibility of establishing a college program for professional training in the air and space fields, in cooperation with similar institutions abroad.

Development of the Gaza Strip Seashore

The operations of the Confederate Bureau of Seashore Development will be focused on projects on the Mediterranean coastline. An initial and critical project of the bureau will be to expand the Gaza Strip by drying out large plots of the Mediterranean seabed adjacent to the Gaza Strip, with the goal of doubling and perhaps tripling the inhabitable land area of the Gaza Strip.

The Gaza Strip is severely overpopulated, with more than 800,000 residents, half of whom are refugees. The per capita GDP in the Gaza Strip is estimated at \$1,000 annually, and the unemployment rate is approaching 30%.

To create new jobs, and to stimulate significant growth in per capita GDP in the Gaza Strip, it has been proposed to initiate a multi-billion dollar confederate development project, essentially drying out large plots of the Mediterranean seabed adjacent to the Gaza Strip, offering significant overpopulation relief to the area.

Gaza Riviera on Artificial Land

The project to dry out plots of the Mediterranean seabed adjacent to Gaza will transform the coastline into one of the most attractive and developed rivieras in the world. The Gaza Riviera can be expected to attract millions of tourists from Western and Eastern Europe, Arab and Moslem nations, year-round. Sections of the expanded Gaza Strip will be developed as a tax-free commercial and tourist district, becoming a thriving shopping and recreational enticement.

One suggestion of scientists from the Technion, is the creation of artificial dry-land extensions or islands, landfills, using the waste of coal-powered factories in Israel.

The bureau taskforce will include experts on the creation of artificial islands and landfills, representing Israel, Palestine and Jordan. If the heads of the Confederacy are not frightened off by the marvelous valor and vision of this proposal, the Gaza Strip Seashore Development Bureau will be one of the most interesting bureaus of the Confederacy.

World Center of Desert and Mountain Agriculture Development

Agriculture is one of the leading economic sectors of the member states of the Confederacy.

Israeli agriculture is world-renowned, known for research and development of new species of crops, irrigation methods, progressive economizing, sophisticated research greenhouses, and the production of large harvests on small plots of land. Agricultural exports represent a large portion of total exports. The economies of Jordan and the Palestinians are considered agricultural, unsophisticated, and significantly influenced by Israeli agriculture.

The potential for cooperation among Israeli, Palestinian and Jordanian agriculturists is enormous. However, some of the cooperation depends on trilateral confederation.

Confederate Agricultural Concerns

Trilat

creating countless opportunities for economic gain. The following is a partial list of ideas:

- Cooperation in raising fish and other livestock, cultivating cacti and other dessert plants, date orchards, citrus fruits, healing herbs, spices, etc.
- Development, production, and sale of fertilizers and soil enrichment material
- Cooperation between the JNF and similar Palestinian and Jordanian institutions, to plant large forests in desert regions
- Joint agricultural research
- Joint marine agriculture ventures
- Common industrial enterprises, for the production of agricultural byproducts
- Common agricultural high schools and colleges

- Joint marketing companies for the sale of crops and agricultural byproducts
- Joint agriculture exhibitions and fairs bazaars
- Cooperation in periods of drought
- Joint development of healing herbs

The Confederacy: World Exporter of Agricultural Products

The Confederate Agricultural Development Bureau should include representatives of the various sectors of agriculture, science, and technology of Israel, Palestine and Jordan.

The establishment of large joint agricultural companies will stimulate the growth of the sector in each of the member states, and in the entire Confederacy. Partnership will transform the Confederacy into one of the leading agricultural powers among the nations of the Middle East and indeed the world.

Trilateral cooperation will facilitate the expansion of agriculture to remote desert regions, the maximum exploitation of saltwater and purified rainwater resources, the general expansion of the agriculture industries of member states, the efficient use of human resources to benefit the entire Confederacy, and the exchange of scientific knowledge and technology.

Confederate cooperation will transform member states from importers to exporters of agricultural products, services and food products, becoming independent of outside supplies of food products. This is the confederate challenge that will be set before the taskforce and personnel of the Confederate Agricultural Development Bureau. The bureau can be among the first to be established in the framework of trilateral confederation, even prior to its formal establishment.

The Desert Agriculture Expertise of Jordan

Israel and Jordan can initiate the long-term development of the southern Jordanian desert, Negev and Arava regions as a world center for desert

agriculture, including the cultivation of dates, grapes, nuts, sabras and other cacti, desert flowers, healing herbs, spices, desert forestry, and more.

The development of Jordanian desert agriculture on the basis of Israeli scientific and technological research would become one of the great symbols of peaceful reciprocal relations developing between Israel and

southern Negev and Jordanian deserts should be the establishment of an
ation specializing in desert agriculture.

This development program can give impetus to the growth of dozens of new desert agriculture villages in southern Jordan and the Negev desert, using
them.

Confederate Industrial Zones

The Confederate Industrial Development Bureau will advance trilateral industrial cooperation, essential in order to bring about a sharp increase in per capita GDP, and a dramatic decrease in unemployment in Jordan, Palestine, and even Israel.

