

The Abraham Federation  
A New Framework for Peace in the Middle East

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Introduction.

Is it conceivable to create a new country in the Middle East that accommodates Arabs and Israelis? Could a new state be structured to avoid becoming either a Palestinian state or an extension of Israel or any bordering Arab state? Could such a state offer a new form of sovereignty to stir the hearts and dreams of Arabs and Jews in new ways? Could it avoid, on the one hand, the anarchy and violence of Lebanon, and, on the other, the totalitarian regimes and genocidal societies from which Jews escaped to what is now Israel?

In short, could a new country be created that could guarantee peace and justice for all?

The idea for a new country may first seem far-fetched. But with a re-examination of the conflict, it becomes surprisingly workable. And with the added boost of a new economic base—namely, ownership sharing linked to creating new resources rather than quarreling over existing ones—the idea of a new nation becomes downright irresistible. If all nations committed to peace in the region would remove all trade barriers on the exports from “the Holy Land”, the economic growth of this new economy would skyrocket compared to others in the global economy. It’s even conceivable that Palestinians and Jews would become so busy collaborating and sharing growth dividends that they wouldn’t have time to reflect on their past differences.

Let's look at the problem.

The present Arab-Israeli dispute over land—particularly the major impasse over the West Bank occupied by Israeli forces since June 1967—is a classic illustration of a "zero-sum" game. In a zero-sum game, one side can gain only at the other's expense. In other words, a win-or-lose situation.

The two sides have fought over this land for centuries. The land is holy to three major religions. It is the symbolic crossroads of the world community as it is strategically set between the East and the West, as well as the North and the South. Everyone, therefore, has a stake in a peaceful and just resolution of the dispute—not just Arabs and Israelis.

Two important points must be faced before we consider the creation of a new nation. First, present hostilities must not be ignored. This should be obvious. But any new approach would rest on political quicksand unless it recognized existing hatreds and fears of Jews and Arabs, as well as their legitimate hopes and aspirations. To overcome these hostilities to the point where Arabs and Jews can work out their differences, we must look to the past for a common bond.

### The Point of Reunification: Abraham

Arabs and Jews have a point of unity both can understand: Abraham, the Old Testament patriarch.

All Arabs trace their ancestry to Abraham through Ishmael, whom he fathered through his wife's servant Hagar. All Jews trace their blood roots to Abraham through his son Isaac and grandson Jacob, who, according to the Bible, God later renamed Israel. The name "Abraham" literally means, "father of many nations." Having once separated the descendants of Ishmael from the children of Israel, Abraham, 3,700 years later, could fulfill the biblical prophecy not only of their unification but also of the eventual unification and harmony of all nations and peoples.

Symbols of the past often serve as useful symbols for charting new futures. A new federation of the spiritual and blood descendants of Abraham could offer a radically new political framework for taking small steps in a new direction. Thus, rather appropriately, the new nation could be named the "Abraham Federation."

With this philosophical common thread, the question is: Where do we start? The answer is: In the historic region of Judea and Samaria—the West Bank—where Arab and Jewish settlements exist today under Israeli military control.

Although some Arabs would dispute the legitimacy of all Israeli territory, the Israeli military has the power to maintain law and order over all areas it now patrols. Despite the intifada and mounting international pressures on Israel, this reality is unlikely to change in the foreseeable future, although easy diffusion of modern military technology among Arab guerrillas and their allies make a military status quo uneasy at best.

The main obstacle to peace, in this author's view, is not the Israeli military or the deep-seated Holocaust fears that justify in the minds of many Jews the continued Israeli military presence. Rather, the deeper issue is whether a more just society can be conceived and created, which will eventually allow the Israeli military presence to "wither away," at least in the occupied territories.

Some occupied territory under Israeli control, is now open to negotiation for a new status—at least as a foothold for a more comprehensive solution later.

The biblical region of Judea and Samaria—the West Bank—could provide that foothold. It includes Bethlehem, Hebron and the entire surrounding mountain region west of the Jordan River. It also

encompasses Jerusalem, which deserves special handling, perhaps serving in the transition period as the capital of the new nation-state as well as present Israel.

The new beginning would go beyond the demeaning "autonomy" proposals of the Israeli Likud Party. It would be less threatening to Jewish settlers than the Labor Party's "land-for-peace" proposals. And it would offer a radically more just future for all Palestinians than what they are now demanding.

If a new beginning can be made in Judea and Samaria, a more comprehensive regional approach could later be negotiated, based on the new Abraham Federation model.

