





## Dear Friend,

It may be a sign of the times: The situation in the Middle East has become so desperate that possibilities are now being discovered in what were once seen as dead ends.

That's what happening with a peace plan being circulated by Saudi Arabia. Even though Saudi Arabia doesn't recognize Israel, Israeli Prime Minister Olmert said he liked their approach, "I'm favorable to their general attitude and I'm ready to accept the Saudi initiative as a basis for discussions with the Palestinians, together with the Saudis." Secretary of State Rice said she saw the proposal as a way to bring peace between Israel and its Arab neighbors while pursuing the U.S.-backed "Road Map" negotiations between Israel and the Palestinians.

The Saudi plan was originally adopted by the Arab League in 2002. It called for full Israeli withdrawal from areas captured in 1967 and the establishment of an independent Palestinian state in exchange for normalization of relations between Israel and all Arab states. While the plan also implied that the Palestinians had a right to return to homes inside Israel—a demand Israel rejects as a threat to its existence—it broke ground by saying that the resolution to this issue could not be forced on Israel. Hours after the Arab ministers adopted the plan a Hamas suicide bomber blew himself up in Netanya, killing 30 Israelis who were celebrating Passover. In Israel the plan was dead on arrival.

Yet now, Israeli Foreign Minister Livni finds the Saudi proposal partially palatable. "Some parts of this initiative are positive, talking about reconciliation, normalization and such, and the other parts, those parts referring to the refugee issue, as we see it, are against the concept of the two-state solution," Livni said.

And there are indications that the Saudis, traditionally cloaked in enmity to Israel and the Jews, are looking for other paths among the old dead ends. Israeli Deputy Defense Minister Sneh recently had a chance meeting at the State Department with the Saudi Ambassador to the U.S. At the end of their conversation, the Saudi diplomat reportedly told Sneh, "We have many problems to solve together."

What has changed? It can be summed up in three words: Hamas. Hezbollah. Iran.

Both the democratic rise to power in the West Bank and Gaza of the rejectionist Hamas movement and the weakness of Palestinian President Abbas, who favors negotiations, put Israel on alert that if the radicals prevail, the next Palestinian intifada could be what Ha'aretz writer Danny Rubinstein called "the intifada of mortar shells, rockets and missiles." Because of Hamas, Israel faces a ticking time bomb.

Last summer's war with Hezbollah was a public-relations coup for the radical Shiite group and thus an effective defeat for Israel. Israel was unable to destroy Hezbollah's military capacity or change the balance of power in Lebanon, making another war possible. Because of Hezbollah, Israel faces a ticking time bomb.

Behind terror groups like Hamas and Hezbollah stands Iran and its contributions of money, weapons and training. Iran's radical regime has called for Israel's destruction, is proceeding with development of long-range ballistic missiles and considers the development of its nuclear capabilities a matter of national honor. Iran is literally a ticking time bomb—and the ticking is heard not only in Jerusalem, but in Cairo, Amman and Riyadh.

Ironically, the threats to Israel from Hamas, Hezbollah and Iran are also seen as threats by Israel's neighbors. That's why Americans for Peace Now (APN) believes Israel and the United States should seriously explore and not automatically reject—possible ways to bring Israel and its neighbors together to talk about common interests—and threats.

APN is the U.S. sister organization of Israel's largest and oldest grass-roots peace organization, *Shalom Achshav* (Peace Now). APN works to see that government leaders in Washington and individuals and communities around the country are aware of the strategic and economic benefits to Israel of security through peace.

We believe a regional peace conference, led by the United States, is in Israel's long-term interest because negotiations will isolate the rejectionists and, with hope, diffuse the time bomb that ticks down even now.

On the regional front, it means Israel must talk to Syria, the patron of Hamas and Hezbollah on Israel's border. That means supporting Palestinian President Abbas and helping demonstrate that negotiating with Israel can bring the Palestinians tangible results. It also means Israel must give up its expensive, divisive and disastrous addiction to settlement-building. Israel is now building more than 3,000 homes in Jewish settlements in the West Bank.

Those settlements were not all constructed on state-owned land, as their proponents have long argued. Peace Now research using Israeli government records revealed that almost 1/3 of the Jewish settlements' land in the West Bank is private Palestinian property. And official data handed over to Peace Now following a Freedom of Information lawsuit, confirms that the vast majority of the settlements and outposts (131 out of 162) are either partially or completely on privately-owned land.