To that end, confederate policy must maintain bold, long-term targets, facilitating massive growth in the range and scale of exports from the member states. The current total of Israeli, Palestinian and Jordanian manufactured exports is estimated at \$25 billion. The confederate vision is to reach a combined total of manufactured exports valued at over \$100 billion annually.

As a means of eventually reaching this bold target, the Industrial Development Bureau should establish a number of confederate industrial corridors. The largest such industrial zone would be established in the Jordan Valley, in coordination with the Confederate Jordan Valley Development Bureau. The Industry Bureau will assist by finding incentives to entice multinational corporations and Israeli, Palestinian and Jordanian companies to invest in factories within the framework of the confederate industrial zone.

Another industrial corridor is proposed for both sides of the trans-Samaria highway, in the West Bank. This corridor too, should be declared a confederate tax and customs free commercial and manufacturing zone. A

border.

Thousands of small and medium-size factories and businesses will be located at each of these confederate industrial zones.

Confederate Industry-Specialized Cities

Another area deserving the attention of the Confederate Industrial Development Bureau is that of industry-specialized cities. The bureau can offer assistance and consultation to cities and towns interested in the local development of a particular industrial specialty.

Namely, the bureau will assist cities and towns wishing to increase the concentration of factories and businesses in a particular industry, such as the manufacture of ceramics, metals, food products, medical products and services, toys, etc.

The bureau might initiate a comprehensive program to facilitate the growth of dozens of industry-specialized towns that, together with the industrial corridors, will become the heart of confederate industrial export. The bureau will locate Israeli, Palestinian and Jordanian cities and towns that wish to develop a specialty in a particular sector of the market.

The bureau will also assist exporters in locating promising new domestic and foreign markets, and will provide training to new Israeli, Palestinian and Jordanian exporters, through confederate educational programs, perhaps following the example of the training colleges established by the industrialist Stef Wurtheimer, and in collaboration with him. The bureau will also facilitate the signing of industrial and commercial agreements with foreign states and related international organizations.

The confederate industrial zones and industry-specialized cities, accompanied by additional domestic and foreign partnerships will facilitate rapid industrial growth of the Confederacy, and the economies of each of the member states.

The bureau task force will include leading industrialists and businesspersons from Israel, Palestine and Jordan, operating as a confederate forum.

Computerization and Communications Development

It has been said that in the information age, the breadth of personal computer use determines the gap between developed and developing societies by those societies. The more households equipped with personal computers in a particular society, the higher the overall standard of living and per capita GDP of that society. The same holds true for the number of communication devices in use, including cellular telephones, faxes and other communication devices.

Confederate Challenge: A Computer for each Household

One of the greatest challenges to the Confederacy and its institutions is the goal to have a PC in every household, raising computerization and communications levels throughout the Confederacy.

Israel is already considered one of the worlds leading nations in the use of PCs and cellular telephones. More than 50% of Israeli households are equipped with both, considered one of the highest rates in the world, and

The computerization and communications advancement of Israeli, Palestinian and Jordanian households is the primary task assigned to the Confederate Computerization and Communications Bureau. The initial project of the bureau will be to equip more than 2 million households with computers, throughout the Confederacy. To that end, the bureau will adopt tax and customs policies that encourage the purchase of PCs.

One of the options of the Communications Bureau is to collaborate with related multinational corporations to offer PCs at bargain prices, enabling the computerization of households throughout the Confederacy.

An Ideal Market for Multinational Computer Giants

Another important function of the Confederate Computerization and Communications Bureau is the advancement of computer and

communications systems for schools, commercial, business, medical and tourist centers, factories, and other economic institutions, throughout the Confederacy.

In such a way the Confederacy will flourish as a potential market, increasing demand for computers in the public and private sectors alike. This will create fierce competition among computer giants, each one wanting a slice of the market. This competition will lower prices significantly, enabling more households and institutions throughout the Confederacy to acquire computers.

A number of multinational corporations can be expected to make large investments of their own to build factories for the manufacture of computers and communication devices within the Confederacy, bringing thousands of new jobs. This subject should be placed on the bureau agenda immediately upon its establishment.

The bureau taskforce will include leading industrialists in the fields of computers and communications from Israel, Palestine, and Jordan.

A \$10 Billion Market

The market for computers and communication devices in the member states is today estimated at a value of over \$10 billion. An estimated 250,000 new jobs can be created in this growing industry, throughout the Confederacy.

The unmistakable conclusion is that this field must be one of the highest priorities of the Confederate Commission, providing the essential funds for the Computerization and Communications Bureau to operate effectively throughout the Confederacy.

Local Computer Manufacturing

In light of the great demand for personal and other computers, it would be highly profitable to build a large for the manufacture of computers, as a collaborative joint investment Israelis, Palestinians and Jordanians, or other multinational concerns. Such a factory should be built in a location accessible by Israeli, Palestinian and Jordanian workers of all skill levels.

