

people recognize that, on balance, our military people have done a good job and that he's been quite a good and effective Defense Secretary. I have full confidence in him. And I believe that every fairminded person, when they look at his record, will feel the same way.

[At this point, one group of reporters left the room, and another group entered.]

#### *Prime Minister's Visit*

*The President.* Let's get everyone in first.

*Prime Minister Netanyahu.* This is the most genteel press of all, the Israeli press. They're all pussycats here.

*The President.* Let me, first of all, say I'm delighted to have the Prime Minister here. I've looked forward to having a chance to have this conversation. He and his family arrived late last night, and I'm glad to see him looking so bright-eyed this morning. And I think that I should defer answering any substantive questions until we have a chance to visit. When we have a chance to visit, we're going to make ourselves available to you, and I'll answer whatever substantive questions you have then.

*Q.* Mr. President, will you promise the Prime Minister that in the second Clinton administration the Embassy will move to West Jerusalem as the law of the land says?

*The President.* I'll promise the Prime Minister to answer questions after we have a chance to visit.

*Q.* Mr. President, are you going to change your policy towards Syria?

*The President.* I'll talk about all this after we have a chance to visit. I want to visit with the Prime Minister first.

*Q.* Mr. President, are you expecting to get any specific answers from the Prime Minister regarding Hebron, as an example?

*The President.* I expect we'll have a good conversation.

*Q.* [Inaudible]—the chemistry between you two is important to you, Mr. President?

*The President.* I have always thought it was pretty good. I read the Prime Minister's—one of his books a long time before I even ran for President before, and I've always been very interested and admiring of his understanding of the problem of terrorism, which I think he explained to the world in advance of many other people focusing on it. And I just read his most recent book. And we've always had a cordial relationship. So I'm looking forward to renewing it and working with him.

NOTE: The exchange began at 11:10 a.m. in the Oval Office at the White House. In his remarks, the President referred to Gen. Wayne A. Downing, USA (Ret.), Director, Downing Assessment Task Force. A tape was not available for verification of the content of this exchange.

## The President's News Conference With Prime Minister Binyamin Netanyahu of Israel

July 9, 1996

*The President.* Good afternoon. Please be seated. I'm very glad to welcome Prime Minister Netanyahu to the White House. This is his first visit since taking office, and it gave me an opportunity to congratulate him on his victory in the election in May.

Israel has changed governments, but as I told the Prime Minister, the historic relationship between the United States and Israel has not and will not change. The bonds that unite us are as strong as ever today. I am proud that our relationship is broader, deeper, and more firmly

rooted than at any time in Israel's history. And I am determined that it should remain so.

The Prime Minister and I had a good talk on many issues. At the heart of our discussions was the question of how to bring a comprehensive peace that is secure and lasting to the Middle East. I told the Prime Minister that I am committed to maintaining the progress that has been made toward that goal, and he told me the Israeli people had given him a mandate to make peace with security, a peace that will bring at each stage a growing sense of security for the people of Israel and all the people of the

Middle East. The Prime Minister and his Arab partners can count on the full support of the United States towards that end.

Peace that we seek is not an abstraction. It must bring security, dignity, and a better life for Arabs and Israelis alike. Above all, peace and security must be indivisible, because peace without security is impossible, and true security without peace cannot be achieved.

I was encouraged by the Prime Minister's statement that he will be working closely with the Palestinian Authority on full implementations by both sides of the Declaration of Principles and the Interim Agreement and on easing economic conditions on the Palestinians. We also agreed on the importance of negotiations with the Syrians. We both believe it is vital to continue to bring the nations of the Middle East together through regional initiatives and through institutions, especially economic ones such as this fall's Cairo economic summit.

We spoke at length about the threat posed to our mutual interests by terrorism. After the brutal attack on Dhahran, Americans understand better than ever that, as the Prime Minister himself has written, free societies must mobilize their resources, their ingenuity, and their will to wipe out this evil from our midst. I am pleased, therefore, to announce that we have agreed that the first meeting of the U.S.-Israel counterterrorism group created this past spring will take place this month. Our cooperation will be a key element in the global effort to defeat terrorism, an effort America has led at Sharm al-Sheikh and the G-7 conference.

