BROOKINGS INSTITUTION BRIEFING WITH FOREIGN MINISTER MARWAN MUASHER OF JORDAN

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THIS IS A RUSH TRANSCRIPT.

MARTIN INDYK: Ladies and gentlemen, friends, colleagues and distinguished ambassadors, it's a pleasure to have you here back at the Saban Center at Brookings, especially this afternoon on the occasion of Marwan's first visit here as the Foreign Minister of the Hashemite Kingdom of Jordan. Looking around the room, I think Marwan is a familiar face to all of you. So I will do a quick introduction, and then I'd like to ask everybody to introduce themselves to get the discussion underway.

Marwan, for those of you who don't know him, has had a very distinguished career beginning as information minister here at the embassy and then returning to Jordan, being appointed the first Jordanian Ambassador to Israel after the signing of the Israel-Jordan peace treaty. And he and I have served in many places together, but perhaps the bonding moment was when we both presented our credentials to the president of Israel on the same day, took up my first position as Ambassador to Israel back in 1995.

Since then, he was recalled to be Minister of Information in the Jordanian government and distinguished himself by using his tenure in that position to abolish the Ministry of Information. [Laughter.] And then, of course, he was appointed as Ambassador to Washington where amongst other things he has the distinction of being responsible for lobbying very effectively to achieve the U.S.-Jordan Free Trade Agreement, which was the first free trade agreement struck between the United States and any Arab country. And from here he was appointed by King Abdullah II as his Minister of Foreign Affairs, thereby following a distinguished tradition of Arab ambassadors in Washington who have become appointed foreign minister. But in Marwan's case, it was extremely well deserved and extremely timely, because in that next position as Minister, I think he has very effectively promoted the efforts to find a way out of the Israeli-Palestinian crisis that we all find ourselves involved in. And his tenure there in Amman as Minister is very important as we try to seek a broader and new process of reconciliation. And that's what we're here to hear him speak about today, hot on the heels of his visits to New York and Washington for consultations with the Secretary of State and the President.

But before I call on him to speak, I'd like to ask you to introduce yourselves, if you would.

[Introductions.]

MIN. MUASHER: The last time King Abdallah spoke at Brookings, I think he made the point the time has come to abandon the incremental approach to the peace process and to start talking about an end game and a time frame to achieve a permanent end to the Arab-Israeli conflict. And he made the point then that the Oslo process, which was supposed to build trust between the parties did not achieve that. Trust has been or is today at an all-time low. And as such we believe that the only credible way forward is to move directly into final status negotiations, find the end game for both parties, Arabs and Israelis a priori, and then engage in a negotiations process to arrive at that end game, rather than adopt or keep adopting the Oslo approach of open-ended negotiations without an end game.

I think since then we've covered a lot of ground towards achieving that goal. The president's speech, no matter how you read it, has committed the United States to an end game and a time line, which is the first time the Bush administration has done so. In fact it is the first time any administration has done t so, even if it was couched in language that was difficult for many Arabs to accept, particularly the Palestinian Authority.

This was the first time that we met with the president since that June 24th speech. And because of all the developments and the suicide bombings, we frankly were not sure whether that commitment was a solid one, and whether the time frame that the president alluded to in his June 24th speech was a loose one.

What we heard yesterday was very encouraging in that the president made sure repeatedly -more than five times in the course of the half hour or so that we spent with him -- that he is very
committed and very serious to an end game resulting in two states living side by side, and in a time
frame of three years. And he also made us sure that the clock had started tickingon June 24th, and
therefore what he hopes for is such an end game is to be achieved by mid 2005.

I think that it is very encouraging to hear such a commitment directly from the president.

That does not mean of course that the road is rosy or smooth, or that we are going to have smooth sailing from this point on. What we also discussed with the president was the need to develop a road map. It is not enough to talk about an end game and a time line. We need to develop a road map so that we can make sure that all the parties meet their commitments within that three-years period.