A Confederate Computer Factory in the Jordan Valley

With that in mind, the Jordan Valley is an appropriate location for an Israeli the largest in the Jordan Valley upon its endorsement as a tax and customs free industrial and commercial zone. As such, the relative size of the factory and the favorable economic conditions of its location ensure the profitability of the venture.

Confederate Recycling and Environmental Protection

As the standard of living in member states increases, so will the amount of industrial and domestic waste, as well as the need to take concrete steps toward preservation of the environment and preventing pollution throughout the Confederacy. In other words, the member states will have to invest more and more resources in recycling and environmental protection.

Confederate cooperation in the field of environmental protection is necessary, feasible, and economically beneficial. The establishment of the Confederate Bureau of Environmental Protection will enable ecological cooperation in a number of essential areas:

- Large, modern, joint recycling plants, operate on a business basis
- Confederate regulations to prevent ecological disasters, such as air pollution and the pollution of bodies of water
- Elimination of hazardous industrial waste
- Sanitary removal of refuse, and exploitation of its resources
- Purification of waste for the production of fertilizers for agriculture and desert forestry
- Production of domestic devices to compact garbage and compost food debris
- Development of nature sanctuaries in large metropolises

Confederate Education: Environmental Protection

The first and perhaps most important project of the Environmental Protection Bureau must be in education. The bureau can design and promote confederate education curricula on all the issues relating to environmental protection, for all age groups and sectors of the population throughout the Confederacy.

Industrial Parks for Recycling

A second critical role of the Environmental Protection Bureau will be to encourage recycling, and the use of products made from recycled material. Recycling plants will operate on a business basis, on sites close to major

population centers on both sides of the Jordan River. The best way to ensure that this happens, is the establishment of industrial parks for recycling.

The first industrial park for recycling should be located in the southern Confederacy, allowing maximum exploitation of refuse in the Gaza Strip and southern Israel. The second should be located in the Jordan Valley, using the refuse of northern Israel, Jewish and Palestinian Samaria, and northern Jordan. The third location for recycling facilities should be in the Adumim area or in the northern Jordanian Dead Sea region, using refuse from the Jerusalem metropolitan area, Jewish and Palestinian Judea, Aman and central Jordan.

Garbage-Art Sculpture Garden

An third role of the Environmental Protection Bureau will be establishing a confederate college for the training of personnel in science, management and engineering, in the field of environmental protection and recycling, necessary for the operation of recycling facilities throughout the Confederacy. Hundreds of Israeli, Palestinian and Jordanian students will study at this college, and attend its workshops, fairs, conferences and events.

In the framework of the Confederate Environmental Protection Training College, it will also be possible to operate a specialized high school, and develop school curricula for all ages on related subjects.

In cooperation with the college, the bureau can establish a confederate visitor center and exhibition garden, raising public and tourist interest in environmental protection and recycling, including a garbage-art sculpture garden. This will bring together environmental activists and artists from Israel, Palestine and Jordan.

Another area of work for the bureau is the operation of a confederate research laboratory, where Israeli, Palestinian and Jordanian scientists and inventors involved in environmental protection and recycling can exchange knowledge and conduct joint research. An adjacent laboratory, operated on a business basis, will train upstart business initiators in the field.

The bureau task force will include the leading experts in the field of environmental protection and recycling, from Israel, Palestine and Jordan. It

should include industrialists and factory managers, scientists and researchers, the heads of environmental organizations, educators, and public figures.

The bureau taskforce will follow up on the development of recycling plants and other related environmental projects. It will foster positive and productive relations with international environmental organizations and other states throughout the Middle East. The bureau will also seek to serve as a catalyst for the creation of a Middle East forum on environmental issues.

A Confederate University System

The member states should set academia as one of the priorities of the Confederacy. Israel, Palestine and Jordan should work together to encourage and enable all residents to pursue some higher education.

Widening the university-educated segment of the population is one of the conditions for the development of quality human resources, a process that will be continued by multinational corporations and investors in the region. This is a sure way to double the per capita GDP of confederate residents, especially of Palestinians and Jordanians.

The process of making higher education a possibility for more and more residents of the Confederacy requires the establishment of a Confederate Bureau of Higher Education and Science.

university system, institutions of higher education and science, throughout Israel, Palestine and Jordan, including a university and science television station, on the scale of the Open University in Israel.

The university system will integrate students from throughout the Confederacy, the Middle East, and beyond, with some 10,000 students at each institution, focusing on the most important disciplines of the next millenium, including medicine, environmental science, computer technology, communications, education, arts, humanities, etc.

The bureau will operate five universities, in the following locations: the southern Arava, the northern Jordan Valley, the Gaza Strip, eastern Jerusalem, and eastern Jordan, near the Syrian and Iraqi borders. Jewish, Arab and other students will study at each university. The Confederate University will have a central administration, coordinating the operations and educational curricula of all the universities, following the example of Stanford University, of Silicon Valley, California.

