### THE BROOKINGS INSTITUTION

## SABAN FORUM 2015

ISRAEL AND THE UNITED STATES: YESTERDAY, TODAY, AND TOMORROW

# KEYNOTE ADDRESS: FORMER U.S. SECRETARY OF STATE HILLARY RODHAM CLINTON

Washington, D.C.

Sunday, December 6, 2015

#### PARTICIPANTS:

## Keynote Speaker:

HILLARY RODHAM CLINTON
Former U.S. Secretary of State

## Introduction:

HAIM SABAN Chairman The Saban Forum

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#### PROCEEDINGS

MR. SABAN: Secretary Clinton cannot make it, so I'm going to read her speech. Martin, you're about to have a heart attack. I can feel it. So as we approach the conclusion of this year's forum, I want to thank the many speakers and participants. You've made this a very special event for us. I hope that you found it to be constructive and engaging as much as I did, so for all of you who participated we thank you so much, and for all of you who didn't, you better bet more active next time.

next and final speaker who has been our valued guest at every forum we've held since she first spoke to us back in 2004 when she was a senator from New York. A Secretary of State, Senator, and First Lady, Hillary Clinton has consistently embodied the kind of leadership that has strengthened the tie between the United States and Israel. That has allowed us to work together to promote the goals and values that we share.

In an important recent op-ed piece for the foreword that I believe many of you must have read, Secretary Clinton wrote, "For me, fighting for Israel isn't just about policy. It's a personal commitment to the friendship between our peoples and our vision for peace and security." We've seen that commitment in person here at the Saban forum year after year as Secretary Clinton has shared her views and taken our questions. We particularly, this year, appreciate the fact that the Secretary has taken time to join us again given her hectic schedule on the campaign trail.

Following her remarks she will take some questions from the audience, so please remain seated. Now, it is my honor to introduce the personal friend of Cheryl's and mine, the whole Saban musbaka for that matter. Secretary Hillary Rodham Clinton.

SECRETARY CLINTON: Thank you. Thank you all. Thank you very much. Thank you, Haim, for those kind words. Thanks to you and Cheryl and your family for the support of this important initiative, and for, once again, gathering us here together. It's

wonderful being back with so many friends and colleagues, including many from the diplomatic core, and, of course, many from Israel.

I want to thank Martin, Tammy, everyone at Brookings. We look to you to help us understand a world that seems more complex and confounding than ever, and we are grateful for your insights and always helping us reach for statesmanship over partisanship.

Before I begin I want to acknowledge the loss of a beloved member of our foreign policy family, Sandy Berger. A friend and counselor to me and to many of us. Sandy was a wise and brilliant man.

Although I was not able to be at the service on Friday I know many of you were, and my husband told me how extraordinary it was to see generations of policymakers that Sandy had inspired and mentored, and to hear his children talk of him with such love and respect as the father they knew.

Sandy Berger was an enthusiastic participant in this forum. A steadfast friend to Israel and a recipient of an honorary degree from Tel Aviv

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Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190 University. Martin Indyk wrote a lovely tribute to Sandy called, The Man Who Never Gave up Hope for Arab-Israeli Peace, and he's right. Sandy never gave up on peace. He never gave up on the potential for diplomacy to end even the most intractable of conflicts.

Before I turn to this challenge and how we can and must take the U.S./Israel relationship to the next level let me say a few words about events in our own country. These past few days all of us have tried to make sense of yet another senseless terrorist attack. I know that Americans are anxious and fearful, and we have reason to be. The threat is real. The need for action is urgent. Our intelligence and law enforcement agencies will continue learning about what led to the massacre in San Bernardino, just as French and Belgian authorities are doing so in Paris and Brussels.

But this much we do know, the threat from radical jihadism has metastasized and become more complex and challenging. We're seeing the results of ANDERSON COURT REPORTING 706 Duke Street, Suite 100

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radicalization not just in far off lands, but right here at home fueled by the internet. It's the nexus of terrorism and technology, and we have a lot of work to do to end it. As hard as this is, Americans now have to move from fear to resolve. America has beaten bigger threats before and we will defeat this one as well. Resolve means depriving jihadists of virtual territory just as we work to deprive them of actual territory. They are using websites, social media, chat rooms, and other platforms to celebrate beheadings, recruit future terrorists, and call for attacks. We should work with host companies to shut them down.