We see things moving in two phases. Phase one takes us from now to the elections, which we hope can be held as soon as possible, but we have in mind the January target date set by the Palestinians themselves. In order to do that, we understand that the proper conditions have to be created to allow these elections to happen, starting on the Arab and Palestinian side with security. Towards that end there are many efforts going on where we are extending all our help to the Palestinians in putting in place security structures that will be effective in fighting suicide bombings, fighting their organizations, and making sure that suicide bombings -- I don't want to say stop completely, I don't think anybody can give that commitment -- but in making sure that a structure is in place that can deal effectively with them, and make sure that the Palestinian security infrastructure is capable of carrying out these activities. This is a work in progress, done in collaboration with the Americans, with us, the Jordanians and the Egyptians. And a security plan is well under way. It is near completion. George Tenet will have people on the ground soon to working with the Palestinians and the Israelis and all of us in order to, as I said, develop such a plan that meets the approval of all. This is the first order of business, and this work will probably take another few weeks.

This is coupled with other important work that is going on: The development of a new constitution for the Palestinians that would have a clear separation of powers, distribution of authority, a government answerable to parliament, and all the underpinnings of a serious and responsible government that will emerge out of a constitution. The less we talk about this in public, the better. I do not want to get into all the details, because I don't think that it is productive to keep talking about what the Palestinians are doing, and give the impression that all this work is being imposed from the outside. Palestinian reform started before the U.S. called for it. They ran into many difficulties before. If it is to be effective this time, I believe that quiet diplomacy and quiet work is much better than to keep talking about all the details in public.

Coupled with that I think there is a dire need -- and I think the U.S. agrees with us on this -- to do something immediately about the humanitarian needs of the Palestinians. The situation in the occupied territories is becoming extremely difficult. Malnutrition is starting to occur among children less than five years of age. It is not a pretty picture, and I think everybody understands that, and there is an urgent need to move immediately in order to alleviate that situation.

We see this phase taking place in maybe two months or so. I don't want to pinpoint exact dates, but just to give you an idea of the kind of road map we envisage from here to the elections. After this phase is hopefully successfully completed, then Israel has to withdraw to pre-September 28 -- the microphone doesn't like this -- (laughter) -- Israel has to withdraw to pre-September 2000 line to allow the elections to take place. I think everybody agrees and certainly the president does, that you cannot have elections while the Israeli Army is occupying the West Bank, while curfews are there, while you cannot move not only between cities but you know even in the same city. To have elections Israel has to withdraw, and then a responsible government can emerge.

What we also found encouraging -- before I move to the second phase -- is that our disagreements on the Palestinian leadership is not standing in the way of making progress and moving forward. In other words, the president has made it very clear that he will not deal with Mr. Arafat. And to us, and I think the United States as well, the issue is much bigger than Mr. Arafat. We are talking about setting in motion a process that will lead to the end of the occupation. And to do that we have to focus on the process and on the structures, and to create a structure that makes people less important and that distributes responsibility.

I kind of like what Prince Saud told the secretary yesterday. He said, Please, Mr. Secretary, don't put us in a position where we appear more democratic than you are on this. (Laughter.) Once the structure is in place, then I don't think it sends the right message for the United States to tell people who to elect and who not to elect. What is important is the process, and work on the process is well in progress.

If we are able to move beyond that and have elections, there are all kinds of ideas being floated. Frankly no idea is still final and agreed to by everyone. You all heard about the idea of the provisional state – a state with provisional borders, et cetera. I think we all agree, including the United States now, that the idea of the provisional state is not one that is acceptable to anyone. And I'll explain one. The idea of the provisional state to us means that it is a state that can either lead to a full state or lead back to nothing. That's not acceptable. What is acceptable is the idea of a state with provisional borders on the understanding that this state in three years will be created on the basis of the '67 borders with minor and reciprocal adjustments. This is acceptable, and this is indeed I think where people are going, but not a provisional state, that gives the impression that it is a temporary state and that it can go back to nothing if things don't go well.