Adjacent to each of university, a park for scientific industries will be developed by alumni of these universities and a high school of science and technology for Jewish Arab students alike.

University Towns

Each university, industrial park and high school will give rise to other developments in the vicinity, such as hotels and motels, commercial and service centers, visitor and exhibition centers, museums, and student housing.

As part of the university system, the bureau will operate a television channel for university studies, using the Open University formula. The entire university system will serve 50,000 Israeli, Palestinian and Jordanian students, at five universities in thinly populated areas of the Confederacy. Each of these university locations will develop into a university town.

The bureau taskforce should include leading academic figures from Israel, Palestine and Jordan.

Confederate Bureau of Education and Youth

The Bureau of Education and Youth will be one of the most important bureaus of the Confederacy. It will initiate educational development projects with emphasis on joint youth activities. It will establish a forum of Israeli, Palestinian and Jordanian teachers and youth leaders to develop a confederate curriculum, to be integrated with the school curricula of the various school systems throughout the Confederacy.

Also, the bureau will be responsible for the operation of a confederate educational television station. The emphasis will be placed on literacy, and programs will be targeted to communities throughout the Confederacy. The station will be operated with the assistance of thousands of student interns from the Confederate University.

Confederate Youth Movement

The Bureau of Education and Youth will found a confederate youth movement, with branches throughout member states. The ideology of the youth movement will be the vision of trilateral confederation, organizing joint activities of Israeli, Palestinian and Jordanian youth, operating a confederate youth council, and facilitating close reciprocal relations among the youth of those countries, and other nations throughout the Middle East.

The confederate youth movement will run various programs, including joint summer-camp programs, Arabic and Hebrew language studies throughout the confederacy, and other programs that symbolize peace among the peoples of Israel and Arab nations.

In addition to the operation of a confederate youth council, the bureau will facilitate the establishment of a confederate teachers association, focusing on the mutual interests and challenges of teachers throughout the Confederacy.

The bureau taskforce will consist of leading educators and youth leaders from each of the member states, concentrating efforts on the formulation of trilateral education policy. In general, confederate education policy must aim to globalize the education system of the Confederacy, working in cooperation with education systems worldwide, namely education toward

openness and mutual respect in all areas of life, among peoples on every continent.

Confederate Sports Bureau

One of the first bureaus to be established in the framework of trilateral confederation should be the Confederate Sports Bureau. Sports events, competitions, and leagues with the participation of athletes from throughout the Confederacy will give outstanding, tangible, popular expression to the reality of peace, and the confederate vision.

The bureau taskforce will include leading sports figures from throughout the Confederacy.

Confederate Sports Leagues and Championships

The Confederate Sports Bureau will focus on developing a confederate sports establishment, leagues in every sport, and competition among teams for confederate championships. For example, the bureau will spearhead the formation of a confederate soccer league, with competition for the Confederate Cup. Soccer is the most popular sport in the region, but the bureau will also concern itself with assuring confederate cooperation and competition in other sports, such as basketball, boxing, volleyball, etc.

The Confederate Sports Bureau will devote its attention to bringing Israeli, Palestinian and Jordanian youth together on the sports field. In cooperation with the Education and Youth Bureau, the Sports Bureau will coordinate sports competitions between schools and youth of all levels.

The bureau will arrange trans-border races of various distances and types throughout the Confederacy, such as confederate marathons, bicycle races, and more. Confederate sports competitions will be planned for other less developed sports as well, such as car racing, horse racing, rugby, tennis and others.

It may even be possible to build a confederate stadium for trilateral car racing and other competitions, in the Jericho Valley, drawing spectators

from throughout the member states. The bureau will aim to build other joint sports facilities for use by confederate and international competitors for different sports. Confederate sports leagues will initiate participation of confederate leagues in international competitions in the Middle East and the world.

Perhaps more than any other field of cooperation, confederate sports will demonstrate peaceful teamwork and the fruits of trilateral confederation. It will create an environment of mutual admiration in sports arenas, and bring the hearts of hundreds of thousands of Israeli, Palestinian and Jordanian fans closer.

The Confederate Sports Bureau may be one of the most important instruments of the Confederate Commission.

Confederate Culture and Arts Bureau

One of the most meaningful, attractive, and effective areas of potential exchange and cooperation among Israelis, Palestinians and Jordanians is in culture and the arts. Israeli artists are known for their zealous support of peace in the region, particularly with the Palestinians. In sharp contrast, many Palestinian and Jordanian artists indicate ill will toward the peace process and efforts to arrive at a peaceful settlement with Israel.

The Confederate Culture and Arts Bureau will work to develop an atmosphere of cooperation, collaboration, and mutual respect in the field of art, that will advance the cause of peace on both sides of the Jordan River. To that end, the bureau will initiate a number of confederate cultural and arts development projects.

A Confederate Art Gallery

Possibly the first project of the Culture and Arts Bureau will be the establishment of a centrally located a Middle East art gallery, displaying the pieces of artists from Israel, Palestine, Jordan, and other Middle Eastern countries, drawing more than one million visitors annually.

