



September 1996
Rosh Hashanah 5757

Dear Friend:

It's amazing. Only three months ago, Israel's Prime Minister was working hand in hand with U.S. President Clinton and Secretary of State Christopher to advance the peace process. Constructive dialogue and negotiations at all levels were under way.

Preliminary arrangements had been completed for the initiation of the final status talks with the Palestinians. While the talks with the Syrians had not yet achieved a breakthrough, nonetheless a number of important security related understandings of principle had been reached.

Communication with Arab countries from north Africa to the Persian Gulf was ongoing and constructive. The exchange of political and business delegations had become the unexceptional norm in our developing relationships throughout the region.

On a bi-lateral basis, significant steps had been taken to establish procedures for cooperation in the struggle against terrorism. Quietly Israel's security services had already begun to coordinate activities with their counterparts in several of Israel's neighboring Arab states.

The Israeli economy was growing at an near unprecedented rate. Foreign investments had increased dramatically. Unemployment was at its lowest point in decades, tourism reached an all time high.

Now, after three months of a Likud-led government, what was a hopeful developing new reality created by the Labor-led government's of Yitzhak Rabin and Shimon Peres, is rapidly becoming but a memory of what could have been. Today, the media are full with the rhetoric of confrontation, threats of violence and warnings of war. The peace process is paralyzed.

The occasional fruitless meeting conducted by a member of the new government with a Palestinian leader is the cause of recrimination and political attack by other Cabinet members and coalition M.K.'s. There is growing frustration within the Palestinian community where the lack of negotiations has only exacerbated an already explosive social and economic situation.

Suddenly there is a growing lack of confidence in the Israeli economy. Investors are holding back and trading partners, both existing and potential, are expressing reluctance to consider new contacts.

For the first time in four years unemployment is beginning to increase throughout the country.

The road to peace is long and difficult. Under Labor the best of Israel's diplomatic corps, military professionals, security experts, academics and political leaders were involved in the process. And real progress was being made. Not so today.

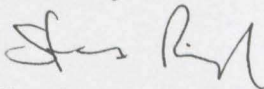
Today the process is unraveling and it appears that few people in the new government are concerned. What is left of the peace process seems to be little more than rhetorical sound bites passing as policy. Our new Prime Minister is practiced in his appeal to primal instincts and his belief in fantasies (e.g. 'peace for peace'), but this is not realpolitik.

There is much too much at stake for us to remain silent. A responsible political opposition must strive to rally the forces of peace and progress against those who would turn back the clock of history. Why, after all the good that has been accomplished, need we as a nation fear again for our future well being?

Let us hope that the New Year will yet bring political sense and realism to the new leaders of our government.

Wishing you and yours a שנה טובה.

Sincerely,



Stanley A. Ringler

P.S. For your information, we've prepared the enclosed progress report on the new government's foreign and domestic policies.