It's time for an urgent dialogue between the government, and not just our government, government and the high tech community to confront this problem together. I heard from some of you that you had a great session about technology yesterday, and about how politics and society kind of go on in a linear way even if it's an upward movement. But how technology is a disruptive force that leads to a real exponential

increase in activity. I think one of the experts on the panel said ISIS is an exponential force right now. Unfortunately, I agree with that. That's why it requires us to bring together governments and high tech experts to figure how we disrupt them.

Now, resolve mean supporting also our first-responders, like the officer in San Bernardino who said he would take a bullet for the civilians he was rescuing. We owe them our support and gratitude, and whatever help they need. Local law enforcement should get the support, training, and coordination they need in their communities from counterterrorism experts in Washington. It also means taking a close look at safeguards in visa programs and working more effectively with our European allies on intelligence and information sharing. And, yes, Congress must act to ensure that no one who is a suspected terrorist can buy guns anywhere in America.

Resolve also means cutting off the finances the fuel the global jihadist network and demanding that our partners in the Gulf do so as well. Resolve ANDERSON COURT REPORTING

means going after the threat at its source in Iraq and Syria and beyond, and I'll have more to say about that in a minute. So we must act with courage and clarity. I think it's important to remind ourselves that Islam itself it not our adversary. This is not, and we should not let it become, a clash of civilizations. It is a clash between hate and hope, and the vast majority of Muslims are on our side of the battle unless we drive them away.

We can't buy in to the very narrative that radical jihadists use to recruit new followers or alienate partners we want and need at home and abroad with reckless rhetoric. Declaring war on Islam or demonizing the Muslim-American community is not only counter to our values, it plays right into the hands of terrorists. Muslin-Americans are our neighbors, our coworkers, loved ones, friends. Many are working every day all over our country to prevent radicalization. We should be supporting them, not scapegoating them. But, at the same time, none of us can close our eyes to the fact that we do face enemies

who use Islam to justify slaughtering innocent people.

We have to stop them and we will. Radical jihadists, like so many adversaries in our history, underestimate the strength of our national character. Americans will not cower or cave and we will not turn on each other or turn on our principles. We will defeat those who threaten us. We will keep our country safe and strong, free and tolerant, and we will always defend our friends and allies. Today we stand with France, Nigeria, Lebanon, Iraq, Turkey, everywhere radical jihadists threated. And, yes, we stand with our ally and true friend Israel now and forever.

Of course, Israel is no stranger to

terrorism. I've sat in Israeli hospital rooms and

held the hands of victims wounded by terrorist

attacks, listening to doctors as they sometimes even

showed me x-rays describe how much shrapnel was left

in a leg, an arm, or a head. Today Israel faces

growing threats in its own neighborhood. An ISIS

affiliate across Israel's border in the Sinai is

ANDERSON COURT REPORTING
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Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190 becoming more aggressive and sophisticated. It is responsible for the destruction of a Russian airliner with 224 passengers.

Israeli media reported last week that an ISIS commander from the Sinai visited Gaze, raising the stakes even higher. There's also a new wave of violence inside Israel itself. Brutal stabbings, shootings, and vehicle attacks that seek to sow fear among the innocent. Israeli children have been killed as have Palestinian children. Just two weeks ago terrorists murdered an American, a Yeshiva student named Ezra Schwartz, in a drive-by shooting. These knifings and other attacks are terrorism and they must be stopped immediately. So also must irresponsible rhetoric used to stoke tensions or spur violence.

Palestinian leaders should condemn and combat incitement in all of its forms. The right to be safe is not just the right of Americans, but it is the right of Israelis and Palestinians alike. In this period of period of peril, Israel needs a strong

American by its side, and American needs a strong and

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secure Israel by our side. It's in our national interest to have an Israel that remains a bastion of stability and a core ally in a region in chaos. An Israel strong enough to deter its enemies, and strong enough to take steps in the pursuit of peace. We need a brave democracy whose perseverance and pluralism are a rebuke to every extremist and tyrant. We need a light unto the nations as darkness threatens.

Today three trends in the region and the world are converging and making our alliance with Israel more indispensable than ever. The first is a rising tide of extremism across a wide arch of instability, from North Africa to South Asia. The second is Iran's continued aggression. The third is the growing effort to delegitimize Israel on the world stage. America and Israel need to address these threats together. We must take an already strong relationship to the next level.

We have to develop a common, strategic vision and pursue a coordinated approach, deepen our cooperation and consultation across the board. Remind ANDERSON COURT REPORTING

our peoples how much they have in common, and keep our relationship always above partisan politics. So we need to see how our challenges intersect and how we understand the whole chess board.