Annual Confederate Music Festival

Another promising project for the Culture and Arts bureau will be the coordination of a confederate music and dance festival, to be held each year in a different Israeli, Palestinian or Jordanian city. This Annual Confederate Music and Dance Festival will be perceived as an international event, drawing hundreds of thousands of visitors and tourists.

An important function of the bureau will be the establishment of a trilateral forum of artists and performers from Israel, Palestine and Jordan. This forum, consisting of hundreds of artists from throughout the Confederacy, will work to advance cultural and artistic cooperation, formulating joint confederate policies and goals in the field.

Arts. The bureau will establish an art summer camp for young artists. It will also sponsor the performance of musical and theater groups, enabling Israeli groups to perform in Palestine and Jordan, and vice versa. This and other projects will seek to foster and integrate the artistic abilities both amateur and professional artists of all ages.

The members of the bureau taskforce will be selected from the fine and performing arts sectors of each of the member states.

Confederate War on Drugs and Crime Bureau

One bureau that should begin its operations immediately upon the signing of a trilateral confederation agreement is the Confederate War on Drugs Bureau. The bureau will conduct joint operations against the use and sale of illegal drugs, and will implement a comprehensive, long-term confederate program to wean the local population from drug use. The bureau taskforce will consist of outstanding Israeli, Palestinian and Jordanian figures in the war against drugs.

A sharp reduction of illegal drug use in Israel, Palestine and Jordan will significantly strengthen the societies of the three countries, further contributing to the reduction of crime throughout the Confederacy. The affliction of illegal drug use in Israel, Palestine and Jordan is an issue of concern to each of these countries, and therefore it should be addressed trilaterally, as a confederate issue.

Joint Action against Drug Dealers in Lebanon

It is well known that Lebanon is a Middle East center of drug sales, and that a significant amount of illegal drugs are smuggled from Lebanon into Israel, Palestine and Jordan. Therefore, one of the important functions of the

Jordanian cooperation against the flow of drugs from Lebanon to the member states.

At a later stage, the bureau will devise an international strategy to combat the growers and dealers of illegal drugs in Lebanon, Syria, Iran and other Middle Eastern countries, some of whom are encouraged by their own governments.

Perhaps after a few years, the functions of the bureau can be expanded to deal with other types of crime. As such, the bureau will gradually transform into a Confederate War on Drugs and Crime Bureau. An important anti-crime function of the bureau will be to combat the wave of car theft from Israel by Palestinians, who escape unhindered to Palestinian towns across the Green Line. Only a comprehensive confederate anti-theft program can deal with this crime wave efficiently.

The bureau will also combat crime and drug use by taking concrete steps toward the prevention of crime and drug use before it happens. The bureau will not, however, deal with drug users themselves, as this is the internal matter of each of the member states.

Confederate Small Businesses Bureau

Another useful bureau to be established under the auspices of the Confederate Commission is the Small Businesses Bureau. This bureau can be established under the guidance of the widely successful Israeli Small Businesses Authority.

The encouragement of small businesses is an essential component in the confederate struggle to decrease unemployment rates and increase the per capita GDP of each of the member states.

The Confederate Small Businesses Bureau should set as its target, the encouragement of some 100,000 small businesses, mainly family run. Among them, there are some 40,000 in Palestine, 40,000 in Jordan, and 20,000 in Israel. The average investment in a small business is estimated at \$100-200 thousand. As a result, each business is expected to yield an average of three new jobs, creating an estimated 300,000 new jobs throughout the Confederacy, and strengthening the economies of each of the member states.

Small Businesses Stimulate Employment in Villages

The bureau will concentrate its efforts and funds on the growth of small businesses, especially in the less developed villages of Palestine and Jordan, where unemployment rates are particularly high. One of the most effective ways to raise employment rates throughout the Confederacy is to support small businesses in Palestinian and Jordanian villages.

The bureau taskforce will include labor and business experts from Israel, Palestine and Jordan.

Confederate Mercantile Bank for Small Businesses and Industries

A primary task of the Small Businesses Bureau will be the establishment of a confederate bank for the encouragement of small businesses throughout the Confederacy.

The Confederate Mercantile Bank for Small Businesses and Industries and the governments of Israel, Palestine and Jordan will co-sponsor a Confederate College of Small Business Studies, and institutions that provide training and financial backing to small business initiatives, in all sectors of the economy. The bank will also cooperate with large marketing companies to assist small businesses.

The bureau will also work to encourage small businesses that operate out of the home.

An important function of the bureau will be to promote tax incentives, and to develop timesaving and cost-effective methods, to improve the efficiency of small businesses throughout the Confederacy.

