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Kerry Unveils \$4 Billion Investment Plan for Palestinians



Secretary of State John Kerry, center, Israeli President Shimon Peres, left, and Palestinian Authority President Mahmoud Abbas shake hands.

Washington — Secretary of State John Kerry has announced a plan for private firms to invest \$4 billion in the Palestinian territories to contribute to a solution for the Israeli-Palestinian conflict.

In a speech at the World Economic Forum in Jordan May 26, Kerry said the investment could expand the Palestinian gross domestic product by as much as 50 percent over three years, cut unemployment from 21 percent today to 8 percent, and increase the median annual wage by as much as 40 percent.

“It is a plan for the Palestinian economy that is bigger, bolder and more ambitious than anything proposed since Oslo, more than 20 years ago now,” Kerry said. The Oslo accord of 1993 provided the framework for a two-state solution to the Israeli-Palestinian conflict.

The business leaders, working under the coordination of former British Prime Minister Tony Blair, are analyzing the opportunities to invest in tourism, construction, light manufacturing, building materials, energy, agriculture, and information and communication technology, Kerry said. The plan holds the potential to double or triple agricultural output, triple the tourism sector and generate more than 100,000 jobs in housing, much of which will have energy-efficient technology, he added.

“Ultimately, as the investment climate in the West Bank and Gaza improves, so will the potential for a financial, self-sufficient Palestinian Authority that will not have to rely as much on foreign aid,” Kerry said.

The secretary said a thriving Palestinian economy will provide the economic underpinning to support political negotiations for a peace settlement between the Israeli and Palestinian political leaders. “I’m happy to say that both [Israeli] Prime Minister Netanyahu and [Palestinian] President Abbas support this initiative,” Kerry said.

The secretary said a resolution of the conflict would bring enormous gains in the political and social environment of the region. “With renewed strength, the new neighbor states of Israel and



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Palestine could actually become another hub in the Middle East for technology, finance, tourism. Israel and

Palestine and Jordan together could become an international finance center, attracting companies that simply won't take that risk today."

The secretary said the involvement of businesses along with governments in peace and development projects creates a new development model that could be applied to the Sahel, the Maghreb, the Arabian Peninsula and other places.

Kerry said good governance, security and economic opportunity are necessary not only for the resolution of the Israeli-Palestinian issue but also to meet the generational challenges of the future.

"It's about whether the massive populations of young people, still growing, has hope that there is something better on the horizon," Kerry said. "The public and private sectors alike have a fundamental responsibility to meet the demands of this moment."

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