I want to say a few words about each of these converging trends. First, the rise of ISIS and the struggle against radical jihadism. Our security and the security of free people everywhere depends on waging and winning this fight. Our goal must not be to deter or contain ISIS. Our goal must be to defeat ISIS. I've put forth a three-pronged plan to do that.

First, deny ISIS territory in Iraq and Syria by leading an intensified air campaign, and working with local and regional forces on the ground. Second, dismantle the global infrastructure of terror, the networks that supply radical jihadists with money, weapons, and fighters, and stop them from recruiting and inspiring. Third, toughen our defenses at home and those of our partners against external and homegrown threats.

As part of our ongoing war against terrorist

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organizations we've been operating under an authorization to use military force since 9/11. I think the time has come for us to update that authorization to ensure that we have the tools we need not only to fight ISIS, but all international networks of terrorists. That effort has stalled, and I hope that the President and Congress will pick it back up.

There is no alternative to American leadership, but the entire world must be part of this fight, and I welcome the new commitments from the United Kingdom, Germany, and others in recent days. Now, an effective fight on the ground against ISIS is essential, but that does not mean deploying tens of thousands of American combat troops. It does mean stepping up efforts to get more Arabs and Kurdish fighters into the fight against ISIS on both sides of the Irag/Syrian border.

Supporting the Iraqi security forces while pressuring Baghdad to pursue a more inclusive and effective approach is essential. Immediately deploying the special operations forces that President

Obama has already authorized with more to follow as more Syrians get into the fight. We also have to demand that our Arab and Turkish partners carry their share of the burden with military, financial, and diplomatic contributions. We will do our part, but it's their fight too, and they need to act like it is.

Now, I'm glad Turkey, in particular, has pledged to step up. Now it needs to follow through, including by sealing its border. Dealing with the conflict in Syria with respect to Assad is essential. We need to continue Secretary Kerry's efforts to move toward a diplomatic solution to the civil war in Syria that paves the way for new leadership, and enables Syrians in every community to take on ISIS. Investing the Russians in this outcome and getting them to step up and do their part will be difficult but essential. We have to pursue a transition away from Assad, and an intensified fight against ISIS simultaneously.

We're not going to get Syrian opposition forces to fight ISIS in earnest without the credible prospect of a transition. That's going to take more ANDERSON COURT REPORTING

pressure and leverage. It's one of the reasons why I have proposed creating a no fly zone, as well as safe havens, and more robust support for opposition forces. We also have to do more to support Syria's neighbors, especially Jordan and Lebanon, as they take in massive numbers of refugees fleeing both ISIS and Assad so instability doesn't spread.

Finally, it's crucial that we embed our mission to defeat ISIS within a broader struggle against radical jihadism. Extremist groups like ISIS feed off instability and conflict, and there is no shortage of that in the Middle East today. Decades of repression, poverty, corruption, a lack of pluralism and tolerance turn the region into a powder keg.

Now, we have long faced hard choices in the middle-east about how to balance hard our interests in working with any reliable partner, even those who don't share our values, with our commitment to democratic principles and human rights. Those dilemmas aren't going away and we can't forget that lasting security and stability will only come with ANDERSON COURT REPORTING

real reform that provides more space in both the economy and the political system for more people.

That's why we have to keep working with our friends and partners to support economic and political modernization, train effective and accountable local intelligence, law enforcement and counter terrorism services.

And once and for all the Saudi's, the Guttery's, the Kuwaiti's and others must stop their citizen from funding extremist organizations and stop supporting radical schools and mosques around the world that have set too many young people on a path toward extremism.

U.S. Israeli relationship essential in Iran's increasing aggressive regional ambitions. Tehran's fingerprints are on nearly every conflict across the middle-east. Iran supports bad actors from Syria to Lebanon to Yemen and beyond. The Iranian revolutionary guard and its proxies are attempting to establish a beach head on the Golan from which to ANDERSON COURT REPORTING

threaten Israel. In Southern Lebanon Hezbollah is amassing an arsenal of rockets and artillery and the Ayatollah's continued to threaten Israel's destruction at every opportunity. We all agree that Iran can never be allowed to obtain a nuclear weapon. Now as you know I supported the nuclear agreement negotiated by the United States and other members of the Security Council plus Germany. Is it perfect? No, no agreement like that ever is. But I believe if it is aggressively implemented and enforced this deal will help us prevent a nuclear armed Iran. Now that said it's not enough to say yes to this deal, we have to say yes and we will vigorously enforce it. Yes, and we will embed it in a larger effort to counter Iran across the region. How we handle enforcement in these early months will set the tone for years to come.