We're also stepping up our joint efforts against the threat posed to Israel by missile proliferation. The United States has agreed to provide shared early warning information in Israel beginning before the end of next year—this year, excuse me.

Let me close by repeating something that I said to the Prime Minister in one of our earliest conversations in 1992. I said then I didn't believe the United States could make peace on behalf of Israel, that only Israel and its neighbors could make these decisions through direct negotiations. I felt that our contribution should be to minimize the risks to Israel of making peace so that Israel could have the confidence necessary to make a peace that will last. I still believe that.

That is why our commitment to Israel's security remains rock solid, why we'll continue to

do whatever is necessary to ensure Israel's qualitative edge, why Israelis and no one else will ultimately have to decide the terms upon which Israel will make peace. Those who would try to drive a wedge between Israel and the United States will not succeed. We will strengthen the bonds between us, bonds that have helped to make possible the dramatic changes in the Middle East since 1992.

Now Israel is no longer alone in the region. Courageous Arab leaders have put aside decades of hostility and suspicion to extend the hand of partnership in peace. Just as we stand by Israel, so we will also stand with those in the Arab world who seek peace. I am confident that those who join us in the search for peace will see that they have made the right choice.

Mr. Prime Minister.

*Prime Minister Netanyahu.* Thank you, Mr. President. I'd like to thank you, Mr. President, for your gracious hospitality, a quick but very good lunch, for your warm welcome, which I think all the members of the delegation feel is genuine and is, I think, in the best traditions of American-Israeli relations. I hope you'll give us the opportunity to reciprocate in the near future. And I'd very much like to welcome you soon in Jerusalem.

The purpose of this visit is to express Israel's appreciation for American support and also to reaffirm that the relationship between our two countries transcends personalities and politics and parties. It is a bond between two peoples and a bond which I think has few equals in the international arena. And I think—and I know—that our relationship is today as solid as ever, and it will continue to be solid and friendly in the utmost degree.

I want to thank you, Mr. President, for the decisions you have made in this visit regarding enhancing Israel's security. We discussed a broad range of subjects whose goal is to enhance security and to achieve peace. And we discussed the many problems and challenges that face us still through the Oslo process and the negotiations with Syria.

I think we agree that those who are on the side of peace must show complete dedication to the fight against terrorism. Anything less will simply not do. Israel is eager to make progress, but we cannot do so alone. We want to live up to the agreements, but we cannot be the only side to do so. We're willing to move forward, but we cannot move forward without reci-

procity. And for us, the key word is reciprocity and the fulfillment of obligations undertaken by both sides. And while we yield to no one in our desire for peace, on the question of security and terrorism, we will not accept the notion that peace and terrorism can coexist under one roof. I'm confident—I must say, I was confident before I came here and even more confident after I've had the opportunity to explore in some depth with President Clinton these and other issues—I'm confident that we can overcome the hurdles that face us and continue with a genuine process of seeking peace with security.

I have to say that I think that the Middle East needs something more than just the quest for these two areas. I think what we need in the region is a badly missing education for the peoples of the area for peace and human rights and democracy. I think we need a new way of thinking about relations between peoples and about relations with each other.

Our neighbors' children will accept and will learn to live with our children when they are taught that Israel is an integral, legitimate part of the region and that it is here to stay. And I think some serious efforts in this direction are needed. I think they will do as much and possibly more than all the agreements that we seek to achieve. And I'm sure that we have the resolve and we have the determination to work with those Arab leaders who are interested in a genuine peace to effect a psychological transformation in our area among the peoples, ultimately to guarantee the peace that we are working for and that we will strive for and that we all deserve, Arab and Jew alike.

*The President.* Terry [Terence Hunt, Associated Press].