If we reach the elections stage, then we envisage a second phase from the elections to mid-2005. This is where things are still murky and unclear, because a road map has to be created that includes benchmarks, time lines, monitoring groups to monitor performance -- and to make sure that at every step of the way we do not engage in open-ended negotiations, but where we know when we will achieve things where we can measure performance in a tangible way and give people a credible hope that at the end of the process they will indeed reach a state and an end to the occupation by mid-2005, and we do not keep talking about a political vision without an implementable work plan.

So I guess the keyword here is we need to operationalize, if that is a valid English word, the president's vision into an implementable work plan. The president gave his commitment to that,

and made it clear to us yesterday that he wants us to continue work with the State Department and the Secretary of State in order to develop such a work plan. And he called his Secretary of State his point man on the Middle East. And I think, you know, our work has been set out for us, trying to translate these ideas into a plan of action.

I want to say that we remain committed to the Arab initiative. In all this mess the Arab initiative gets ignored a lot of the time. And we made the point that the Arab initiative is our best selling point -- not to the United States, but to Israel. We are putting on the table an offer to end the conflict -- not only by Arab states neighboring Israel or those that have territorial disputes with Israel, but by every single Arab country -- Libya, Iraq -- every single Arab country has committed itself to a collective peace treaty with Israel, to collectively guarantee the security of Israel, to an agreed solution to the refugee problem, and to an end of the conflict clause, where there will be no further claim. That's a very powerful initiative. We're deeply committed to it and we intend to see it through.

I also want to make the point that we view the three-year period as ending not only the Palestinian-Israeli part of the conflict but also the overall Arab-Israeli conflict. We well understand that priority has to be given to the Palestinian-Israeli side of the conflict, and that's perfectly understandable. We are not saying that all tracks should start simultaneously, but we are saying is that sometime during the three-year period work has to be done on the Syrian and Lebanese front so that at the end of the three-year period we can achieve an overall settlement. It is something that Syria and Lebanon understand well and agree with, but it has to be clear that we are talking about a comprehensive process and not just about ending the Palestinian-Israeli side of it.

We go back therefore encouraged. I don't want to give the impression that we are overly optimistic. We are the first to understand that this process is a difficult one, and it will face many, many hurdles and difficulties. But I want to leave you with the impression that whereas before I think Arab states used to be in the business of waiting for ideas to come their way, now we are witnessing a new era where you have at least a subset, an important subset of Arab states being extremely proactive, suggesting ideas, following them through with them and moving the goalposts. And I believe that, as I said, the administration started a few months ago talking about Tenet and Mitchell and today we are in a state where the administration is talking about a Palestinian state in three years. That's good progress. That doesn't mean we're there yet, but that means that there is an ability to suggest ideas and see them through with follow-up and serious work. The Saudis are being extremely proactive in a way that we have not seen before, and I think this is also extremely positive. You have many Arab states now, but certainly with Saudi Arabia playing such a proactive role, I think we have been able to achieve much that was not possible before.

I am going to leave you with this and listen to questions.

MR. INDYK: Thank you very much for a very useful briefing. I wonder if I could start by asking you about the political horizon, because it sounds from the way that you are portraying the phased process that the political negotiations would not get underway under this second phase; that is to say after a new government is elected on the Palestinian side, and there is in effect a new Palestinian interlocutor, though some of the faces may be familiar to us. Do I understand you

correctly in that regard? And, if I do, what kind of mechanism -- have you discussed it, or what kind of mechanism would you try to promote for the actual negotiations, because presumably it would start with a negotiation about the state's provisional borders, and what are the provisional borders—would be?

