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Remarks at a Conference To Support Middle East Peace and Development *November 30, 1998*

Thank you very much, Secretary Albright, and thank you for your work for peace in the Middle East. Chairman Arafat, welcome back to the United States. We're delighted to see you. I think it's fair to say that both of us have had more sleep than we had had the last time we met at the Wye Plantation, and I'm delighted to have a chance to meet with Chairman Arafat this morning.

I thank all the representatives who are here from Israel, the other countries of the Middle East—of course, the Norwegian delegation, the European Union, our friends from Asia, and Mr. Wolfensohn from the World Bank, and others.

Let me first of all say I had a good meeting with Chairman Arafat this morning. We reviewed both the progress made by both sides since the Wye memorandum was signed and the essential next steps on the road to peace, including the task of this conference, stimulating Palestinian economic growth. Chairman Arafat reaffirmed his pledge to uphold his side of the agreement and to work with Israeli authorities to promote Israel's security. I promised the continuing support of the United States as we move ahead in the next phase of the peace process. That phase begins today with this conference.

Today our purpose is to send a clear signal that this peace is more than a piece of paper, that the promise imagined at Oslo can become a concrete reality—a true peace, a growing peace, good for Palestinians, good for Israelis, good for the region and the world. There are roughly 50 international states and organizations represented here this morning. Most of you have traveled a great distance. I thank you for your persistence and for your generosity. We must convince those who have invested so much in this process that it was a sound investment.

We must look at Gaza and the West Bank in a new light, not as battlegrounds but as energetic places at the crossroads of the Middle East, endowed with well-educated populations,

strongly supported by the Palestinian community around the world, ripe for further development once investors see that the peace agreement truly is taking hold.

For too long, too many young people have turned to terrorism and old hatreds, partly because they had nothing better to do. We must give them a different future to believe in. Every step toward opportunity is a step away from violence. Palestinians have a right to the same things all people aspire to: to be part of a normal, even happy, society where children receive a decent education, where there are jobs to go around and decent health care, where people's memories are reconciled with their hopes for the future and there is no fear.

Despite our best efforts since 1993, an honest assessment would lead us to the conclusion that we have not realized all our intentions. There has been too little tangible improvement in the lives of the Palestinian people. Per capita income is down. Unemployment is too high. Living conditions are extremely difficult.

At the outset of the next phase of the peace process, we must candidly acknowledge that we have to change these circumstances. No peace stands a chance of lasting if it does not deliver real results to ordinary people. Our challenge today, therefore, is to do more to deliver these results and to do it sooner rather than later.

I would like to make just a few more points before I let you move on to the business at hand. First, peace is built on compromise, and with any compromise, it is important to address the genuine needs of both parties. Both sides have made sacrifices to get where we are, including at the recent Wye summit. Both have taken steps since then to keep the process moving forward. There have been bumps in the road, to be sure, but the agreement is on track, and we must keep it on track. By our words

and our actions, we must keep lending our support, anticipating problems before they arise, encouraging the parties to uphold their commitments, building confidence in both the Palestinian and Israeli people through sustained external support. These will be my goals when I visit the region in 2 weeks.

Second, we must persuade private organizations and individuals to join governments in deepening investments in the region. While public assistance can jump-start development, ultimately the private sector holds the key. There must be greater investment of private resources in Gaza and the West Bank. Each vote of confidence makes the infrastructure a little stronger. Each investment makes previous investments more likely to succeed. It is good economic policy, and it's the right thing to do.

Third, I am convinced for this peace to be real and lasting, it must be regional. Trade and investment must flourish throughout the Middle East, between the Arab world and Palestinians and also between the Arab world and Israelis. There can be no road different from this that leads to a just and lasting peace.

Many nations here have contributed significant resources already, including Norway, Saudi Arabia, Japan, the nations of the EU, and others. We saw a concrete result last week with the opening of the new airport in Gaza, built with international assistance, a powerful symbol of the Palestinian people's connection to the rest of the world. Institutions like the World Bank are helping, too, ensuring that donor pledges are matched with broad development strategies.

The United States has been proud to support these efforts and will continue to do so. The Middle East is profoundly important to our country, for all our citizens who love peace, stability, and the kindness of neighbor to neighbor. Virtues can be found in every faith that trace their roots to the Holy Land.

Today I want to announce that I intend to work closely with our Congress on developing a package to provide an additional \$400 million to assist the Palestinian people, funds to help create jobs, improve basic education, enhance access to water, support the rule of law. This amount is in addition to the regular annual con-

tribution provided by the United States, which will reach \$100 million next year.

A great deal remains to be done, but I urge you to remember how much can be accomplished in just a year. At the beginning of 1998, Northern Ireland was dominated by its divisions, how they were drawn, and who was on what side. Today, the most important dividing line is whether one believes in the past or the future. Through courageous decision and a steady tide of investment, the people there are seeing peace grow from wish to fulfillment. Prosperity there, too, is the key to making it happen.

A breakthrough occurred at the Wye summit because the parties decided to look forward, not backward, to focus on the need for security and on tangible economic benefits like the Gaza airport, the future seaport, the safe passage between Gaza and the West Bank, the Gaza industrial estate, which may provide employment for up to 20,000 Palestinians. All these will enable the predictable movement of people and goods, crucial to building a healthy investment climate. Every economy needs a chance to breathe. These steps will provide good breathing room.

All of you here today know how important your work is. Too many lives have already been lost in the Middle East, from prime ministers to simple passers-by who became random victims of the burning hatred. Today you help again to change this dynamic. Today you know we have the best chance for peace there in our lifetimes.

By building prosperity in Gaza and in the West Bank, by promoting regional economic cooperation, by giving young Palestinians a chance to channel their dreams into positive opportunities, you lay the groundwork for a peace that will last not for a year or a lifetime but for generations to come. We are honored to have you in the United States, and we wish you well in this important endeavor.

Thank you very much.

NOTE: The President spoke at 10:48 a.m. in the Loy Henderson Conference Room at the State Department. In his remarks, he referred to Chairman Yasser Arafat of the Palestinian Authority.