Q. Mr. President—

*The President.* Well, let me say, first of all, how we're going to do this. We'll have one question from an American journalist, and then the Prime Minister will call upon an Israeli journalist. And we'll alternate until you run us out of the room.

#### *Middle East Peace Process*

Q. Mr. Prime Minister, what did you tell the President about observing the concept of land for peace, pulling out troops from Hebron, and a possible meeting with Yasser Arafat?

And to you, Mr. President, after today's meeting, are you convinced that Prime Minister Netanyahu will pursue the peace process with

as much determination and vigor as Yitzhak Rabin and Shimon Peres?

*Prime Minister Netanyahu.* We have now a history of negotiations with the Arab side, or I should say with Arab parties. I, myself, went to Madrid to initiate the breakthrough peace conference that opened up the direct negotiations between Israel and all of its Arab neighbors, the Syrians, the Palestinians, the Jordanians. We disagreed on this issue with the Arab delegations at the time but this didn't prevent us from convening in the room.

We have our own interpretation of land for peace, our own interpretation of 242 and 338 that calls for Israel to make concessions of land in order to achieve secure and recognized boundaries. As you know, Israel has made substantial concessions on all fronts. And the question remains, what are secure and recognized boundaries? Or for that matter, does fairness require that Israel yield 100 percent and the Arab sides yield zero percent? And will we have secure boundaries on the '67 borders? Well, obviously, we think differently.

Rather than delve into this discussion and into this debate, I again point to the direction that was achieved in Madrid and has been, I think, the basic guiding principle, namely that we can have different interpretations but that none of us tries to coerce the other side to accept our own positions as a starting point for negotiations, which have to be left open to their conclusion, obviously. And that is what we will do with the Syrians and with others.

On the question of Hebron, we have two commitments. We have a commitment to fulfill our obligations, and we have a commitment to maintain security. And the problem in Hebron is a serious problem of security. No government, including the previous government, could act precipitously in Hebron because the potential for explosion there is immense, and it could entail the kind of tragedies that we saw in Hebron recently, or for that matter, a few decades ago in 1929 when the entire Jewish community was massacred. We've had terrible violence directed at both sides. Hebron to us is also a subject of deep historical attachment. It's the oldest Jewish community on Earth, 3,500 years old.

So this has to be treated carefully. I'm looking into the problem. I explained to President Clinton in some detail our concerns and how we seek to reconcile these two interests, fulfilling

commitments on the one hand and maintaining security on the other. This is something I will discuss with my Cabinet colleagues, and I assure you that I'll be in touch with the President as we continue our deliberations.

*The President.* You asked me——

*Q.* About Mr. Arafat.

*Prime Minister Netanyahu.* You asked did we discuss Mr. Arafat?

*Q.* No. Are you willing to meet with Mr. Arafat? Do you plan to meet with Mr. Arafat soon?

*Prime Minister Netanyahu.* Well, as you know, we have ongoing contacts with Mr. Arafat and with the Palestinian Authority. I have my own representatives who have been meeting with him on a regular basis, and we'll expand these contacts both in frequency and the level of the personnel involved. I said that if I deem it necessary for peace or for the interest of Israel to meet Arafat, I wouldn't rule it out, and I have not changed my position.

*The President.* You asked what I said to the Prime Minister. I said, first of all, I thought it was very important that there be a reaffirmation of the commitments that Israel has made in Oslo I and Oslo II, in all the accords that were signed; second, that I thought that there should be an attempt to continue the comprehensive peace process, that it was essential to keep working with the Palestinians, there should be an attempt to reengage Syria, to work on the problem of Lebanon.

You asked if I thought that the Prime Minister would pursue the peace process with vigor. The answer to that is, I believe that he will. There was an election in Israel. The Israeli people made a decision. Part of that decision was to take a different approach to the peace process from this point forward, at least somewhat different. Israel is a democracy. They made that decision. The Prime Minister has very strong views.