As the *New York Times* put it: "The data shows a pattern of illegal seizure of private land that the Israeli government has been reluctant to acknowledge or to prosecute... Israel has long asserted that it fully respects Palestinian private property in the West Bank and takes land there only legally or, for security reasons, temporarily."

Peace Now has shown that the government assertions are not true. The truth is that settlement construction and expansion undermine Israeli security. They violate Israel's oft-repeated promise to the United States to refrain from such construction. They are a burden on the Israeli military, which must provide security for each new settlement. And they are a physical and political barrier to a two-state solution.

APN provides 60 to 90 percent of the funds that Peace Now in Israel uses. By joining you will help underwrite *Shalom Achshav*'s research and legal costs in Israel. Also:

- >> You will support *Shalom Achshav*'s most vital activity, **Settlement Watch**, which provides critical information on the growth of settlements to the media, to Israeli officials, to diplomats and to the general public. You will support *Shalom Achshav*'s successful efforts to curtail settlement activity through litigation.
- >> You will support *Shalom Achshav*'s ability to bring hundreds of thousands of Israelis to the streets to demonstrate for policies that will lead to tough negotiations.
- >> You will support the tough, rational approach that APN brings in its Israel advocacy to Congress. To college campuses. In newspaper ads. And in the weekly updates that our members receive.
- >> And you will be part of the constituency calling for the Bush administration to become more engaged in bringing Arabs and Israelis to the negotiating table.

When you make a contribution to APN, you add a valuable asset to your portfolio of organizations that support Israel and the Jewish people. Many American Jews are rightfully proud of their investments in Israel—gifts to the local Federations; support of Jerusalem's Hadassah Hospital, Magen David Adom, and investments in Israel Bonds and Israel's universities; and purchases of made-in-Israel products.

Let donations to Hadassah Hospital go towards world-class medical research rather than caring for victims of terror. Any contribution to APN will help to ensure this because we are the best investment in an American-Jewish organization devoted solely to working for a negotiated settlement that will preserve Israel as a strong, moral, democratic and Jewish state.

Without two states, Jews are a minority between the Mediterranean Sea and the Jordan River. No number of fences or barriers will cancel that demographic fact. To remain a Jewish state, will Israel wall itself into a ghetto, one large gated community? Will Israel then sacrifice its democratic character to retain permanent control over the Palestinians?

At the same time, the passion for Israel among American Jews is dimming. The generation that remembers and reveres Israel's miraculous birth is aging. Its feverish support—grown shrill and frightened among many groups that call themselves pro-Israel or Zionist—is not shared by many younger Jews. For younger Jews, Israel is just a normal fact of life and not always one they are proud of.

Investing in peace is a way of improving the chances for Israel, as well as the returns on the rest of your pro-Israel portfolio. Supporting Americans for Peace Now will make you a stakeholder in the movement whose goal has always been a strong, secure, Jewish and democratic Israel, at peace with its neighbors. You will be a stakeholder in hope.

You will be part of an organization that Charity Navigator, America's premier independent charity evaluator, recently gave APN a top 4-star rating for sound fiscal management.

So if you think ours is a voice to be heard, that must be heard, and if you believe, as I do, that *Shalom Achshav*'s work is vital—please join me and make a tax-deductible contribution to Americans for Peace Now. It's a simple investment that will pay incalculable dividends.

Thank you for your consideration,

Anola Hist

Mr. Arnold Hiatt

Arnold Hiatt is currently Chairman of The Stride Rite Foundation after being with The Stride Rite Corporation from 1967 to 1992, and serving as President, Chief Executive Officer, and Chairman. During that time, The Stride Rite Corporation became known for its social conscience along with its extraordinary financial growth, establishing the first on-site corporate day care center, family leave policy, and a mentoring program for inner-city students. Mr. Hiatt founded the Stride Rite Community Service Program at his alma mater Harvard University, and an undergraduate public service program at Northeastern University, and was one of the founders and now serves as a director of Business for Social Responsibility, a global non-profit business association dedicated to creating a more just society and more sustainable economy by working in partnership with companies to promote socially responsible policies that advance good environmental practices, family friendly workplaces, corporate governance, transparency, and international codes of conduct that set a standard for labor practices in developing countries.

Contact Americans for Peace Now (APN) at 1101 14th Street NW, 6th Floor, Washington, D.C. 20005 for financial information and a full description of its programs.