### The New Nation's Unique Economy

As a testing ground for a new nation, today's West Bank would be transformed into a "win-win" situation. Rejecting artificial and unproved assumptions of scarcity, the West Bank residents would work together to create new resources which could be shared more equitably. The primary focus would be on the "open frontier" being created by modern science and technology.

Land, of course, is finite. But as the philosopher-scientist R. Buckminster Fuller has pointed out, creative energy can be channeled into what he calls "ephemeralization," the process of doing-more-with-less. This entails continuing re-design of existing technologies, structures, and social "tools".

By introducing the world's most sophisticated technologies (particularly in energy, information systems and food production) and redesigning methods of participatory ownership, Arab and Jewish settlers could transcend their competing exclusive claims to the "Holy Land." They could complement each other's existing strengths and potentials: Jewish settlement experience and advanced energy and agricultural technologies, Arab financing, and Palestinian self-assertion and drive.

### Neither Capitalism Nor Socialism

Guidelines for constructing this model for peace in the Middle East involve a radical departure from traditional industrial development. Neither capitalism nor socialism is adequate for building a successful economy for the Abraham Federation. Neither combines maximum justice with maximum efficiency. Both ignore the need for building economic sovereignty into each citizen. Both leave ownership and control of modern technology, natural resources and business enterprises to a ruling few.

To avoid these dangers, the Abraham Federation would neither own property nor permit future monopolies over the ownership of the means of production. This principle alone would make "sovereignty" in the Abraham Federation uniquely distinct from any nation in history.

The Abraham Federation would recognize that sovereignty connotes power and power can only be exercised by human beings, not by a "collective." The major issue to be addressed in a democratic world is which people will exercise what kinds of power, either directly or by delegation.

### Escape from the "Wage System"

In a society where all power is supposed to rest with the people, economic sovereignty must start at the individual and family level. Since power follows property, property must be spread broadly. The best antidote to concentrated power and monopolies is to empower all citizens through decentralized ownership of all of society's enterprises. Only then can those who run government and other social institutions be held accountable to the people. Such a society would be comprised of highly autonomous, interdependent people, capable of associating with other "sovereign" individuals for their mutual interests. Genuine economic democratization is thus the ultimate check on the potential abuse of state power, and of the majority against highly vulnerable minority groups and individuals.

What is common to all of today's economies is that the average worker and his family have little or no chance to escape from the feudalistic "wage system." The worker is powerless and defenseless against advancing technology and those who control his jobs and income levels.

The Abraham Federation would offer an economic system structured to give each citizen a status beyond that of a wage earner. In a national ownership sharing program, citizens would own something more than raw land. They would accumulate and receive property incomes from direct ownership in new technologies, agribusinesses, and industries. Moreover, by the systematic spreading and sharing of ownership power, one of the basic conditions for any future Holocausts-large numbers of alienated workers-would gradually disappear.

Few would dispute the need for a regional peace strategy for the Middle East. And clearly, as the current wave of violence in the West Bank and Jerusalem underscores, no such strategy will be complete without a settlement of the Palestinian-Israeli dispute. Simplistic land-for-peace policies have proven sorely ineffective. What is needed is a much bolder vision to get all parties beyond a zero-sum contest.

How can "self-determination" and justice be achieved for both Palestinian Arabs and Jews wanting to occupy the same land? How can this be done without Israel's jeopardizing its own security during the transition toward a comprehensive peace settlement?

There is a way. The answer lies in rejecting the traditional "collectivist" form of nation-state and in abandoning the feudalistic "wage system" economic policies of all existing nations. It would be based on a radically new process of nation-building, grounded upon the inherent sovereignty of every individual and the sanctity of the family unit, where "ownership-sharing" economics would surpass politics in the daily lives of its citizens.

The following proposal, first offered in 1978, is just as timely now as it was then, perhaps more so.

### The Vehicle: A National Ownership Strategy

Why should a national ownership sharing strategy capture the attention of those now residing in Judea and Samaria? The answer lies in the fact that the universal right to own property (Article 17 of the Universal Declaration of Human Rights) is frustrated systematically by every nation today. This is especially the case within modern industrial societies where fewer than 1 percent of their citizens directly own and control most of the industrial capital.

The key to economic justice is widespread individual access to technologically advanced agricultural, industrial, and commercial enterprises and the means to finance them. Fortunately, precedents are now well-established for creating new enterprises, with skilled management and advanced technologies, whose ownership is shared by all employees.