MIN. MUASHER: Let me state what I believe is new about the approach this time. What is new is that we more or less are agreed on two things. We are agreed that by mid-2005 we are going to have an end to the occupation and the establishment of two states living side by side in peace and security. And we are agreed that this could happen in a period of three years. That's good. What we can do from now is to work backwards and to put in place a process that will lead us to that result, rather than use the open-ended negotiations in the past to reach that result. Oslo was supposed to finish in 1999. We are three years beyond that deadline and nothing has -- you know, we are far, far from a final settlement.

This time we have a commitment from the U.S. and the international community that we should finish by mid-2005, and finish with the creation of a Palestinian state and the end of the occupation. What we have to do is translate this into a plan of action. I cannot say this enough times. We have to put down now, a plan of action that is announced to all the parties, so that Arabs and Israelis understand exactly what they are getting at the end of the process. Israelis will know that at the end of the process they will have in their hands a collective peace treaty with every single Arab state, normal relations with every single Arab state, an end to the conflict clause, and security guarantees not just from Palestinians, but from every single Arab state. Israelis would know that, and the Palestinians -- they know that they will get a state on the basis of the '67 borders. The Syrians will know that they will get the Golan Heights back. The Lebanese will know they will get the Shebaa Farms back. Everybody knows exactly what they are getting -- maybe the Lebanese don't know this. (Laughter.) But every party will know exactly what they are getting. And I don't think it is difficult to create such a road map. It involves a lot of technical work. But that work does not have to start after the elections. It has to start today.

Now, I agree with you Martin, serious political negotiations will not take place before the negotiations. That is a fact of life. But you know what? It's less important if we know the end game and we know the date of that end game. And therefore whether they start in September of 2002 or in March of 2003, we know that they have to end by mid-2005. And therefore, we can work the calendar and work the plan so that we can arrive at that result.

I know it sounds simplistic. I know it sounds optimistic. I know that targets have never been respected in the past. But this time we have to show seriousness that we intend to do everything in our capacity to at least try to achieve that, and seriousness will be shown not through just announcing a time line, but through producing a road map. And this is exactly what we intend to do.

Q -- I think your presentation was very interesting. And I have one brief comment, then some questions. Having just gotten back from the area, the one thing I'm absolutely certain about is that it doesn't matter what idea, what plan, what structure one talks about, if the realities on the ground don't change for both sides, everything will be preempted and very quickly.

I think the Israelis are quite prepared to pull back, but they're very much to pull back. The structure of reform as it relates to security is fine, but if you have 12 structures or eight structures or four structures or one structure, and there isn't a piece of paper, and there isn't the will and the capacity to act, things are not going to change and the Israelis won't pull back. And as you said, there won't be reform, there won't be elections if they don't pull back. I think that's the number one most important observation I could have.

And I have two questions. The first question, you talk about the political conditions that have to be filled so people will know where things are going to end up. Do you believe the administration agrees with this vision that at the end of the day in 2005 you will have two states, and the Palestinian state will be based on the '67 borders and have East Jerusalem as its capital?

The second question is, you've made, I think, a very sensitive statement about what Israel gets in terms of security guarantees from every Arab state, normalization, real normalization. And in a sense, more than anything else, an end to the conflict, an end to the conflict clause.

Have you thought about the idea of you or some of your colleagues going to Israel to actually speak directly to the Israeli public about what is possible? Because my sense is that the Israeli public at this point is pretty much still without hope. And I think the more that they see that there is actually a solution there and there are Arab leaders prepared to invest in that solution, the more you're likely to improve the situation.

MIN. MUASHER: On the first point you raise a very importantissue. I totally agree with you. I'm not going to disagree with one thing you said about security. And it is a challenge that we are taking on.

We understand that the reality of the situation is such that there won't be any political movement until we are able to put in place not just the security arrangements but until we have the political will to move against these people. And I can tell you that this is under way. I will not tell you that it's done, because it's not. But I can tell you that there is a very, very serious move to achieve that, and there is a very good understanding, not only by the Palestinians but by others in the Arab world, that this needs to be done.

