



Palestinian-Israeli Prosperity plan

While many of the conflicts in this troubled region are based on ideological and religious differences, the basic core problem is the massive un-employment and poverty level that has existed in the Palestinian territories for almost three generations. This overwhelming feeling of hopelessness has resulted in anger and frustration, which has increased the prospects for terrorist activities and conflicts. It is therefore logical, that if one can develop a plan, which will employ the local population while raising the standard of living through hard work, then the pressure and anger will subside. This will permit other peace initiatives to take root and flourish. An effort of this magnitude must have universal support, however it must be proven on a small scale first. It is our plan to use a small target village to prove the concept. It is hoped that the success of this one effort will result in international support to expand the project throughout the territory. The only competition between the Israelis and Palestinians should be who can grow the largest oranges. The Israeli government has, in principle, recognized the merits of this idea. They are prepared to help rebuild the territories and to build an agricultural system along with water and irrigation systems after there has been a normalization of relations. As a first step, a multi-religious group with no governmental affiliations should undertake this initial project. As many other studies have required a stable peace plan to be in place for implementation, this plan does not require a peace plan to be in place.

Project Overview

Both the Israelis and the Palestinian Authority must grant permission, in principal. First, permission is necessary to transport materials through Israeli infrastructure and to allow the material to pass into the territories. We must have physical protection for our surveying agents and implementation of the plan. One of the most important features of this plan is that local Palestinians will own each building as landlords, and local Palestinians will own and operate the tenant business entity. The Banking institution that will be created for this project will lend the funds directly to the individual Palestinian owner and allow for a specified pay back schedule. The important aspect of this is that each young entrepreneur will be purchasing his business at full market value. There will be an adjustable delay before payback is to begin, allowing the fledgling company to grow. The payback terms will also keep profitability in mind in order to satisfy the payback requirements while maintaining enough cash flow to support the owner. The repayment of the acquisition costs will be determined by a mentoring arm of the lending institution created. This mentoring arm will carefully control the incubator environment created to assure success of each business. It is important to acknowledge that cash infusions to the governments have in past simply resulted in massive corruption and no benefit has flowed down to the individual people. It is for that reason that the lending institution will only deal with individual owners and no government officials.

Project Identification

1. Site location-

1. Locate target village in the Palestinian territory with the following criteria, which should be considered to enhance success of the project.

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2. Population density 100,000 or less.
 3. Proximity to the Israeli boarder, material transport and conveyance of raw materials, inventory and finished product shipment.
 4. Unemployment statistics. We want to make the most beneficial impact for our efforts. There should be a minimum of 30 % unemployment.
 5. Existing buildings and physical facilities.
- 2. Business twining by Identifying Israeli Manufacturers and suppliers**
1. Meet with Israeli manufacturers through associations and contacts, in order to establish a need for assembly contract work, which will be manufactured in Palestine.
 2. Identify Israeli distributors of all categories such as, hardware, radio electronics, food supplier's fresh vegetables fruits etc. to supply the small individually owned businesses.
- 3. Establishment of a financing entity**
1. Similar to the Bangladesh model, this bank will finance the acquisitions of the businesses for the individual Palestinians. The financing must be flexible enough to allow a profit during the course of the repayment term. This will be achieved by delaying the onset of payments and the level of payback to allow a profit.
 2. Establishing a paid advisory group attached to the lending institution. This advisory board will support the new entrepreneurs during the learning and growing process. This has proven enormously successful in other incubator models.
 3. Strict adherence to compliance of agreements. A mechanism must be included to allow for inclusion of the advisory group, on all decisions relative to seizing property and inventory in order to turn the venture over to another citizen in any cases of default.
 4. The new business owner will be required to do all their banking through our new lending institution.
- 4. Identification of infrastructure mediums**
1. Based on existing structures in the target village, individual needs must be assessed to decide on Quonset prefabricated type buildings.
 2. Population density and applying basic logical principles of project planning, we will locate each stand alone business. The actual need for these businesses will be determined locally.
 3. We will attract expertise including engineering services in each business venture to further stimulate commerce.
- 5. Supply and inventory setup**
1. Inventory will be purchased by the banking entity and paid COD to the Israeli Supplier.
 2. An internet relationship will be set up with the individual business owner and the Israeli supplier; this will streamline and simplify re-order procedures. The new owner will have Internet capabilities for e-commerce and B-to-B relationships elsewhere.
 3. While the new businesses will be supplied by Israeli companies, they of course can purchase from whomever they wish as they become self sufficient.
- 6. Sales Instruction and Mentoring by lending institution**
1. By use of mentors, volunteer executives and retailers, the new businesses will be nurtured until self-sufficiency is achieved. Talent from Schools such as Bethlehem University will be utilized to the fullest in organization, management and operations of the new businesses.