So we have to get it right. Our message to Iran must be unequivocal. There will be consequences for even small violations and we are ready to snap back sanctions into place. Our approach must be distrust and verify. There can be no doubt in Tehran

that if we see any indication that Iran's leaders are violating their commitments in the deal not to seek, develop or acquire any nuclear weapons we will stop them and we will make sure the Iranians and the world understand that the United States will act decisively if necessary including taking military action.

(Applause)

And we should also hold Iran and the revolutionary guard corp accountable for their sponsorship of terrorism, ballistic missile development, human rights violations, detention of Americans and other illicit behavior like cybercrime. (Applause)

Now make no mistake Iran will test our resolve. They've already started to do so with a ballistic missile test and other provocative behavior. We have to response to these provocations including with further sanction designations as necessary. The third trend is the growing effort around the world to isolate and delegitimize Israel. This is not a new challenge.

As Secretary of State I called out systemic structural anti-Israel basis at the UN and fought to block the one sided Goldstone report particularly at a time when anti-semitism is on the rise across the world especially in Europe. We need to repudiate efforts to malign and undermine Israel and the Jewish people. The boycott, divestment and sanctions movement known as BDS is the latest front in this battle. Demonizing Israeli scientists and intellectuals, even young students, comparing Israel to South African apartheid, now no nation is above criticism. But this is wrong and it should stop immediately. Some proponents of BDS may hope that pressuring Israel may lead to peace. Well that's wrong too. No outside force is going to resolve the conflict between Israeli's and Palestinian's.

Only a two state solution can provide

Palestinian's independence, sovereignty and dignity

and provide Israeli's the secure and recognized

borders of a democratic Jewish state. Now it is no

secret that the most recent efforts to advance direct

negotiations didn't yield much tangible progress, but I remain convinced and I think it's important we all remain convinced that peace is possible.

I refuse to give up on the goal of two states for two people and no matter how unattainable it may seem at the moment Israeli's and Palestinians shouldn't give up on it either. Instead they should demand their leaders seek every opportunity to demonstrate their commitment. An action is not an option and a one state solution is no solution, it is a prescription for endless conflict.

Israeli's deserve security, recognition and a normal life free from terror and Palestinian's should be able to govern themselves in their own state in peace and dignity. Now for most Americans it is hard to imagine the reality that exists for many Palestinians and in recent times for many Israeli's. So as difficult as this is we need to look for opportunities to move forward together. Everyone has to do their part to create the conditions for progress by taking positive actions that can rebuild trust and ANDERSON COURT REPORTING

by avoiding damaging actions including with respect to settlements and at the same time we should oppose any unilateral action at the United Nations.

Now I know that sometimes this process can start to feel like that famous definition of insanity, doing the same thing over and over again and expecting a different result. But circumstances do change and most importantly demographics change, technology changes, geopolitics changes.

Today in the middle-east Israel and its Arab neighbors find that many of their strategic interests are increasingly aligned. That creates room for greater coordination. Neither Israel nor its Arab neighbors want to see Iran increase its influence in the region or violent jihadists gain greater footholds. So we should encourage more intelligence sharing and security operation like the quiet partnership between Israel and Egypt to stabilize the Sinai.

And you may have seen that Israel plans to open a diplomatic mission in the UAE to participate in ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

the international renewable energy agency which I was proud to support locating in Abu Dhabi. Imagine how that kind of step could be followed by broader diplomatic engagement. Converging interests between Israel and key Arab states may make it possible to promote progress on the Israeli/Palestinian issue and of course progress between Israelis and Palestinians could contribute toward great cooperation between Israel and Arabs.

Right now Arab leaders could send a powerful message by reviving and updating the Arab peace initiative and laying out a process for normalizing relations with Israel and accepting it as a Jewish state alongside an independent Palestine. And Israel could seize the opportunity to directly respond to such an initiative. There's no magic wand, but there's a real strategic opportunity worth exploring. That said it's also time to stop pretending that solving the Israeli/Palestinian conflict will solve all of the middle-easts problems.

For too long Arab states have used the ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

Israeli/Palestinian conflict as an excuse to avoid facing their own challenges at home. The people of the region have shown that they will no longer accept this. Their leaders should drop the excuses and pick up the pace of getting their own houses in order and as they do the United States will support them. should reaffirm that the gulf is a region of vital interest to America and commit to sustaining a robust military relationship with our partners there to defend against radical jihadism and Iranian aggression in any form. So if you add it all up radical jihadism on the rise, Iran seeking to extend its reach, efforts to delegitimize Israel we can see how crucial it is for the United States and Israel to stand together closer than ever and we can see how Israel's search for security, stability and peace goes hand in hand with the broader effort the United States must lead to secure and stabilize the middle-east.

