

A Sightseeing Suggestion for the President

Check out this unusual scene: a Palestinian planned city, built by the private sector.

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By JUDITH MILLER

Rawabi, West Bank

President Obama's crowded schedule on his first trip to Israel since becoming president calls for him to spend part of Thursday in Ramallah with leaders of the Palestinian Authority, discussing ways to revive the seemingly moribund Israeli-Palestinian peace process.

He will not visit Rawabi, the first Palestinian planned city on the Israeli-occupied West Bank and the largest private-sector project in Palestinian history. But he should.

"This is how you build a state," says Rawabi's creator, Bashar Masri, as we tour the new apartment buildings, townhouses and villas that are springing up across the top of a tall hillside and into the surrounding valley. "It's the private sector that is making the state. We've taken a leaf from Israel's book: We private entrepreneurs are creating facts on the ground."

Mr. Masri's "facts" include dozens of apartment buildings and villas already under construction, hotels and office buildings, an open-air mall with shops, games, arcades and underground parking for 1,500 cars. There is also an 850-seat convention hall, a 20,000-seat amphitheater, eight schools and a soccer field.

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The project is expected to open officially on May 1. By year's end, 3,000 people are expected to move into some of the initial 6,000 units of housing they will have purchased and have paid \$500 to reserve online. Ultimately, 45,000 Palestinians in 23 neighborhoods may live here—if the project succeeds. A city hall is already being built for the municipal status that the Palestinian Authority is expected to grant Rawabi.



[Enlarge Image](#)

Getty Images

Bashar Masri visits the site of Rawabi in February 2012.

Mr. Masri's venture has faced major obstacles. But the 52-year-old entrepreneur, who comes from a prominent Palestinian family, decided in 2007 that he couldn't wait for another peace accord before trying to turn his dream into reality.

An initial challenge was finding sufficient land for Rawabi, which means "the hills" in Arabic. Mr. Masri had to locate and acquire tracts from some 3,600

Palestinians, two-thirds of whom lived abroad. Some of them did not know that their family still owned land on the West Bank. Then he had to find partners, including Qatar's state investment fund. "The money Qatar gives to Hamas is charity," Mr. Masri says. "This is an investment."

The Palestinian economy is already benefiting. Mr. Masri employs 200 engineers among some 3,200 construction and other workers at the vast site. Another 1,500 Palestinians work to support the project, as carpenters, food suppliers, drivers, planners. While Mr. Masri has built a stonecutting factory to provide the native cream-colored sandstone for the buildings, he buys much of what he needs—from cement powder to electricity—from Israel.

Mr. Masri says that the Palestinian Authority and Israel support Rawabi, yet experts tracking the project say there have been tensions with both. Rawabi itself is located in "Area A," West Bank land that is under Palestinian control. But Mr. Masri waited years for an Israeli permit to build a single "temporary" construction road that runs through land that Israel still controls.

Israeli residents of a small illegal settlement in the next valley have filed suits to stop the project, Mr. Masri says, and tried physically blocking the temporary supply road. He also has critics on the Palestinian side, who call him an Israeli "collaborator" and deride Rawabi's Western-style housing. The buildings' red-tile roofs, one blogger wrote, are so reminiscent of Israeli settlements that they reflect "the continued obliteration of Palestine."

Although Palestinian Prime Minister Salam Fayad is said to be enthusiastic about Rawabi, the Palestinian Authority itself is contributing little, according to people familiar with the project. The new city's very existence raises questions about why the Palestinian government has been unable to provide West Bankers with independent infrastructure and basic services. "We shouldn't have to be building schools or a sewage treatment plant," said an engineer who showed me around the Rawabi site. "But we're doing it."

In fact, what troubles some observers is Rawabi's uniqueness. The Palestinian economy is stagnant, and per-capita gross domestic product is about \$2,000—more than four times lower than the average Israeli's. Donor support for Palestinians on the West Bank, an economic mainstay, has been dropping. Aid "cannot substitute for a poor business environment," notes a World Bank report this month. The poor local economy also worries Mr. Masri, who is concerned about attracting enough private employers to provide permanent jobs for Rawabi's residents.

The developer knows that a third Intifada or an outbreak of anti-Israeli terrorism and Israeli repression could doom Rawabi. But he doesn't doubt that Palestinians will have their own independent state one day, whether or not Mr. Obama's visit revives the peace process. Rather than a refugee-camp visit by the president, Mr. Masri says, "I wish he would come here to see what Palestinians can do when we pull together."

Ms. Miller is the author of several books on the Middle East and a Fox News commentator.

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