

# White House's Jared Kushner unveils economic portion of upcoming Middle East peace plan

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WASHINGTON: The Trump administration's \$50 billion Middle East economic plan calls for creation of a global investment fund to lift the Palestinian and neighboring Arab state economies, and construction of a \$5 billion transportation corridor to connect the West Bank and Gaza, according to US officials and documents reviewed by Reuters.

The "peace to prosperity" plan, set to be presented by President Donald Trump's son-in-law Jared Kushner at an international conference in Bahrain next week, includes 179 infrastructure and business projects, according to the documents. The approach toward reviving the moribund Israeli-Palestinian peace process was criticized by the Palestinians on Saturday.

The economic revival plan would take place only if a political solution to the region's long-running problems is reached.

More than half of the \$50 billion would be spent in the economically troubled Palestinian territories over 10 years while the rest would be split between Egypt, Lebanon and Jordan. Some of the projects would be in Egypt's Sinai peninsula, where investments could benefit Palestinians living in adjacent Gaza, a crowded and impoverished coastal enclave.

The plan also proposes nearly a billion dollars to build up the Palestinians' tourism sector, a seemingly impractical notion for now given the frequent flareups between Israeli forces and militants from Hamas-ruled Gaza, and the tenuous security in the occupied West Bank. (For factbox with more on the plan see )

The Trump administration hopes that other countries, principally wealthy Gulf states, and private investors, would foot much of the bill, Kushner told Reuters.

## **FASTFACT**

More than half of the \$50bn would be spent in Palestine. The rest in Egypt, Lebanon and Jordan.

- Some projects would be in the Sinai peninsula, and could benefit Gaza.
- Nearly a billion dollars is earmarked to create a Palestinian tourism sector.

The unveiling of the economic blueprint follows two years of deliberations and delays in rolling out a broader peace plan between Israelis and Palestinians. The Palestinians, who are boycotting the event, have refused to talk to the Trump administration since it recognized Jerusalem as the Israeli capital in late 2017.

Veteran Palestinian negotiator Hanan Ashrawi dismissed the proposals on Saturday, saying: "These are all intentions, these are all abstract promises" and said only a political solution would solve the conflict.

Kushner made clear in two interviews with Reuters that he sees his detailed formula as a game-changer, despite the view of many Middle East experts that he has little chance of success where decades of US-backed peace efforts have failed.

"I laugh when they attack this as the 'Deal of the Century'," Kushner said of Palestinian leaders who have dismissed his plan as an attempt to buy off their aspirations for statehood. "This is going to be the 'Opportunity of the Century' if they have the courage to pursue it."

Kushner said some Palestinian business executives have confirmed their participation in the conference, but he declined to identify them. The overwhelming majority of the Palestinian business community will not attend, businessmen in the West Bank city of Ramallah told Reuters.

Several Gulf Arab states, including Saudi Arabia, will also participate in the June 25-26 US-led gathering in Bahrain's capital, Manama, for Kushner's rollout of the first phase of the Trump peace plan. Their presence, some US officials say privately, appears intended in part to curry favor with Trump as he takes a hard line against Iran, those countries' regional arch-foe. The White House said it decided against inviting the Israeli government because the Palestinian Authority would not be there, making do instead with a small Israeli business delegation.

### **Political disputes remain**

There are strong doubts whether potential donor governments would be willing to open their checkbooks anytime soon, as long as the thorny political disputes at the heart of the decades-old Palestinian conflict remain unresolved.

The 38-year-old Kushner – who like his father-in-law came to government steeped in the world of New York real estate deal-making – seems to be treating peacemaking in some ways like a business transaction, analysts and former US officials say.

Palestinian officials reject the overall US-led peace effort as heavily tilted in favor of Israel and likely to deny them a fully sovereign state of their own.

Kushner's attempt to decide economic priorities first while initially sidestepping politics ignores the realities of the conflict, say many experts.