Now we know our governments have had their share of disagreements in recent years, but the relationship has always been stronger and deeper than ANDERSON COURT REPORTING

the headlines might lead you to believe. Under President Obama we achieved unprecedented defense and intelligence collaboration and supported the development of the Iron Dome air defense system which saved many Israeli lives when Hamas rockets began to fly from Gaza. As secretary of state I worked with the Israeli government to negotiate a cease fire that ended those rocket attacks in 2012 and vigorously defended Israel at the UN and in other international bodies.

Now as I've said it's time. It's time to take our alliance to the next level. A centerpiece of that effort must be ensuring that Israel continues to maintain its qualitative military edge. The United States should help further bolster Israeli air defenses including to cover Israel's north and make it a top priority to develop better tunnel detection technology to prevent arms smuggling and kidnapping. And we need to ensure that a new 10 year defense memorandum of understanding sends a clear message to

Israel's enemies that they will never prevail.

But we all know that our common security commitments are about more than lists of weapons or dollars and sense. They are about understanding each other, acting together, being on the same page. So let's expand high level U.S. Israel strategic consultations. Bring our best minds together for deeper discussions about enforcing the nuclear deal, countering Iran's regional ambitions and developing new defense technologies for the future. If Israel and the United States stand shoulder to shoulder and present a united front to the region and the world I'm confident we can meet the threats and challenges we face today.

I was born just a few months before the state of Israel and my generation came of age admiring the talent and tenacity of the Israeli people. We marveled as you coaxed a dream into reality out of the harsh dessert soil and built a thriving raucous democracy in a region full of adversaries and autocrats determined to push Israel into the sea. We watched a small nation fight fearlessly for its right ANDERSON COURT REPORTING

to exist and Israel's pursuit of peace was inspiring as its prowess in war. It was one of the great honors of my life to call Yitzhak Rabin a friend and to witness that historic handshake on the White House lawn.

Many Americans feel a deep emotional connection with Israel. In its story we see some of our own and we see the story of all people who struggle for freedom and self-determination. We see a homeland for people long oppressed and a thriving economy that is a model for how innovation, entrepreneurship and freedom can delivery prosperity even in unforgiving circumstances. So we are two nations woven together. Lands built by immigrants and exiles seeking to live and worship in freedom, given life by democratic principles and sustained by the service and sacrifice of generations of patriots. Yet even with all this history, with all our common interests and shared values none of us can or should take our relationship for granted.

With every passing year we must tie the

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bonds tighter, reach out to the next generation to bring them with us and do the hard necessary work of friendship because there is a new generation in both countries today that does not remember that shared past.

Young Americans who didn't see Israel in a fight for survival again and again, young Israeli's who didn't see the United States broker peace at Camp David or kindle hope at Oslo or stand behind Israel when it was attacked, they are growing up in a different world and the future of our relationship depends on building new ties for a new time. Ben Gurion once said, "In Israel, in order to be a realist you must believe in miracles." Well, tonight is the first night of Hanukah and the Jewish people and Israel and all over the world praise the almighty for the miracles, for the redemption, for the mighty deeds, for the saving acts. This season and this moment in history is a time once again for mighty deeds and saving acts. For us to rededicate and renew our great alliance. For us once again to light ANDERSON COURT REPORTING

candles of hope that will shine through the darkness for our peoples and all peoples if we do it together.

Thank you all very much. (Applause)

MR. SABAN: Thank you so very much for your inspiring and at times I must say as an Israeli/American very touching words. Very much appreciated. I think they like you too. So we're going to open it to the audience for some questions, but I have allowed myself with your permission one question from me. So last year I asked you a hypothetical question what would you do on your first day in the oval office? It was hypothetical, kind of. And I'd like to repeat that question now that what we -- many people in this audience and at least Sharon and I hope is a reality. What would you do on your first day in the oval office?

SECRETARY CLINTON: Well the good thing is I won't need a tour. I've said there are a number of issues that I need to address on the first day and one of the things that I have said is that on the first day I would extend an invitation to the Israeli prime ANDERSON COURT REPORTING

minister to come to the United States hopefully within the first month, certainly as soon as it could be arranged to do exactly what I briefly outlined. To work toward very much strengthening and intensifying our relationship on military matters, on terrorism and on everything else that we can do more to cooperate on that will send a strong message to our own peoples as well as the rest of the world. So that is on my list for the first day. It's a long list, but it's on the list and it's near the top.