Religious Tolerance among Moslems, Jews and Christians

The three great predominant religions of the Confederacy are Islam, Judaism and Christianity. Each of these religions is subdivided into many streams or sects, resulting in a complex myriad of oftentimes-conflicting religious interests. This reality necessitates the establishment of a special bureau, under the auspices of the Confederate Bureau, to cultivate an environment of tolerance among these three religions and their various streams, in each of the member states.

most staunch opponents of inter-religious reconciliation, particularly between Jews and Moslems, both in the land of Israel and beyond. The involvement and participation of religious leaders, to the greatest extent possible, in the development of peaceful relations and the establishment of trilateral confederacy, is quintessential to the success of the peace process.

It is of vital importance that large numbers of religious leaders, including those of the Christian and Druse communities, be recruited and encouraged to lend their support to the development of confederation.

The taskforce of the Confederate Bureau of Religious Tolerance should include a number of religious leaders from Israel, Palestine and Jordan. The bureau will promote communication and rapprochement among religious leaders throughout the Confederacy, emphasizing their commonalities and mutual interests, through workshops and various encounters. The work of this bureau is critical for the cultivation and preservation of peace among the religions and peoples of Israel, Palestine and Jordan.

The Confederate Bureau of Religious Tolerance will play a pivotal role in creating an atmosphere of reconciliation and compromise regarding the sensitive issue of Jerusalem.

The bureau will develop a program to provide accurate information to the general public regarding the various religions, and the benefit of tolerance among them. To that end it will produce films, arrange meetings, and promote activism on behalf of religious tolerance. This will counter the adverse effects of the opposing, sharp, and oftentimes violent protest of extremist religious factions that seek to destroy hard-earned achievements on the road to peace. No less aggressive activities are necessary, by those

interested in inter-religious harmony, than that of those seeking to destroy it in its infancy.

In this context, it would be inappropriate not to note the outstanding activism of Rabbi Menahem Froman of Takoa, who has made gallant efforts to further the cause of dialogue between Jewish and Moslem religious leaders. Rabbi Froman is a fine example of a unique religious personality, active in the pursuit of religious tolerance and understanding between Jews and Moslems, worthy of standing together with outstanding Palestinian and Jordanian religious leaders, at the head of the Confederate Bureau of Religious Tolerance.

Confederate Bureau of Middle East Cooperation for the Establishment of a Regional Economic Commonwealth

For some reason, many in Israel repudiate the immense economic potential of Middle East countries. The time has come to forsake this erroneous approach, which indicates regional and global economic shortsightedness. The economic and political integration of Israel in the Middle East is critical, in order to double the per capita GDP of Israel.

It is not the vibrant North American economy, nor the European market that absorbs approximately 40% of Israeli exports, nor the markets of the Far enable Israel to double its GNP and per capita GDP. Likewise, despite their increasing importance to the Israeli economy, it is not the developing markets of Eastern Europe, but rather the Arab and Moslem markets of the Middle East. Opening the core of these markets to the flow of Israeli products and services would stimulate unprecedented growth of the Israeli economy.

One Billion Arab and Moslem Consumers

There are 44 Moslem countries among the nations of the world, with a sum population of one billion. Twenty million Moslems are residents of developed western countries. The Moslem world stretches over most of the

representing a consumer population of 300 million, stands at \$650 billion annually. The annual per capita GDP of the Middle East stands at approximately \$2000.

Turkey has the highest annual GNP in the Middle Eastern, at approximately \$200 billion. Saudi Arabia has the second highest GNP in the Middle East, at roughly \$150 billion. Israel is third, with a GNP of around \$100 billion. Egypt comes in fourth, with an estimated GNP of \$90 billion. Iran - \$80 billion; Iraq - \$30 billion; United Arab Emirates - \$25 billion; Kuwait - \$24 billion; Syria, Lebanon and Oman - \$15 billion each; Jordan and Qatar \$8.5 billion each; Yemen and Bahrain - \$5 billion; Palestine - \$2 billion;

As stated before, the combined GNP of the Middle East stands at no less than \$650 billion. In comparison to other economic blocs in the world, the Middle East would not plod far behind. The combined GNP of South America is estimated at \$1,000 billion (\$1 trillion). The United States, the 7,500 billion (\$7.5 trillion).

Economic Turnover of \$10 billion

The sum of exports from the Middle East is estimated at \$180 billion annually, compared to imports of \$200 billion. The principle source of revenue of most of the countries in the region is oil and petroleum products, bringing in \$80 billion. One can learn much from a review of the 50 Middle East companies with the largest turnovers.

- Among the 50 largest Middle East companies, only one company, in Saudi Arabia, has an annual turnover of more than \$10 billion.
- One company has a turnover of \$4-5 billion.
- One company has a turnover of \$3-4 billion.
- Ten companies have turnovers of \$2-3 billion each.
- Fourteen companies have turnovers of \$1-2 billion each.
- Seven companies have turnovers of between \$900 million - \$1 billion each.
- Six companies have turnovers of between \$800 - \$900 million each.
- Ten companies have turnovers of between \$700 - \$800 million each.

