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Good luck, Tony Blair

We folks at CEGI extend to you every good wish as you begin your new job as Special Middle East Envoy for the Quartet. We are confident that you will use your talents and energy to help bring peace to Israel and the Palestinians (however "Palestinians" is defined).

With your permission, I would like to share with you some ideas and suggestions based upon my 28 years serving as Chairman of CEGI. I believe that these suggestions can help to furnish the motivation and rewards that will produce a lasting peace agreement, as well as provide the economic elements needed to hold a future peace agreement together.

There are two words that I urge you to keep in mind in the important work that you will be doing and they are:

"Create Jobs"

By that I mean "create jobs for the Israelis and jobs the for Palestinians."

I firmly believe that providing jobs will replace guns and car bombs.

As you analyze your approach to the Israelis and Palestinians for a peaceful settlement of their differences, I believe that a somewhat "forgotten economic approach" should now be brought "up front".

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ZALMAN SHALEV
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I refer to creating jobs that will put bread on the table of 200,000 unemployed Israelis and hundreds of thousands of Palestinians without work, when finally peace plans are signed and implemented.

While some persons will be attempting to resolve the problems of land, security, education and financial support as you bring the Israelis and Palestinians together; I believe that a major motivation to bring about peace will be providing jobs ... yes, more jobs in the West Bank and in Israel.

I suggest that you meet with the President of the Manufacturers' Association of Israel and set up an Israel-Palestinian-Jordanian-U.S. Business Center. This group would be most helpful to you in developing the economy of Israel and the West Bank.

Let me suggest that we, in the USA, can be helpful to you by presenting business opportunities to American companies that will produce needed jobs in the West Bank and Israel once a solid peace agreement is signed and two states are on the way to development.

We have, in addition to our CEGI numerous business development programs, eight American-Israel Chambers of Commerce that I believe could create a strong and positive interest amongst their members to invest in Israel and the West Bank under favorable conditions.

The following are locations of American-Israel Chambers of Commerce that you can call upon:

<u>Region</u>	<u>Organization Name & Address</u>	<u>Contact Information</u>
Atlanta	Tom Glaser, President American-Israel Chamber of Commerce Southeast Region 1150 Lake Hearn Drive, Suite 130 Atlanta, GA 30342	Tel: 404-843-9426 Fax: 404-843-1416 Email: tom@aiccse.org www.aiccse.org Chairman: Dr. Larry Cooper (No Executive Director)
California	Shuly Galili, Executive Director California Israel Chamber of Commerce 20883 Stevens Creek Boulevard Cupertino, CA 95014	Tel: 408-343-0917 Fax: 408-343-1197 Email: shuly@ca-israelchamber.org www.ca-israelchamber.org President: Zvi Alon

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California	Daniel Chalfen, Executive Director Southern California-Israel Chamber of Commerce 6300 Wilshire Boulevard, Suite #1010 Los Angeles, CA 90048	Tel: 323-951-0990 Cell: 310-435-2322 Fax: 323-651-5938 Email: daniel@scicc.biz www.scicc.biz Chairperson: Teri Cohan-Link
Chicago	Michael Schmitt, Director of Operations & Business Relations America-Israel Chamber of Commerce Chicago 247 South State Street, 15 th Floor Chicago, IL 60604	Tel: 312-235-0586 Fax: 312-235-0724 Email: info@americaisrael.org www.americaisrael.org President: Bruce A. Fox (No Executive Director)
Connecticut	Sandra Elias Executive Director Connecticut-Israel Exchange Comm. 64 Old Quarry Road Woodbridge, CT 06525	Tel: 203-393-1650 (don't publish) Cell: 203-530-4900 (don't publish) Email: sandralelias@yahoo.com (No President or Chairperson)
Florida	Chuck Ruddy, Executive Director America-Israel Chamber of Commerce 5944 Coral Ridge Drive, Ste. 180 Coral Springs, FL 33076	Tel: 561-620-9288 Fax: 561-892-2433 Email: ruddy@aiccfl.org www.aiccfl.org Chairman: Gary Epstein
Florida	Director Florida-Israel Institute 2912 College Ave., LA205 Davie, FL 33314	Tel: 954-236-1056 Fax: 954-236-1059 Email: President: Herb Swarzman
Maryland	Barry Bogage, Executive Director Maryland/Israel Development Center 217 East Redwood Street, Suite 1200 Baltimore, MD 21202	Tel: 410-767-0681 Fax: 410-333-4302 Email: bbogage@marylandisrael.org www.MarylandIsrael.org Chairman: Abba David Poliakoff
Minnesota	Harlan Jacobs Acting Executive Director American-Israel Chamber of Commerce and Industry of Minnesota, Inc. 13100 Wayzata Blvd., Ste. 200 Minnetonka, MN 55305	Tel: 952-593-8666 Cell: 612-701-8135 (Harlan) Fax: 952-593-8668 Email: TedGenesis@aol.com President: Daniel Lieberman
Missouri	Allyn Aach, Executive Director America Israel Chamber of Commerce (AICC) of St. Louis 450 North Lindbergh, Suite 112 St. Louis, MO 63141	Tel: 314-569-9995 Fax: 314-569-9962 Email: email@aiccstl.org www.aiccstl.org President: Norton Hoffman