But I think if you look at the mandate that he received—and he's better to talk about it than I am—but I believe that the tide of history cannot be turned and that going back—and I said this to the Arab leaders very firmly before the last summit in Cairo—it would be a bad mistake. I think that we have to find a way for these parties to make their own peace. None of us from the outside can impose it on them. None of us should seek to impose it on them. The interest of the United States is to reduce

the risks for peace undertaken by the peacemakers.

But I believe that we need to keep the tide of history going, because I don't believe there can be, ultimately, final security for the people of Israel without a resolution of the peace process that is positive. So I believe that the process will go forward. And I think we're going to have necessarily a period of adjustment, and those of us who care about it need to try to minimize the negative and maximize the positive and get through it as well as possible.

*Q.* Mr. Prime Minister and Mr. President, do you share the view that you cannot negotiate peace with Syria as long as Syria harbors terrorists in Damascus? And will you, Mr. President, call President Asad, just as you did after every previous visit of state head from Israel, and tell him that he still has a partner for peace?

*Prime Minister Netanyahu.* Well, I have said that I am prepared to negotiate with President Asad of Syria on peace. And I can tell you that the first item on my agenda would be the cessation of all terrorist attacks from Syrian-controlled areas in Lebanon via Hezbollah, or for that matter, other terrorist attacks from groups based in Syria.

And I think it's only right. I think that it's peculiar to have peace talks that are progressing while you have a terror campaign parallel to it. So the cessation of hostilities usually precedes all peace negotiations. In fact, I'm hard pressed to find exceptions in modern history. And if there are exceptions, we shouldn't follow the exception; we should follow the rule.

This is what I would do. And I think that this would be conducive to building trust that is badly needed between Israel and Syria in order to move forward with the negotiations on much more sensitive issues.

*The President.* I would make two points very quickly. First, the United States is opposed to terrorism as practiced by anybody, anywhere. And our concerns with that have been an impediment in the improvement of our relations with Syria, which we have sought on its own merits and as a way to aid peace in the Middle East. We have an uncompromising position on terrorism, and we will maintain it, even if we have to pay for it from time to time.

Secondly, I do intend to communicate with President Asad. I have to decide—you're the first person that asked me about a telephone call, so it hadn't occurred to me one way or

the other. It just sort of happened before. But we stay in regular contact about the peace process. And I have before, and I will again, on the basis of this meeting, reaffirm my belief that he should maintain contacts with Israel and discuss peace without preconditions.

*Q.* Mr. President, some 150 U.S. rabbis sent you a letter yesterday asking you to cut off aid to the Palestinians and Israel if they don't live up to their commitments under the peace process. Is that something you would even consider doing? And short of that, what other steps might be considered to ensure compliance with the proposals in the peace process, such as tying U.S. aid to a continued moratorium on settlements in the occupied territories?

*The President.* Well, first of all, we have found pretty good results when we've worked closely with the Palestinians in getting increased compliance. And I think the absence of large terrorist attacks in Gaza and the West Bank is evidence of their increased capacity—which is different from their will—not only their increased will but their increased capacity to comply with the terms and the agreements which bind them as well as Israel.

So I don't believe that I should talk about what I would do if it's obvious that they had abandoned any attempt to comply with their obligations when it seems to me that, at least in the areas where we've been principally concerned, they have been willing to do more and they have been increasingly able to do more. So I want to focus on the ability of Mr. Arafat to succeed in holding up his end of the bargain. And if there comes a time when it's obvious they have no intention of doing that, then I'll cross that bridge when I come to it.

#### *Israeli Election*

*Q.* Can you explain to Mr. Netanyahu why you, Mr. President, and your administration were perceived as though it supported forcefully Mr. Peres to become the next Prime Minister?

*The President.* I don't think it needed that much explaining. [Laughter] If there's one thing I've learned in years of dealing with Mr. Netanyahu, he's a very bright man. Sometimes I wish I could explain things that don't need much explaining.

The important thing is—

*Prime Minister Netanyahu.* Mr. President, we didn't discuss the election results.

*The President.* We didn't discuss it at all. That's right.