MR. SABAN: Thank you, I'd like to open it to question. I see Donna Vice over there.

QUESTIONER: Thank you, Madame Secretary,
you shared with us a very optimistic and warm attitude
towards the Israeli administration and we heard a
totally different approach from Secretary Kerry
yesterday. He shared with us his frustration and deep
sense of urgency saying that the time was running out
on the dream of a Jewish democratic state in Israel
and basically warned Israel from the collapse of the
Palestinian authorities saying that both leaders

didn't rise up to the occasion, so my question is do you think that under this leadership of Prime Minister Netanyahu and President Abbas peace or progress is still something that can happen and what would you do differently in this sense to reach a positive outcome if elected 2016?

SECRETARY CLINTON: Well, I certainly understand the frustration and the disappointment that anyone - Israeli, American, Palestinian or outsider experience in dealing with this extraordinarily difficult matter, but I don't think you can give up on it, I don't think it's useful to be pessimistic because I think you have to keep working at it and looking at any opening or opportunity that might arise.

And I know from my own experience when I was
Secretary of State, I was able to have three face-toface meetings with Prime Minister Netanyahu and
President Abbas, and there were a lot of external
factors that were buffeting us at the time. But
having sat there, along with George Mitchell, just the
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four of us, through several hours of listening and watching the two leaders interact, the choices that were being presented were ones that are difficult, but I choose to believe not impossible. And so I would, as President, begin to move forward again.

And I think there are steps short of a final agreement that creates boundaries, deals with security and all the other difficult matters that one would have to. I know there are some in the audience from Israel who've been part of prior efforts to do just that, but it's important to keep trying.

You know, as dark as it may appear, we don't want the light to go out completely because bad things can happen in the dark. We need to keep enough light and enough hope that there can be steps that will provide better security for Israelis, particularly in the face of these wanton attacks, and provide more opportunity and support for the Palestinians to have what they need to have a better life, including access to water, protection of their agricultural lands, more investment. Those things matter. And so I am someone

who not only believes that being optimistic is better than the alternative, but also someone who believes that continuing to work on these intractable problems, this is at the top of list, is important for the message that it sends.

MR. SABAN: Ari Shavid.

QUESTIONER: Thank you so much for such an inspirational speech. I think you expressed the spirit of the exceptional alliance between your great democracy and our frontier democracy in an incredible way. So I think I express all of our feelings of gratitude.

Did I hear you correctly? If you will be President, and there's a good chance you will --

MR. SABAN: When. When.

QUESTIONER: Will. And should Iran violate the deal in a clear way, would you consider using the military option in order to stop Iran from becoming nuclear?

SECRETARY CLINTON: Well, what I said and
what I mean is that there will have to be consequences

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for any violation by Iran and that the nuclear option should not at all be taken off the table. That has been my position consistently.

SPEAKER: The military option.

SECRETARY CLINTON: What?

JUSTICE BREYER: You said the nuclear option.

SECRETARY CLINTON: Oh, yes, the military option, thank you. (Laughter) Thank you, Justice Breyer. Thank you. He's a careful listener that Justice Breyer. We like that about him. (Laughter)

Yes. Yes, that the military option would not be taken off the table with respect to their nuclear program. So that was the shorthand, right?

And here's why. Look, as I said, I supported the nuclear agreement. I started the effort. I mean, those of you who remember, when I ran in '08 I said that I wanted the world to impose crippling sanctions on Iran. And when I became Secretary of State what we learned is that Iran, and now the IAEA has confirmed this, had taken

considerable steps toward a nuclear weapons program, building covert facilities, installing centrifuges.

There should be no doubt as to what they were doing.

That has been, I think, established.

know, we weren't there. We weren't in the White House or the State Department, but they were sure on a fast track. And one of our problems was the rest of the world did not take our concerns that seriously. They did not join with us. I voted for every sanction that was ever presented to the Congress. And I see my friend Nita Lowey, and she was the leader of some of those sanctions efforts. So the United States was really pushing as hard as we could and we were enforcing the sanctions the best we could, but it became clear if we didn't persuade the rest of the world and if we didn't get a full sweep of sanctions, we were not going to impose the kind of cost on Iran that would be needed for any sort of negotiation.