"This is completely out of sequence because the Israeli-Palestinian issue is primarily driven by historical wounds and overlapping claims to land and sacred space," said Aaron David Miller, a former Middle East negotiator for Republican and Democratic administrations.

Kushner acknowledges that "you can't push the economic plan forward without resolving the political issues as well." The administration, he said, will "address that at a later time," referring to the second stage of the peace

plan's rollout now expected no earlier than November.

Kushner says his approach is aimed at laying out economic incentives to show the Palestinians the potential for a prosperous future if they return to the table to negotiate a peace deal.

White House officials have played down expectations for Manama, which will put Kushner just across the Gulf from Iran at a time of surging tensions between Tehran and Washington.

Kushner, for instance, is calling it a "workshop" instead of a conference, and a "vision" instead of an actual plan. He stressed that governments would not be expected to make financial pledges on the spot.

"It is a small victory that they are all showing up to listen and partake. In the old days, the Palestinian leaders would have spoken and nobody would have disobeyed," he said.

### **Travel corridor**

Kushner's proposed new investment fund for the Palestinians and neighboring states would be administered by a "multilateral development bank." Global financial lenders including the International Monetary Fund and World Bank plan to be present at the meeting.

A signature project would be to construct a travel corridor for Palestinian use that would cross Israel to link the West Bank and Gaza. It could include a highway and possibly a rail line.

The narrowest distance between the territories, whose populations have long been divided by Israeli travel restrictions, is about 40 km (25 miles).

Kushner insists that if executed the plan would create a million jobs in the West Bank and Gaza, reduce Palestinian poverty by half and double the Palestinians' GDP.

But most foreign investors will likely stay clear for the moment, not only because of security and corruption concerns but also because of the drag on the Palestinian economy from Israel's West Bank occupation that obstructs the flow of people, goods and services, experts say.

Kushner sees his economic approach as resembling the Marshall Plan, which Washington introduced in 1948 to rebuild Western Europe from the devastation of World War Two. Unlike the US-funded Marshall Plan, however, the latest initiative would put much of the financial burden on other countries.

Trump would "consider making a big investment in it" if there is a good governance mechanism, Kushner said. But he was non-committal about how much the president, who has often proved himself averse to foreign aid, might contribute.

Economic programs have been tried before in the long line of US-led peace efforts, only to fail for lack of political progress. Kushner's approach, however, may be the most detailed so far, presented in two pamphlets of 40 and 96 pages each that are filled with financial tables and economic projections.

In Manama, the yet-to-released political part of the plan will not be up for discussion, Kushner said.

The economic documents offer no development projects in predominantly Arab east Jerusalem, which Palestinians want as the capital of their future state. What Kushner hopes, however, is that the Saudis and other Gulf delegates will like what they hear enough to urge Palestinian President Mahmoud Abbas to consider the plan.

The message Kushner wants them to take to Ramallah: “We’d like to see you go to the table and negotiate and try to make a deal to better the lives of the Palestinian people.”

Palestinian officials fear that, even with all the high-priced promises, Kushner’s economic formula is just a prelude to a political plan that would jettison the two-state solution, the long-time cornerstone of US and international peace efforts.



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INTERVIEW: Palestinian ambassador to UK braced for Trump’s ‘deal of the century’  
Trump Middle East adviser Kushner holds talks with EU leaders on peace plan

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# Trump says US 'moving forward' with additional sanctions on Iran

Sat, 2019-06-22 17:41

WASHINGTON: US President Donald Trump said on Saturday his administration was "moving forward" and that he will impose additional sanctions against Iran in an effort to prevent Tehran from obtaining nuclear weapons.

He added that military action was still "a possibility," while also saying that he hoped "Iran is smart and cares about its people."

"We are putting additional sanctions on Iran," Trump said. "In some cases we are going slowly, but in other cases we are moving rapidly."

Trump, who was speaking to reporters at the White House, made his comments after recently calling off military actions against Iran to retaliate for the downing of a US military drone.