Other figures reveal the scope of international commerce in the Middle East. The level of international commerce within the Middle East is relatively low, since the local economies do not complement each other well enough. There are therefore too few relative advantages enabling revenue from international commerce within the Middle East. The sum value of international commerce within the Middle East is roughly \$10 billion.

80 Million Workers, 10 Million Unemployed

The total labor power off the Middle East is estimated at 80 million workers, at all skill levels, of which 10 million are unemployed.

- The largest proportion - more than 20 million - are employed in agriculture, representing 20% of the workforce, compared to 2% in the United States and Israel;
- 8% of the Middle East workforce;
- Seven million employed in tourism, commerce and food services;
- The rest are employed in public service jobs, including military and police;

Agriculture, industry and tourism are labor-intensive sectors, offering relatively low wages.

Other figures, relating to trends of development in the region, point to the growth of exhibitions and bazaars. A review of the list of exhibitions and bazaars in 1998 reveals a multitude of professional exhibitions in Egypt, a field that did not exist previously in that developing country. Like in developing countries, most of the exhibitions involved a combination of products and production mediums. The trend toward exhibitions reflects progress in the Egyptian economy.

Lebanon joins the Gulf States as a significant figure in exhibitions. This occurred following the enormous interest of western suppliers in the business opportunities offered by this country, in the process of re-building itself. It is no wonder that many Lebanese exhibitions concern infrastructure, construction, and communications.

The Syrian economy, perceived by many to be lagging far behind, has made surprising developments, including exhibitions pertaining to medicine, refrigeration, heating, advertising, and public relations.

\$500
\$70 billion Spent on Weapons

There is another aspect of the Middle East economy that is not part of the traditional explanation for its failure to flourish. From the years 1995-2000, Middle East countries will spend an estimated \$70 on arms purchases.

Not surprisingly, the Middle East arms market is among the fastest growing markets worldwide. According to the annual report of the International Institute of Strategic Studies in London, the sum cost of arms purchases by Middle East countries in 1996 alone reached \$15 billion, 40% of world arms purchases that year. The largest weapons importer is Saudi Arabia, spending more than \$9 billion in 1996.

These arms purchase figures represent only one component of total expenditures represent 12% of its GNP.

over the last twenty years the oil-rich nations, Saudi Arabia first among them, have invested more than \$500 billion in construction-related financial markets and other investments in developed countries.

These figures provide ample evidence of the enormous growth potential of the Middle East economy, provided they depart from continuous armament and conflict, and embark on a journey of peaceful economic cooperation between Arab nations and Israel, and among Arab nations themselves. This drastic change will require adoption of the economic commonwealth vision for the Middle East.

A Middle East economic commonwealth depends on the establishment of an peace treaties with Syrian and Lebanon.

A Middle East Economic Commonwealth

The establishment of a Middle East economic commonwealth is a definite strategic interest of the region. Realization of the confederation vision and

conomic
commonwealth must remain in sight when conducting final status negotiations.

There is no need to establish an independent multi-billion dollar Middle East investment bank, and multi-billion dollar grandiose projects, in order to promote fruitful Middle East cooperation. The way to a Middle East economic commonwealth is through the critical Israeli political decision to move toward trilateral confederation to the East, and economic commonwealth to the North.

The operative conclusion from this Middle East strategy, is the establishment a Middle East Economic Cooperation Bureau, in the framework of the Confederate Commission.

From Confederacy to Middle East Economic Commonwealth

The realization of the Middle East economic commonwealth vision will depend on the cooperation of Israel, Palestine and Jordan. Initial progress, resulting from cooperation among the nations located in the heart of the Middle East, will stimulate the development of a much wider Middle East economic commonwealth.

The confederation model will serve as an example for the establishment of a Middle East common market. The modus operandi of the Confederacy, to enhance Middle East economic cooperation, will be large-scale developmental projects, with the full participation of the member states of the Confederacy.

The Middle East Economic Corridor

Foremost among proposed Middle East economic development projects is the formation of a Middle East economic, industrial, and tourism zone, along the Syro-African rift, from Turkey in the North, to Saudi Arabia and Yemen in the South. This economic corridor can be developed as a Middle East tax and customs free commercial and manufacturing zone, including the Lebanese Valley, the Hula Valley, the Sea of Galilee area, the Jordan

Valley, the Jordan Valley, the Dead Sea area, the Arava, and the shores of the Red Sea.

Another proposed Middle East economic development project is making the habitation of vast desert territories in the Middle East will transform the region into a world-renowned economic bloc that will compete with other great economic blocs in the second half of the 21st century. It will enable the settlement of millions of residents in the deserts of Egypt, Israel, Saudi Arabia, Iraq, Syria, and the Gulf States.

Desert cultivation and habitation depends largely on the development of alternative water resources, requiring billions of gallons of additional water. This will be accomplished through the desalinization of large quantities of seawater, using energy from new solar power plants, and the construction of water canals to transport the water to the desert interior.

Other proposals include developing a Middle East land transportation system that will cross through these deserts, helping them to develop agriculturally, etc.