Yes, go ahead, Wolf [Wolf Blitzer, CNN].

#### *U.S. Economic Aid to Israel*

*Q.* Mr. President and Mr. Prime Minister—in the past, Mr. Prime Minister, as the opposition leader in Israel, you've spoken about the need for Israel itself to voluntarily move away from its economic dependence on U.S. economic aid as opposed to military assistance. Are you willing now to give up that \$1.2 billion a year in economic assistance given Israel's economic progress?

And Mr. President, would you welcome a decision by Israel to give up that U.S. economic aid at this moment?

*Prime Minister Netanyahu.* You're quite right that I intend to move Israel towards economic independence. It's not a simple or a one-shot move. It requires a strategy and some very hard decisions, like the kind we took just 2 days ago in a record cut of the budget, which is merely one part of our economic policy, which will also be deregulation, privatization, the breakup of cartels, and so on—all of which is hard to do, because of vested interests, with political costs, and certainly in the economic budget cuts, with considerable pain in some quarters of the population. But I'm committed to doing it. And I have no doubt that this policy pursued over the course of the coming 10 years will be able to move Israel considerably towards that goal of economic, and I stress the word economic, self-sufficiency.

This doesn't mean that I can do it tomorrow, and I haven't said that I will. The only news that I can give you, Wolf, is that this is a visit of a Prime Minister to Washington without a bag of goodies that we ask for. We came in saying, "We're doing it on our own. We're cutting our budgets, and we'll handle it on our own." But I must say that I appreciate the military assistance and the assistance in the security field especially, including the decisions the President took in this visit regarding early warning systems that are so important for us. And this is something that I think is appreciated by the entire people of Israel.

*The President.* I agree with the Prime Minister's statement. I think that the capacity of the Israeli economy to grow because of the talents and the diversity of its people, the strength of the people, is virtually unlimited. I think it

will really take off in the years ahead. I think we should be supportive of that process. And there may come a time when aid is no longer needed and no longer sought, but I don't believe that this is the time to do anything to destabilize where we are. We need to focus on our goals in the Middle East, including greater economic prosperity in Israel and for our Arab supporters of the peace process as well.

#### *Israeli Settlements*

Q. Mr. President, how do you see the settlement policy of the new Government of Israel? And, Mr. Prime Minister, can you react to the President's response to this question, please?

*The President.* Well, first of all, keep in mind the settlements as an issue in the abstract, or the larger issues of settlements, are, by prior agreement of the parties, to be resolved by agreements. That's the first thing.

Secondly, we know as a practical matter that the settlements issue can become a contentious one, can become a problem—not the only problem in the peace process. So it's something that we have said repeatedly has to be handled with great care.

Now, I think just saying those two things is about all that needs to be said. This is something that the more you talk about it, you could do more harm than good in the ultimate peace process. But I think those are the two touchstones, the lodestars that ought to guide decisions as we go along on settlements.

Mr. Prime Minister.

*Prime Minister Netanyahu.* Thank you, Mr. President. I had the opportunity to present to the President and earlier to the Secretary of State some statistics that showed that the—under the last 4 years under the Labor government of Mr. Rabin and Mr. Peres, the population of the—the Jewish population in the areas of Judea, Samaria, and Gaza grew by 50 percent—five-zero—roughly at a rate of 10 percent a year, and compounded it gives you the 50 percent.

This is natural growth. These are living communities. They have families. People get married, they have children. Because of the cost of housing in Israel, which is so high—and beyond the green line—also people move there to find cheaper housing and so on. So there's been a natural growth in the existing communities, and that is—I assume that no one here

is expecting us to do less than the Labor government on this point.

Secondly, regarding the question of additional or new settlements, this is obviously something we don't preclude, but the precise pattern, the decision of how, when, where to do this is something that I'll deliberate with my colleagues. And we shall do so; we shall reach a decision that I think should guide us on how we view the final political settlement. I think it's important to have a direction.

But at the moment what I can tell you is that we have not yet decided on the precise pattern of our settlement policies so there is no concrete answer to your concrete question.