But Trump also indicated he was open to reversing the escalation, adding he was willing to quickly reach a deal with Iran that he said would bolster the country's flagging economy.

He said the Islamic republic could be a "wealthy" country if it renounced nuclear weapons, amid soaring tensions between the two nations.

"We're not going to have Iran have a nuclear weapon," Trump told reporters

The president said he would be traveling to the Camp David presidential retreat to talk about Iran, saying he wanted to "start over" with Iran.

Trump last year withdrew the United States from an international accord designed to curb Iran's nuclear ambitions in exchange for sanctions relief.

Tensions have been on the rise ever since then, as Trump reinstated sanctions designed to choke off Iranian oil sales and cripple its economy in an effort to force new nuclear negotiations.

"Everyone was saying I'm a war-monger, and now they say I'm a dove," Trump said on Saturday as he was peppered with questions about the Iran drama.

"I think I am neither, if you want to know the truth. I'm a man with common sense, and that's what we need in this country, is common sense."

Trump insisted it is up to the Iranian leadership how the current crisis plays out.

"If the leadership of Iran behaves badly, then it's going to be a very, very bad day for them," he said.



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## [Pro-Kurd party clashes with Erdogan ahead of Istanbul vote](#)

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Sat, 2019-06-22 02:11

ISTANBUL: Pro-Kurdish political leaders accused Turkish President Tayyip Erdogan on Friday of trying to sow discord among Kurds ahead of a re-run of an Istanbul election on Sunday that is seen as a crucial test of support for Erdogan and his ruling AK Party.

The pro-Kurdish Peoples' Democratic Party (HDP) also reaffirmed its support for opposition mayoral candidate Ekrem Imamoglu who won the March municipal poll. Election authorities ordered a re-run after AKP allegations of poll irregularities, a ruling that has prompted concerns about Turkish democracy. In an unexpected and ambiguously worded statement, Kurdish militant leader Abdullah Ocalan called for "neutrality" in the Istanbul vote, in comments that could be understood as suggesting Kurds not take part. Kurdish support was key in helping Imamoglu narrowly defeat the AKP mayoral candidate Binali Yildirim in the March vote. Kurdish voters account for about 15 percent of Istanbul's 10.5 million eligible voters and many support the HDP.

## **SPEEDREAD**

Kurdish support was key in helping Imamoglu narrowly defeat the AKP mayoral candidate Binali Yildirim in the March vote. Kurdish voters account for about 15 percent of Istanbul's 10.5 million eligible voters and many support the HDP.

Just after state-run Anadolu agency released details of Ocalan's hand-written letter late on Thursday, Erdogan speculated in a TV interview that the statement pointed to a "serious power struggle" among senior Kurdish leaders. The HDP's co-leaders Pervin Buldan and Sezai Temelli responded angrily to Erdogan's intervention.

"The effort by President Erdogan to set our party and Mr. Ocalan against each other through a text leaked in an unethical way shows ... how desperate he has become," they said.



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## [Jordanians protest against Bahrain economic workshop](#)

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Sat, 2019-06-22 00:58

AMMAN: Two separate demonstrations were held in the Jordanian capital of Amman on Friday in protest against the upcoming Peace for Prosperity economic workshop due to take place June 25 and 26 in Manama, the capital of Bahrain, in which the US will lay out the economic components of President Donald Trump's administration's Middle East peace plan.

Some 3,000 protesters streamed out of the Al-Husseini Mosque in downtown Amman in response to a call by the Islamic Movement and others for Jordan to take a firm stance against the US-led peace initiative.

Jordan's King Abdullah has made it clear that Jordan will not support the resettlement of Palestinian refugees, nor any plan that does not include a Palestinian state with Jerusalem as its capital. He has also rejected claims that "Jordan is Palestine."