So for the first 18 months -- I see Dennis

Ross there and others with whom I worked -- we hit it

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hard and we got the U.N. Security Council in June of 2010 to impose sanctions. Then we spent a lot of time and effort getting them enforced.

Why did I do that? Because I believe that putting a lid on Iran's nuclear weapons program is very much in the U.S. interest, very much in Israel's interest, very much in the world's interest. I think we have put that lid on, but I have every reason to believe the Iranians are going to test it, they're going to violate it, they're going to be provocative about it, and we need to respond quickly and very harshly. And if we have any evidence that they are back into moving toward a nuclear weapon, then we will have to act even more directly.

So I outlined here at Brookings a couple of months ago what I would do as President to enforce the terms of the agreement, and I take that very seriously, and we have to demonstrate from the very beginning that we are not going to let them get away with it because they're going to test. That's just their nature. They will test us and we have to stop ANDERSON COURT REPORTING

them and demonstrate to them we intend to hold them to that agreement.

Now, at the same time, the other issues, some of which I alluded to, are ones we now have to address and try to put together as best of an international coalition as we can. They're still the primary state sponsor of terrorism. They still support and equip and train their proxies in Yemen, Hezbollah, Hamas, elsewhere. They still destabilize governments. They're still a very serious threat to Israel. So we have to deal with that.

I personally will feel much better being

President and dealing with those issues if we can keep

the lid on the nuclear weapons program because that

unleashes a whole set of other problems in the Gulf

and beyond. So I don't think you should ever take the

military option off the table.

MR. SABAN: Barack?

QUESTIONER: Thank you. Madam Secretary,
you just said that, as Haim said, when you're

President you're going to take another shot at

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promoting Israeli-Palestinian peace. And you had, as you said, three meetings with President Abbas and Prime Minister Netanyahu. And I was wondering when you take another shot at making peace, what are your parameters for a final (inaudible) solution? For example, do you support, as this administration supports, that the borders of the Palestinian state will be based on the 1967 lines plus swaps?

And the second question, are you going to support a policy that demands Israel to stop building in the settlements?

SECRETARY CLINTON: Well, every administration, Republican and Democratic alike, have had the same policy on settlements. That's just something that all American governments have supported for the last decades. And we have tried different approaches to persuade the Israeli government not to be expanding the territorial reach of settlements.

And yes, I think that any boundaries will have to be determined based on agreement between the parties and it will most likely involve land swaps of ANDERSON COURT REPORTING

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some sort. So I'm not going to lay out what I would try to do because that will only come after there has been deep consultation.

And I'm well aware that many in Israel, and particularly in the government, in various of its iterations going back several years now, do not see President Abbas as "a partner for peace." I ask, what is the alternative? Who is standing in the wings that will be a better partner for peace?

In my dealings with him, he has been stalwart in continuing the security cooperation with Israel. He has certainly been willing to explore different ways of cooperation and confidence-building. And I'm well aware that he has his problems and there's a lot of questions about his standing, but, you know, you have to start where you have to start from. And I think it's been unfortunate that he's been in many eyes marginalized when there really is as yet no alternative.

And, let's be honest here, the alternative could be the black flag of ISIS. Let's be honest.

You know, if an ISIS commander has been in Gaza, you know that they've got folks wandering around the West Bank. So, at some point, it's the lesser of two evils at the very worst. And if you believe as I believe that the discipline, focus, funding, ambition, barbarity, evil of ISIS is an existential threat to many people, and particularly could be viewed as such to Israel, then what is our alternative?

So I guess I would go back and do what I could to try to find a way to at least begin to rebuild confidence and to do more to restrain some of the violence that are coming from Palestinians toward Israelis and, again, let's be honest, from some Israelis toward Palestinians, and to see if we can't have some basis on which to go forward.

I said at the beginning I don't see any of this as easily done or quickly resolved. That would be foolish. But I think it's equally shortsighted not to keep trying because you've got to maintain some goal, some hope that doesn't completely disappear in the face of a much brighter shiny object, namely the

attraction of radical, well-organized, well-funded jihadism. (Applause)

MR. SABAN: This will be our last question.

QUESTIONER: Thank you very much for a comprehensive look at the Middle East and the Israeli-American relation. I want to ask about Syria.

