

**A
CLOSER
LOOK**

ANALYZING THE NEWS
THAT MAKES A
DIFFERENCE

**The
Trump
Peace Plan
Partially
Revealed**

DOES “PEACE TO
PROSPERITY” OFFER
ANYTHING OF
IMPORTANCE?



We’ve been waiting for it for a long time, and now we finally got something. Over the weekend, the Trump administration released a 40-page document entitled “Peace to Prosperity,” which sets out a number of programs designed to improve the Palestinian economy.

The administration’s layout of the plan claims, “It consists of three initiatives that will support distinct pillars of the Palestinian society: The economy, the people, and the government.” The three initiatives are actually a series of different projects, focusing on different aspects of the economy. They include everything from creating infrastructure, improving the import-export system, improving the education and healthcare systems, and creating good governance programs and improving property rights.

This plan comes just a few days before the administration will be meeting with government officials and businesspeople from various Arab countries and the US at a conference in Bahrain about the economic plan for peace. That conference has faced strong opposition from the Palestinian Authority, and some countries have refused to attend.

The economic plan, so far, has gotten a good deal of criticism from many experts. As the first concrete part of the Trump “deal of the century” peace plan, the “Peace to Prosperity” may have to do some heavy lifting if the political peace plan will ever have a chance for success.

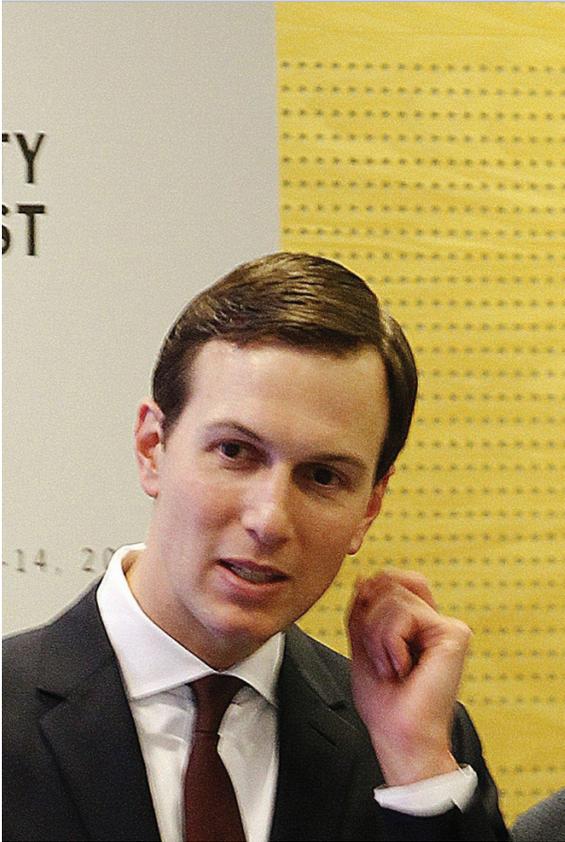
THE BIG BILL

The peace plan brochure that the Trump administration put out goes through a series of broader suggestions about initiatives, interspersed with specific projects with price tags for investment.

For example, the section on the economic foundation for growth discusses policy reform, training programs and the development of human capital, entrepreneurship incubation and support for small- and medium-size businesses. But the only number detailed in the section is on a project of “startup equity-matching and lending facilities,” which calls for “\$100 million in grant equity funding” and “\$300 million in concessional financing.”

Nowhere in the material does the US say exactly where the money for such programs will be coming from. It does give a number that it is looking for, stating that the plan has “the potential to facilitate more than \$50 billion in new investment over ten years,” which would come from \$15 billion in grants, \$25 billion in low-interest loans and \$11 billion in private capital. But it also seems clear that the US isn’t planning to pony up that money itself, instead describing this as

Jared
Kushner



But not everyone is as entirely skeptical about the plan as that. Prof. Efraim Inbar, the president of the Jerusalem Institute for Security Studies, told *Ami* that the plan could be useful. He noted that “having hungry neighbors” is a problem for Israel, and that alone is a good reason to contemplate how to better the Palestinian economy.

“The problem is,” he said, “that the Palestinians are not ready to accept proposals to improve their lives, and it will probably have to wait until the economic crisis bites harder on the Palestinian population.”

Prof. Inbar said that it’s not farfetched to think that there could be investment in such a plan. “Since 1993 the international community has invested a lot of money into the Palestinian Authority in order to improve its economy and infrastructure,” he pointed out. But he also noted that the international community had been reducing its investment in recent years because of concern about where the money was going.

Prof. Inbar added that he believes that any investment should be focused on the Palestinian Authority, and that money should not be directed to Hamas. Whether that would be possible under this plan, which intends to put a large amount of money into Gaza, is unclear.

PROBLEMS

Dr. Michael Koplow, the policy director for the Israel Policy Forum, told *Ami* that he sees several problems with the plan as presented.

For one thing, he said, it really just doesn’t matter what is in the plan without a politi-

cal vision for the Palestinian territories. “No one is going to invest \$50 billion into a territory without a sense of who is going to be governing that territory and what the rules are going to be,” he said. “This could be the best-thought-out economic plan in the world and it wouldn’t matter, without figuring out the politics first.”

Another issue is a practicality problem with numerous details of the plan. “A lot of the things in here depend on overcoming very serious and very legitimate Israeli security concerns. My opinion is that many of these concerns can be overcome, but it lays out this framework as if these things can simply happen, when they can’t.

“For example, it talks about overcoming the obstacles to transportation in the West Bank. Well, the obstacles that it is talking about, but doesn’t name, are Israeli roadblocks. It talks about technology hubs, but Israel only just six months ago allowed 3G access, and we’re now in a world of 5G. It talks about free export and import in and out of the West Bank and Gaza, and it doesn’t talk about the fact that at the moment Israel has import and export restrictions, severe ones, obviously, on Gaza, but pretty onerous ones on the West Bank, too, which it talks nothing about.”

He also noted that it’s hard to imagine countries or investors pouring \$50 billion into a plan that the US came up by itself but isn’t making any commitments to.

Dr. Koplow noted that in the context of Gaza, many of the suggestions in this plan are simply too far ahead. With just 12 hours of electricity a day and problems with the water supply, it’s hard to imagine increasing tourism. And he noted, in fact, that Israel is quietly making improvements on its own, adding the 161 electric line to Gaza last month to help make the electric system more reliable, and treating Gaza’s wastewater and pumping out its sewage.

The Trump administration apparently believes that an economic plan would be enough to get things started. Experts are skeptical, but we’ll see who is right over the next few weeks and months. ●

an international effort, and in fact it doesn’t deliver any specific amount that the US government is planning to give, if any at all.

The Palestinians have made various angry remarks about not being willing to give up their land for money, but so far it’s not clear who is really offering them any money.

THINKING ABOUT THE PLAN

Most well-known experts on the Middle East who were quoted in the media about the plan were not complimentary to it. Amb. Dennis Ross, for example, who worked on Middle East peace for years, told *Jewish Insider* that there “is not a lot that is surprising in the economic plan” and that it is “as if the plan is about laying out a vision and showing how good life could be” if peace were reached, but that it doesn’t suggest how to get to peace.

Even some of those who are generally positive about the Trump administration were dismissive of the plan. Mort Klein, of the Zionist Organization of America, said, “The Arab-Islamic war against Israel was never based on economics; therefore, it cannot be resolved by economics.”

“The Arab-Islamic war against Israel was never based on economics; therefore, it cannot be resolved by economics.”