Protesters included leading political, union and parliamentary leaders at a rally that also included calls for the cancellation of the Jordan-Israel peace treaty and the defense of Al-Aqsa Mosque "with our blood and soul," along with an affirmation that Jordanians "will not yield to America." In reference to Jerusalem, protesters chanted, "Jordanians will never forget that they are the custodians of Al Aqsa" – a clear reference to the Hashemite custodianship of Islamic holy sites in Jerusalem.

A young protester told Arab News, "We tell those who intend to attend the Bahrain workshop that Palestine and Jerusalem are not up for sale."

The head of the Islamic Movement's parliamentary committee Abed Akalileh, called on the protestors to reject Trump's "Deal of the Century" and any efforts to negotiate on Jerusalem.

"Palestine is not for sale or exchange. We want the king to know that we are behind him and that the people are with him no matter how much pressure and siege we are under," he said. "How can we hint about participating in the



Bahrain workshop when Palestinians, Lebanese, and Iraqis have said they will not go? We should also announce we are not going.”

Jordan has yet to officially announce its plans, but US officials have said that Jordan, Egypt and Morocco have indicated to them that they will attend the workshop.

A much smaller demonstration of leftists took place Friday afternoon, with protesters marching to the US Embassy in west Amman’s Abdoun neighborhood. The protesters criticized the US and “Arab reactionaries,” and insisted that the people of Jordan will not compromise on Palestine and Jerusalem.



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[Algerian protesters hold](#)

# demonstrations despite arrests

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ALGIERS: Hundreds of Algerian protesters gathered on Friday in the capital despite a spate of arrests ahead of the latest weekly rally since the April 2 resignation of longtime President Abdelaziz Bouteflika, AFP correspondents said.

The demonstrators in central Algiers brandished the Algerian flag that has been a mainstay of the protests but some also carried the Berber colors despite a ban on the minority's flag imposed this week by army chief Gen. Ahmed Gaid Salah, Algeria's strongman since Bouteflika's ouster.

"No to regionalism, we are all brothers," the protesters chanted.

Police earlier detained dozens of demonstrators, especially those carrying the Berber colors, from around the capital's main post office, the epicenter of demonstrations since they first broke out in February.

On previous Fridays since the fall of Bouteflika, those detained have been released at the end of the day.

Although the army chief has ordered a wave of anti-corruption investigations, demonstrators have kept up calls for his departure along with the entire regime that surrounded Bouteflika.

## **Businessman held**

In a related development, Algeria has detained businessman Hassan Larbaoui in an anti-corruption investigation launched after protests ended the rule of President Abdelaziz Bouteflika, state radio said on Friday.

Larbaoui is director of a private company called Global Group, which runs a car assembly plant set up in joint venture with South Korea's Kia Motors. Bouteflika stepped down on April 2 under pressure from the army after mass protests demanding an end to his 20-year rule and calls for his ruling elite to be held to account for corruption. The army, which now holds sway, has promised to act.

The court of first instance in Algiers ordered Larbaoui to be detained, along with the head of state bank Banque Nationale d'Algerie (BNA) and two industry ministry officials, state radio reported.

## **FASTFACT**

- Police earlier detained dozens of demonstrators, especially those carrying the Berber colors.
- Although the army chief has ordered a wave of anti-corruption investigations, demonstrators have kept up calls for his departure.

Larbaoui's legal representative was not immediately available for comment. The joint venture company could not be reached for comment. BNA declined to comment.

On Thursday, the same court referred ex-Prime Minister Ahmed Ouyahia and two former industry ministers, Youcef Yousfi and Mahdjoub Bedda, to the public prosecutor to be investigated for alleged corruption related to the same case, state radio said.

Ouyahia and other officials could not immediately be reached for comment, nor could their representatives.

The seven are being investigated on accusations of "dissipation of public funds, illegal privileges and money laundering," the radio said.

The supreme court also ordered the detention of Ouyahia and another former prime minister, Abdelmalek Sellal, last week for "dissipation of public funds and awarding illegal privileges" in a separate corruption case.



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Bouteflika-era tycoon jailed for six months in Algeria  
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