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New Jersey	Andrea Yonah Executive Director New Jersey-Israel Commission New Jersey Commerce & Economic Growth Commission 20 West State Street, PO Box 820 Trenton, NJ 08625-0820	Tel: 609-633-8600 Fax: 609-292-6069 Email: andrea.yonah@commerce.state.nj.us www.newjerseycommerce.org/israel Co-Chair: Leonard Posnock Co-Chair: Dr. Marlene Herman
New York	Ronny Bassan Executive Vice President America-Israel Chamber of Commerce and Industry, Inc. 3 New York Plaza, 10 th Floor New York, NY 10004	Tel: 212-232-8440 Fax: 646-365-3366 Email: ronny@aicci.org www.aicci.org President: Max Brandsdorfer
Ohio	Howard A. Gudell, President Ohio-Israel Chamber of Commerce P.O. Box 39007 Cleveland, OH 44139	Tel: 216-965-4474 Fax: 440-248-4888 Email: ohioisraelchamber@ameritech.net www.ohioisraelchamber.com Co-Chair: Alan R. Schonberg Co-Chair: Daniel R. Austin (No Executive Director)
Pacific Basin	Nora Feuerstein Director Omega 808 Ahua Street, Ste. 26 Honolulu, HI 96819	Tel: 808-596-2448 Fax: 808-596-7939 Email: nora@omegahub.tv
Pacific Basin	Anna Camson President Pacific Basin-Israel Chamber of Commerce 808 Ahua Street, Ste. 26 Honolulu, HI 96819	Tel: 808-596-2448 Fax: 808-596-7939 Email: admin@omegahub.tv
Philadelphia	Debbie Buchwald Executive Director America-Israel Chamber of Commerce Central Atlantic Region 200 South Broad Street, Suite #700 Philadelphia, PA 19102-3869	Tel: 215-790-3722 Fax: 215-790-3600 Email: info@americaisraelchamber.com www.AmericaisraelChamber.com President: Howard Joffe, Esq.
Virginia	Ralph Robbins, Executive Director Commonwealth of VA Information 2214 Rock Hill Road, Suite #600 Herndon, Virginia 20170-4228	Tel: Fax: Email: (No President or Chairperson??)

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I am confident that many American companies operating facilities in Israel would expand their operations in Israel and expand on the West Bank if a solid peace arrangement is concluded.

Similarly, I believe that many *additional* U.S. companies presently not in Israel would open facilities in Israel and the West Bank if they believed that an investment would be profitable and secure in this area.

Several years ago, in an effort to develop business and jobs in the Middle East, I submitted a detailed "Marshall-type" Plan to President Bush and Prime Minister Sharon. This was a broad based plan to create *private* investments in the Middle East.

Unfortunately, in my opinion, this program was not acted upon favorably. Perhaps the timing was inappropriate. *I would be pleased to update this plan and give you my thoughts* (which I believe many others also have) as to how to implement a *jobs program* through a "Marshall-type" Plan for the Middle East.

I believe this type of plan, which I called "MEED" and which was based primarily on a job development program for the area, *would tie in well with your expressed interest to "build the economy of the Middle East"*.

Let me suggest that you contact the highly successful business executive, Stef Wertheimer of Israel. He also favored a "Marshall-type" Plan, which he presented to the US Congress. It was not accepted. Stef is a successful developer of profitable businesses and real estate. He and his son could be helpful to you in creating a flourishing economic plan for the area. He can be reached at: Iscar, Ltd., Tefen 24959 Israel, Tel: 972-4-9970311, Fax: 972-4-9873741/2, Email: headquarter@iscar.co.il.

Stef Wertheimer and his son recently sold 80% of their Iscar to Warren Buffet for \$4 billion plus. *I suggest that Warren Buffet might be interested in working with you on a job creation business plan for the area.*

There are many Israeli executives who have become active and successful in the high-tech field. Many have globalized their companies and have experience that could be helpful to you. I suggest that you contact:

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- ❖ Uzia Galil, Chairman & CEO, UZIA Initiatives & Management, Ltd., Advanced Technology Center (MATAM), P.O. Box 15030, Haifa 31905 Israel, Tel: 972-4-8550979, FAX: 972-4-8500483, Email: sima@uzia.com

- ❖ Amiram Shore, Chairman, E.N.T. Exceptional New Technologies, 35 Jabotinsky Street, Ramat-Gan 52511 Israel, Tel: 972-3-6130929, Fax: 972-3-6130935, Mobile: 972-50-201190, Email: amshore@ent.co.il

- ❖ Meir Amit
- ❖ Eliyahu Hurvitz
- ❖ Dov Lautman
- ❖ Zalman Shalev
- ❖ Dan Vilenski
- ❖ Dan Tolkowsky
- ❖ Gad Ya'acobi

May I suggest that you contact two Israelis: Yossi Vardi and Rafi Benvenisti. They produced an exciting program a number of years ago entitled "Development Options for Cooperation: The Middle East/East Mediterranean Region 1996, Version IV, August 1995".