□ In the United States, over 11,500 companies with a total of over 8.5 million employees have adopted employee stock ownership plans or "ESOPs." Most of these have been adopted since 1972. Employees with no savings or credit have used an ESOP to become owners of their companies. The assets held for workers in ESOPs now exceed \$400 billion. 2,500 ESOP companies are majority worker-owned, of which 1,500 are owned 100% by their workers.

□ The credit privileges and special tax advantages which the U.S. government has given to workers who adopt ESOPs, allow workers without savings to purchase shares on credit wholly secured by the future profits of the company. Because employees are directly linked to productivity increases and profits through their ownership rights, studies indicate that firms financed through ESOPs, when combined with participatory management and gain sharing, generally perform better than their competitors.

□ Over twenty laws have already been passed by the U.S. Congress to encourage the expanded use of ESOPs, including the reorganization of the Northeast rail system, pension reform, tax reform, trade policy, foreign economic development policy, as well as other measures designed to greatly accelerate the adoption of ESOPs by major U.S. corporations. Other variations of the expanded capital ownership concepts being developed would build individual equity stakes in

capital-intensive industries into the general population. These include customer stock ownership plans (CSOPs) and community investment corporations (CICs) for resident share ownership of new communities and land renewal projects.

- The ESOP is no longer a mystery in the Middle East. In 1989, the \$160 million Alexandria Tire Company was launched in Egypt, creating the Middle East's largest radial truck tire plant, in a joint venture with Pirelli Tire of Italy and other investors. Thanks to USAID, over 600 worker-shareholders are benefiting from this transaction, "earning" their ownership stakes through the most advanced ESOP in the developing world.

Other significant developments indicating a growing world-wide interest in the expanded capital ownership approach, include:

- Endorsement by President Reagan in 1987 of the work of the Presidential Task Force on Project Economic Justice. This Congressionally-mandated task force issued a report, High Road to Economic Justice, which offered a bold strategy of expanded capital ownership for economic revitalization in Central America and the Caribbean.

- The translation and publication into Polish of Every Worker An Owner [published by the Center for Economic and Social Justice, Arlington, VA], a compendium of writings by leading thinkers in the expanded capital ownership area. 15,000 copies of this Polish translation were distributed throughout Solidarity channels in Poland prior to the collapse of the Soviet system.

- USAID Administrator Alan Woods' transmittal in May 1988 of this compilation of writings to every USAID mission in the world;

- The development of a "parallel legal system" for Costa Rica to foster system-wide experimentation based on economic democratization

The Abraham Federation would have the historic opportunity to become the first nation to be launched with a comprehensive and workable program to provide its citizens the means to share ownership of all its resources.

### Highlights of the Abraham Federation

Here are some suggestions for initiating the Abraham Federation:

First steps should start small, focusing on a relatively small territory over which no existing nation-state has yet declared its sovereignty, namely ancient Judea and Samaria, and possibly the Gaza strip. If it works, the beachhead, with its capital in the Old City of Jerusalem, will expand naturally.

A revolutionary advance over all existing nation-states would be formed. The new nation would reject collectivist and exclusionary concepts of nationalism and would carry the concept of

sovereignty or "self-determination" down to the personal and family level, an ideal implicit in Judaism, Christianity, and Islam.

It would aim at bringing a higher order of justice than any nation has ever offered its citizens. It would offer acceptable safeguards to Israeli demands for security and guarantee the right of all Jews and Palestinians to visit and settle in "the Holy Land." It would offer Palestinians "self-determination" and the "democratic secular state" they are seeking. It would be neither a collectivist Zionist state nor a collectivist Palestinian state, but a new form of nation that both groups could build together.

Politically, it would be a Jeffersonian form of democracy, open to all, with clearly defined and limited functions given to government and all political institutions. In addition to normal democratic checks and balances on the "minimalist" government of the new nation, the major check on future concentrations of power would be outside of government, based on policies that would systematically spread economic power and free enterprise ownership broadly, right down to the individual level.

The widespread diffusion of property would become the ultimate constitutional safeguard for human rights. Although the new nation would have no "official" state religion, by systematically spreading property and economic power among its citizens, it would insure that freedom of religion, of association, of the press and other fundamental protections of the individuals vis-a-vis the government would be built upon a solid economic foundation.

Thus, the new nation would be built on a foundation of personal (as opposed to collective) political sovereignty, and that foundation would in turn rest on personal economic sovereignty. It would be sovereignty built from the ground up, rather than from the top down. Individual, family, and minority rights would thus be protected from the potential abuses of political majorities or traditional power elites. In this way, religious freedom and cultural pluralism would have stronger economic supports than in such places as war-torn Lebanon.