In Syria, there is human tragedy. A half a million people were killed, 10 million are refugees, whether in Syria or out of Syria. And there are two forces there, two evils. How will you in your administration deal with both Assad, who is a butcher of a quarter of a million people and in a way the source of Daesh, in the same time how you deal with Daesh? And will you choose between the two of them or do you have a plan to get rid of the two of them?

important question and I have come to the conclusion that we have to proceed on both fronts at once. You know, the United States has been very focused, along with others, on removing Assad and trying to negotiate a political transition. And I know that Secretary

Kerry and other nations, including Saudi Arabia,
Russia, Iran, others, are engaged in that process
right now. I think we have to do everything we can to
try to convince the Russians in particular that they
have to help us move towards some resolution, a
political resolution.

There's no military victory against Assad that I can see. I think the Iranians are prepared to lose whatever it takes to keep him in power. I think the Russians are prepared to drop as many bombs as it takes to keep him in power. So, therefore, we've got to intensify and deepen the political and diplomatic front.

But, at the same time, we have to proceed against ISIS and we have to try to persuade, particularly Russia, to help us on that front, as well. And I've outlined in a speech I gave at the Council on Foreign Relations about two weeks ago what I think we have to do to get a larger alliance in the air against ISIS, bomb more effectively their

leadership and infrastructure, particularly their

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economic infrastructure, do what we can to cut their supply chains between Raqqa and Mosul and Ramadi.

We've got to do more to build back up a Sunni fighting force.

And on George Stephanopoulos' show this morning I recommended we reach out to currently serving and retired American military officers who helped put together the Sunni forces that went against al Qaeda in Iraq, which is the predecessor in many ways to ISIS, and get them back in the fight. And that will take time and effort, but it is something we have to do because the retraining of the Iraqi army, which was effectively decimated by Malaki, is taking a lot of time. That is not going to be easy. And then you have the additional problem it remains a largely Shiite force trying to liberate Sunni strongholds. And I think we've got to do more to get Sunni fighters from Sunni tribes in Iraq in the lead on that.

We've got to do more to equip and support the Kurds on both sides of the border. We've got to get the Turks to quit bombing the Syrian Kurds, who ANDERSON COURT REPORTING

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are the most effective fighters in Syria against ISIS.

You know, if you were to plot this out you'd get a headache, I mean, just trying to get all the arrows and the lines moving in the right places, and it's constantly changing. It's very dynamic. But that's why I think we have to proceed on both fronts at once.

And I just want to end with a specific plea about technology and about fighting them online. I said fight them in the air, fight them on the ground, fight them online. (Applause) And what we see right now I think is just the beginning of directed attacks and self-radicalization that leads to attacks like what we think happened in San Bernardino. And we're going to have to ask our technology companies, and Israel is a leader in this area, to help us on this. You know, the government is good in some respects, but nowhere near as good as those of you who are in this field.

Right now the terrorists communicate on very ubiquitous sites: YouTube, Twitter, Facebook. The

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woman jihadist in San Bernardino posted her allegiance to Baghdadi and ISIS on Facebook. According to the timing we know so far, she did it either shortly before or shortly after the attack, I'm not sure which. We're going to have to have more support from our friends in the technology world to deny online space. Just as we have to destroy their would-be caliphate, we have to deny them online space.

And this is complicated. You're going to hear all of the usual complaints, you know, freedom of speech, et cetera. But if we truly are in a war against terrorism and we are truly looking for ways to shut off their funding, shut off the flow of foreign fighters, then we've got to shut off their means of communicating. It's more complicated with some of what they do on encrypted apps, and I'm well aware of that, and that requires even more thinking about how to do it.

But they are now the most effective recruiter in the world. Name a big corporation, think they do a great job recruiting? ISIS has them beat.

And as you heard from some of your technology panelists, they are increasing at an exponential rate. And technology's often called the great disrupter, and it has been in work and communications, so much else, but we need to put the great disrupters to work in disrupting ISIS -- (Applause) -- and stopping them from having this open platform for communicating with their dedicated fighters and their wannabes, like the people in San Bernardino.

So I think there's a lot we can do and we have to proceed on both fronts at the same time.

MR. SABAN: Thank you all very much. Thank you, Madam Secretary. (Applause)

MS. WITTES: Ladies and gentlemen, the
Secretary is saying hello to a few people, but this
brings us to the close of our 12th Annual Saban Forum.
I want to thank you all for a fantastic weekend of
dialogue. I want to invite you to lunch next door.
And I want to ask you to join me, please, in thanking
our tremendous staff at Brookings and Devi

Communications in Israel. Thank you. (Applause)

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And finally, please join me in thanking Haim and Cheryl Saban for putting this together.

(Applause)

\* \* \* \* \*

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I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Carleton J. Anderson, III

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