The Middle East Economic Cooperation Bureau must concentrate on developing reciprocal relations and cooperation between the nations of the Middle East and those of the Confederacy. The bureau taskforce should include the most imaginative visionaries, and activists on behalf of Middle East development, from Israel, Palestine and Jordan.

The Integration of Israel in the Middle East

The institutions of the Confederacy will make it more comfortable for Arab and Moslem nations to develop reciprocal relations and cooperation with Israel, mainly through Middle East development projects. The bureau approach will include encouragement of joint business and investment initiatives by Israelis, Palestinians, Jordanians, Syrians, Egyptians, and others.

The bureau will facilitate discussions, clarifications and studies, exploring various possibilities for Middle East cooperation. It will arrange regional

and international conferences, focusing on areas of cooperation with the most potential.

Chiefs among the economic priorities of Middle East are reducing unemployment and increasing per capita GDP. Such initiatives will be greeted with excitement, putting the gears of Middle East cooperation in motion, including Israel.

Information

The Confederate Bureau of Communications and Information will function through all available communications mediums and the Confederate Information Center. By communications mediums, we mean the television and radio stations of the Confederacy, the confederate internet site, a confederate newspaper and various other publications, film-strips, etc. The bureau.

The Confederate Bureau of Communications and Information will essentially be responsible for internal publicity of the Confederation. The target population of the bureaus public relations work are the residents of the member states.

The bureau will also manage the public relations of the various institutions of the Confederacy. The dominant modus operandi of the bureau will be the confederate television station, which will function as the primary marketing device of the Confederacy in all areas of life. Other mediums of communications available to the Confederacy include radio.

In addition to broadcasting, the Confederacy will produce publications, filmstrips, video presentations, workshops, etc., on the confederation concept, various confederate developments, founders and heads of the Confederacy, and other related subjects. Likewise, the bureau will organize lectures and informal meetings to promote the confederation concept.

Confederate Press Secretary

The Confederate Press Office will operate as a unit of the Bureau of Communications and Information. The press secretary will speak on behalf of confederate institutions, before regional and international journalists and media. The Bureau of Communications and Information will also be responsible for confederate ceremonies, symbols, and protocol.

The bureau will be responsible for anniversary celebrations of the signing of the trilateral confederation agreement, which will be observed as the day of

the founding of the Confederacy. It will also be responsible for publishing maps of the Confederacy, and statistics regarding all aspects of life.

The bureau taskforce will consist of renowned media and public relations figures in each of the member states.

The bureau taskforce will design a strategic confederate communications and public relations policy. It can be expected that large groups within the populations of Israel, Palestine and Jordan will oppose the trilateral confederation idea. The bureau taskforce will therefore be sensitive to the aggressive tactics of confederation opponents throughout the Confederacy, taking measures to weaken and decrease the influence of the opposition.

The bureau will publish information on the operations of the various confederate bureaus, and will provide public information regarding the proceedings of the Confederate Presidency and Council. In short, the Bureau of Communications and Information will be responsible for image of the Confederacy in the eyes of confederate residents.

The Confederation Idea as a Global Concept

Each of the member states of the Confederacy will remain an independent state in every sense. Each of the member states will maintain a full range of organizational capabilities to conduct foreign policy, based on the existence of embassies and consulates in nations throughout the world, as well as other national institutions.

The Confederate Bureau of Foreign Affairs will operate as a trilateral body, fostering relations between the Confederacy and the international community, in matters pertaining to the Confederacy as a whole. The primary role of the Foreign Affairs Bureau will be to enlist international support for the Confederacy, including investment in confederate projects. The bureau will publish written material, produce videocassettes, an Internet site, and collect information for the foreign media, regarding the Confederacy and its institutions.

The subject of whether confederation negates its components and various disputes both regarding confederation and among various groups in the Confederacy, will attract worldwide attention on a constant intensive basis. In the first few years after its establishment, the Confederacy will be one of the most curious phenomena the world has seen.

One might expect the arrival of heads of state, ministers, presidents of universities and colleges, representatives of academic, political and various other institutions throughout the , wishing to learn from and be close to the small changes of the Confederacy, from its establishment and through its development. The Foreign Affairs Bureau will be responsible for translation of written and other materials about the Confederacy to various languages for use by the international community, and hosting the many honored guests and foreign delegations.

The Foreign Affairs Bureau will dispatch representatives of the Confederate Commission to various regions of the world, as do the European Union and other international organizations.

The bureau will foster a positive relationship with the media.

The bureau taskforce will include those counted among the heads of Israeli, Palestinian and Jordanian government institutions, and those with international contacts.

The bureau will develop working relationships with various functional international organizations, such as those concerned with environmental protection, medicine, literacy and poverty. The bureau might initiate international conferences or events concerning the confederation concept throughout the world.

There is certain to be great interest worldwide, in international meetings about the confederation vision and its chances of success, especially in regions of sharp internal conflict of a nationalist nature, and many will want to learn from, and even duplicate the innovative political and economic model of the Confederacy.