During the transition to full self-determination, the Abraham Federation would have bonds to Israel and its Arab neighbors. Primary governmental functions would be shared among all citizens of the Abraham Federation-Arabs, Jews, Christians, and non-believers.

The initial thrust of the new nation would be economic, not political: It would strive to absorb the creative energies of Arabs, Jews, displaced Palestinians, Christians, and others moving to this new nation, and channel them into building a technologically advanced and more just form of free enterprise economy than exists in all other nations.

The new economy would transcend the collectivist and feudalistic "wage systems" of existing nations by offering an "ownership sharing" system in which all persons could work, accumulate industrial forms of property, and participate as individual co-owners of the new enterprises to be developed upon the land. Free and open markets and respect for private property in the means of production would be basic pillars for further limiting the power of the state. Instead of redistributing existing property, the new role of the state would be to help create new property and new owners at the same time.

To foster maximum growth opportunities for the citizens of the Abraham Federation, other countries in the Middle East, including Israel, and other major industrial nations such as the U.S., Russia, Japan, and those of the European Community, would treat the Abraham Federation as a global free market zone. Such status would allow all goods and services produced in the Abraham Federation to be sold in these cooperating countries without duties, quotas, or other trade barriers. This would attract new technologies and accelerate new investment and job opportunities that could be broadly shared.

Instead of continuing historic and legalistic disputes over something as finite as "holy land," the primary focus would be on building ever-expanding "new frontiers" upon the land, based on new technologies and new enterprises that could provide the pioneers of the new nation with the economic basis for realizing personal "self-determination" for every one of its citizens.

The "tools" and fundamental principles for building such a model nation already exist and have been tested. They work. (In 1989 the Ministry of Planning of Costa Rica received help from the USAID to develop a "parallel legal system" structured along these lines.)

Start-up industries might include advanced energy projects and integrated, high technology agribusinesses broadly owned by workers and farmers.

As a compromise to legitimate Israeli fears for their security and freedom to settle in the Holy Land, the Israeli military would be allowed to continue to patrol the Abraham Federation for a reasonable period until the new nation creates stable conditions to remove the need for Israeli military presence.

As revolutionary as this new framework may appear to some, it is based on virtually universal moral principles. The process of change, however, is inescapably evolutionary and depends largely on conservative, case-tested methods and "tools."

Because it is grounded on common and traditional principles of economic justice, religious Jews and Muslims, including several PLO representatives, have reacted in an open-minded way to the Abraham Federation concept when it has been explained to them.

The next step forward is to test whether this new framework might serve as a basis of a new dialogue between those with power to speak for all Israelis and those with power to speak for all Palestinians. This framework too may be inadequate and prove to be unworkable. But it is new and certainly deserves to be more fully understood by all key decision-makers concerned with peace in the Middle East.

Many nations are offering their "solutions" to end Israeli occupation of the West Bank. None of these initiatives seem to be satisfactory to both sides of the conflict. In that light, the Abraham Federation concept might well offer a new framework for those directly affected to recapture the initiative, not merely for their own survival, but for leading all mankind to a more just and peaceful future.

## Conclusion: Transition to the New Nation

No rational dialogue and no genuine steps toward peace among Arabs and Jews in the Middle East are possible within traditional conceptual and ideological frameworks. Competing interest groups offer competing frameworks, all of which suffer from faulty assumptions, semantic ambiguities, and poorly-defined, often contradictory, objectives. A new and more realistic framework is demanded, one which can lead to small steps toward a broader, more comprehensive, and more just solution than is even conceivable under the old frameworks.

There would be many problems in moving from the initial blueprint stage to implementation, especially regarding security and control over the Israeli military, immigration, and land-use matters. But within a less threatening framework, even these problems could be addressed for the mutual self-interest of all citizens of the Abraham Federation.

Just as the offer of 160 acres of land to its propertyless pioneers sparked America's development as an agricultural power, the industrial equivalent of that ownership incentive can now be offered to the propertyless Arabs, Jews, and others living in Jerusalem and other places in the Abraham Federation. Truth, justice, and peace can again go forth from Jerusalem.

Building a just and pluralistic new nation is, of course, a complex undertaking. But by focusing on the limitless possibilities of industrial growth, rather than on endless confrontation over scarce land resources, Arab and Jewish settlers of the Abraham Federation can take a new look at their common problem. Under the mantle of Abraham, they can step back into the past in order to leap forward into a more just and hopeful future.