*The President.* Peter [Peter Maer, NBC Mutual Radio].

#### *Middle East Peace Process*

Q. Mr. President and Prime Minister, a couple of questions on the Palestinian issue. To you, Prime Minister, do you agree with the assessment that the President gave a couple of questions back—to the assessment of, rather, the Palestinians' will and capacity to deal with terrorists and other troublemakers?

And President Clinton, would you have liked to have heard, or maybe you did privately hear, a firmer commitment from the Prime Minister to a set time for a meeting with Yasser Arafat?

*Prime Minister Netanyahu.* I think that the fulfillment of commitments is central. And I am not just saying it as a trick, as a ruse, as a stalling device. We inherited two agreements, Oslo I and Oslo II, not to our liking. I thought they would lead to an expansion of terrorism. I thought they would have other consequences. But I inherited them as Prime Minister. And governments keep agreements. The same applies to the sides, the parties that sign agreements with the Israeli Government. And therefore, we expect the Palestinian Authority to fulfill the central commitments it undertook in Oslo. I think this would be only natural and this would put them, I would think, in a moral position to ask us to fulfill the remaining of our obligations.

There are two central commitments of Oslo—there are many, but the two central ones on which, may I say, I got elected, promising to ensure that they're fulfilled. The first one is Jerusalem. There is, unfortunately, systemic violations of a solemn commitment that the PLO—or I should say, the Palestinian Authority—un-

dertook in Oslo not to have any of their offices or governmental activity in Jerusalem. And they have offices in Jerusalem, formal PA offices operating in Jerusalem, in direct contravention of Oslo. They also have security personnel, in direct contravention of Oslo. We expect the Palestinian Authority to desist—cease and desist from these activities in order to conform with their obligations. We wish them to conform, and we wish ourselves to conform.

The second major area is security. I think that what has happened 4 months ago, after the spate of suicide bombings, was that the Palestinian Authority realized for the first time that unless it acted to curb the terrorist attacks emanating from PLO domains, then no government in Israel—and this time I'm talking about the former government—even it could not continue with the process. And as a result they began to act. And I say "began." They're acting. They've showed a capacity to curb terror emanating from their domains if they so wish. And this I think the President hit it right on the nail—right on the—I think he hit the nail right on the head.

And the crucial question for us is, A, that this be done fully, which means dismantling Hamas—or disarming Hamas and Islamic Jihad members from their weapons. It also means not releasing criminals or perpetrators of terrorist acts, and a few other things. And this remains to be fulfilled. But there has been movement in that direction, which I think is important.

I would say one thing on security. I think the crucial thing, the crucial awareness and understanding that we are trying to communicate to the Palestinian Authority is that the battle against terrorism cannot be episodic. It cannot be a product of whim or tactics or strategy. We're moving together towards peace. Don't use terror—indirectly, of course—don't use terror as an instrument of policy.

It is virtually almost true—it is not always hermetically so, but it is virtually always the case that most of the terrorists' actions, the grievous ones, the terrible ones, that have been launched against us are done not by shadowy groups or isolated individuals but by known organizations whose activities can be curbed by our negotiating partners. And therefore, it is not true to say that by insisting that terror be curbed we're hindering the peace process, because it is our negotiating partners in the peace

process who have the capacity to stop the terrorism.

This is something we expect them to do. This is something they've shown a capacity to do. They can continue doing it. And if they do it, our response will be very, very positive in a number of areas and especially and most directly in the economic areas.

You know that in Gaza they're suffering. In the PLO—in the PA areas, they're suffering because of lack of employment, because of the closure. I do not view the closure as a principle that has to be enshrined forever. I think we can and we should pursue a policy of economic openness with the Palestinian Authority. And I'd like to help out in the economic field. But the closure, as you know, is one of the consequences of the absence or the failure of the Palestinian Authority in the past to conform with their obligations vis-a-vis security and fighting terrorism.