2. This concept will effectively stop the brain drain from the region, if these young graduates have an opportunity to own viable businesses.
7. **Factory Setup**
 1. Similar to the stand-alone business, the basic factory set up will be free standing pre-fabricated structures for speed and will be the same as the smaller individual shops developed as needs require.
 2. Modern Industrial engineering principles will be applied to factory layout and parts flow. This facility will be state of the art to increase efficiency and reduce operational costs.
 3. As the hinge pin of the economic reversal for the Palestinian town, this facility must be successful in order to employ 200-300 individuals.
 8. **Set up additional small locally owned businesses**
 1. Locally employed Palestinians, with money in their pockets, will present an entrepreneurial opportunity to establish many other new free standing, locally owned businesses such as shoe stores, book shops, candy stores etc.

Conclusion The old biblical concept of give a man a fish you feed him one meal, teach a man to fish, you feed him for a lifetime is the basis of this prosperity program. While in the past international donations from other nations have resulted in money simply being thrown into a region with little ever reaching the needy individuals or the money is used to create dependency on the government which distributes the funds.

The principle of this plan is simple. Given a specific Palestinian target village with unemployment above 30%, we can effectively drop this rate by building structures, housing free standing businesses all of which will be locally owned. Supply chain issues will be arranged with matching Israel suppliers and manufacturers.

The banking entity is similar to the Grameen bank business model which finances ownership and working capital issues through micro credit with the all important mentoring arm. This will assure success through the incubator concept. The mentoring arm of the lending institution will advise the fledgling owners on all business issues and will adjust payback terms to local business conditions. This reverses the normal 20% business success rate to 80% where incubator structures have been used before. This project needs to be capitalized once, as it is a for profit venture. Use of the funds can be easily monitored by the grantors.

Unlike many other plans, which simply induce large international companies to come in and set up factories, this concept will be locally owned minimizing these employers from becoming targets. Additionally, because this project will be operated as a for profit venture, the sales of each structure and business will generate profits from interest on the loans and proceeds from the sale of the business. The banking entity can be carefully watched and monitored by lenders who will finance this project.

It is understood that this project will in fact generate large profits which can be reinvested in another village. We would effectively make a viable business model from a poverty stricken

environment. When successful, this will attract other entrepreneurs to expand this at a rapid rate.

The Grameen bank began it financed, through micro-credit, fledgling businesses by lending money to those who are in the poverty range. All that is needed for loan approval was five personal references as to personal character and a viable business model. This concept of financing the “un-financeable” has made the Grameen bank one of the largest banks in the world and has reversed poverty in some of the world’s poorest regions.

As we feel that this, our prosperity plan, is a practical and viable method of decreasing massive local unemployment, we encourage you to pass this along to anyone who may be interested in the concept. At PTWF we believe that personal prosperity is a key element needed to establish fertile ground for peace. We therefore believe that our prosperity plan takes into account the necessary criteria to stimulate the existing rudimentary economy.

If you have any suggestions or comments on this project please pass them along to us.

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