I have a copy of this plan which I would be pleased to make available to you. A group of us had a serious discussion of this project when it was presented at the Middle East/North Africa Economic Summit held in Casablanca on October 30, 1994. This plan was introduced by Shimon Peres. It has not been implemented to date.

You might wish to give serious thought to the Red-Dead Sea Plan that is under consideration by the Israelis. Globes reported on June 27, 2007:

"Eleven international companies will participate in a tender to examine the possibility of digging a canal from the Red Sea to the Dead Sea, Jordan's Ministry of Water and Irrigation has announced."

"The two-year study will examine the environmental and social consequences of bringing seawater from the Red Sea to the Dead Sea through a 300-kilometer canal through the desert. Construction of the canal is expected to take 25 years and cost \$1 billion, and the project will include a seawater desalination plant that will provide water for drinking and agriculture for the region."

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Many jobs will be created for the completion of this project.

I am sure that you will meet with Shimon Peres and his staff at the Peres Center for Peace. This group is involved in bringing about peace in the area. *Economic development is high on their agenda.* Contact can be made at adslfixperes@012.net.il.

I urge you to obtain a copy of the very interesting and important talk made by Shimon Peres at the World Economic Conference last year. He stressed the importance of building a strong economy, particularly in an area which he designated the "Peace Area". He suggested that the Israelis, the Palestinians and the Jordanians could build an important business and residential community in the section he designated.

There are a number of Israeli manufacturers who have opened factories in Jordan. It would be well for you to contact them to determine their interest in expanding their facilities into the West Bank. You might use the Jordan Plan as a model to be included in a peace plan between the Israelis and Palestinians.

I suggest that the Israelis and Palestinians will need new incentives to attract companies to open joint facilities in Israel and the West Bank. The risks for opening facilities in the West Bank are high and, as a result, foreign companies will require high incentives to make favorable decisions to open facilities in that part of the world.

I urge you to get a copy of a booklet published by Ehud Olmert in September, 2003, entitled "Invest in Israel where breakthroughs happen". There is a considerable amount of important information presented that would be of interest to potential investors in Israel and the West Bank.

Speaking of investments by foreign companies in the West Bank, you need, I believe, to answer these questions to their satisfaction:

1. *What is the prospect of a civil war in the West Bank between Hamas and Fatah?* Will Fatah attempt to take over the Gaza Strip from Hamas?
2. *Is it possible that total war may evolve throughout the Middle East?* The *Jerusalem Post* reported on June 12, 2007:

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“UN envoy Terje Roed-Larsen raised an ‘alarm’ about the situation in the Middle East, warning that the region faces the possibilities of full-scale war, a fresh effort to contain the current violence, or energetic diplomacy to try to bring lasting peace.”

“The picture which emerges is very dark, and apparently getting darker,’ he told reporters on Monday. ‘So there are reasons for real concerns in the international community.’”

This question may deter foreign investment in the Middle East.

3. Does Abbas genuinely want peace? Does he have the strength to bring about peace? *U.S. News & World Report* reported July 2, 2007:

“For now, Hamas doesn’t have the firepower in the West Bank to overthrow Fatah as it did in the Gaza Strip. But if Fatah doesn’t transform itself, it risks facing a future Hamas-inspired popular revolt in the West Bank. And Abbas has shown that he is no transformative leader. ‘The era of militias is over,’ he has declared. ‘We will impose law and order in all the Palestinian territories.’ One thing about Abbas – he’s always been good with words.”

4. Can the Fatah provide security to foreign companies?
5. Will Fatah provide a proper accountability infrastructure in the West Bank, i.e., cost systems, accountability, lack of corruption, etc.?
6. Will Israeli companies be willing to invest in the West Bank until there is a sense of security and acceptance by Fatah?
7. Will Israeli companies be willing to allow Palestinian workers to enter Israel to perform jobs in construction, farming, etc.?

These are all questions that American CEOs who consider globalizing their companies in Israel need to be answered. Without satisfactory answers they would rather open facilities in China, India, etc.

Again, on behalf of our group, I wish you success as you use your peace making skills and experience to mutually improve the economies of the Israelis and those Palestinians who live in the West Bank ... if they are willing to exchange guns for jobs. May you help bring peace to the area.

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If I can be helpful in expanding on the ideas I have expressed in this letter, you can reach me at 1-414-906-6259 (Manpower International Headquarters).

Very truly yours,

Elmer

Elmer L. Winter
Chairman

P.S.: I was the co-founder of Manpower International and served as its President for 26 years until my retirement. I was asked, in 1976, by Mr. Yitzhak Rabin (when he was Prime Minister) to create CEGI. I continue to serve as the Chairman of CEGI.

PLEASE NOTE: All information contained in this report has been obtained from sources believed to be reliable, but the accuracy, completeness, timeliness or correct sequencing of the information is not warranted by the Committee for Economic Growth of Israel (CEGI) or Elmer Winter, or the information providers.

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