I think it's intertwined. And our policy again is reciprocity—fulfill the commitments, I think precisely as the President said, on both sides and maintain security.

*The President.* Peter, you asked a specific question. Of course, the Prime Minister's already addressed this. They clearly have very high level contacts already established. And what I said to him, I'd be glad to say to you in public. I said, "I think it's critical to do that, and I think the more contact, the better." I said what I said here, that I have been impressed by the increasing—not only the increasing will but the increasing capacity of Mr. Arafat and the Palestinian Authority to run their own affairs in security and in other areas. There's a world of difference in their ability to do this between now and 1993. And I believe that making sure that Israel and the Palestinians were on the same page, understood each other, and made the maximum number of agreements about how they were going to proceed is critical to keeping the peace process going.

The details of it, I have—you've heard the Prime Minister comment on that, and that's a decision for them to make.

We have one more question over here.

*Q.* Mr. Prime Minister and Mr. President, don't you think that Mr. Arafat is your peace partner and should not be left out guessing until such time that you will see fit for Israeli security to meet with him? I think that it is a necessary element which will guarantee both the security of Israel and the Palestinians that you meet im-

mediately. And when will you, sir, since you expressed your opinion about the closure, when will you lift the closure and allow more Palestinian workers to work inside Israel?

And Mr. President, your administration has spent a great deal of time and effort to bring peace to the Middle East, especially between the Palestinians and the Israelis. At this juncture, Mr. President, don't you think that a summit between Mr. Arafat and Mr. Netanyahu, King Hussein, and President Mubarak under your auspices here at the White House before November 5th will add a lot of good to the element of stability and possibly solution? Because these things which happened here at the White House were very fruitful, and they brought a lot of good feelings to the people in the Middle East.

Thank you.

*Prime Minister Netanyahu.* I've said that we may have agreements and we may have disagreements, but I assure you that one of the things that will not happen is that we will not have disagreements as a result of lack of communications. The communication channels will be open, they will be complete, and they will allow us to understand each other at the highest levels.

You had a second question, I think. [*Laughter*] What was that?

Q. Which was, when will you allow more Palestinian workers to work?

*Prime Minister Netanyahu.* As soon as the security conditions—I deem—as soon as I deem the security conditions will allow it, I will ease the closure.

*The President.* Let me just say, one of the most encouraging things to me about our con-

versation was the clear understanding the Prime Minister showed of the difficulty the closure is imposing on the Palestinians, not only in terms of not being able to move across the borders and go to jobs in Israel but also in destabilizing their own environment and undermining our ability, for example, to encourage others from the United States and elsewhere to invest in their territory.

So we understand that. And also, I think that security is clearly the test. So this is, obviously, the next area where Mr. Arafat and the Prime Minister and his government need to go to try to reach an understanding. But I was encouraged by that.

In terms of your suggestion about a summit, my experience, sir, is that when these things are called there needs to be an understanding in advance about what is going to be achieved and how it's going to be achieved. To be fair to the Prime Minister, he has just taken office not very long ago; he's just constituted his government. And I think it would be premature to do that at this time.

But I believe the more contact we have at the higher levels, the better off we're going to be and the greater the likelihood of achieving peace. But I do not believe it's the appropriate time to do that now.

Thank you.

NOTE: The President's 127th news conference began at 2 p.m. in the East Room at the White House. In his remarks, he referred to Chairman Yasser Arafat of the Palestinian Authority and President Hafiz al-Asad of Syria.

## Remarks on Senate Action on Minimum Wage Legislation and an Exchange With Reporters

July 9, 1996

*The President.* Good afternoon. This was a very good day for America's working families. Today's vote by the Senate means that 10 million hard-working Americans will get a little bit of help to raise their children and keep their family strong. A 90-cent increase in the minimum wage will honor our most basic values:

work and family, opportunity and responsibility. It will help working people without hurting our economy, and it is plainly the right thing to do.

Today the minimum wage is not a living wage. You can't raise a family on \$4.25 an hour. This action by the Senate today restores the biparti-