But let's leave that, because I'll agree. It is a challenge. We are taking it on. Let's see if we can produce the results that we need to produce.

But once we produce the intended results, then Israel has a commitment. Once we produce them there are a lot of things Israel has to do. And the president was clear that he understands that and that he intends to see that all parties live up to their commitments, not just the Palestinians.

On the other question, I just forgot. (Laughter.)

Q On Israeli public opinion --

MIN. MUASHER: You raised a very important point. We need to address Israeli public opinion. Israeli public opinion has not been addressed especially by the Arab initiative. We have not done that. You know, the day after the initiativethere was the Israeli incursion, and the whole Arab world went up in flames and anger and frustration and all. The events did not allow such public diplomacy.

But I agree fully; the time has come for us to directly address Israeli public opinion. In fact, the Arab initiative itself was designed to directly address Israeli public opinion. And there has hardly been enough work on this point, but we intend to do it.

MR. INDYK: Barry Schweid.

Q Mr. Minister, as I asked this morning, let me try again, maybe you'll rephrase it a little bit. (Laughter) I noted your answer, but I wonder if you want to develop it a bit. All these things that you heard from Bush were in his speech --

MIN. MUASHER: Well --

Q Were in his speech, the commitment to a state, et cetera, et cetera. Perhaps, which I didn't suggest this morning, the recording of his speech was taken with the novel idea of trying to push Arafat aside, so the other things the president said didn't get as much attention. Now, of course, you and the administration would like us to forget about the Arafat part. And you're concentrating now on the other parts of the speech. I was up in New York for the Quartet meeting. I think, personally, the tonal change overnight has been incredible. And I can see how encouraged you are and Prince Saud is and Foreign Minister Maher is. But still, I want to ask you: What is new about this?

And one other quick question, which will be quicker than the first one: If all the Arab states are prepared to help Israel's security, and they're all committed to that, why don't they close down Hamas now? Why don't they act now to stop suicide attacks? Do you have to get a "quid" for that "quo"?

MIN. MUASHER: Okay, let me try again.

Barry, I agree with you that what I said was in the president's speech. First of all, the commitment to the timeline in the speech was loose. It wasn't a solid commitment. The president says he hopes that we can achieve this in three years. What we heard yesterday suggested a much stronger commitment, not just to the endgame, but to the timeline. I can tell you here what I said this morning. More than five times, said the president said, "I'm serious about this. I'm committed. I want to do it in three years." I mean, he couldn't have been more committed. This is new.

What is also new is that we both understand the need to move forward, while we both disagree on the question of Arafat. We disagree not because we are clinging to Arafat, but because we think the issue is bigger than him.. We cannot be and we are not going to be in a position to tell the Palestinians, "We are against who you freely elected."

And I suggest that the United States needs to look at this, as well. Do you want to be in the position of standing against democracy and free elections? I'll leave that for you to decide. What we need to do is put together a process that ensures that a strong government, a responsible government, a serious government emerges and that the question of personalities is left to Palestinian society.

And there I think yes, we did something new. We did see a willingness to move ahead, even while we disagree on personality.

Q Hamas? How about security? Hamas?

MIN. MUASHER: Oh, Hamas.

Q Why does that have to wait until the middle of --

MIN. MUASHER: I'm not saying --

O -- 2005?

MIN. MUASHER: This is what I'm saying: We're not waiting. I didn't say we're waiting. We are not asking for anything in return.

Q No, I understand that. But if the Arab countries are making this novel offer of peace and security to Israel, I would assume --

MIN. MUASHER: Because not all Arab countries. Be it that they have to do this first. It's important for the Palestinians in the West Bank and Gaza to do it first. We are cooperating with a number of Arab countries who are serious about this and who want to do this without asking for anything in return. We understand this is the first order of business and we are doing something about it without asking for anything in return.

MR. INDYK: Okay. Mark Ginsberg

Q Just two very quick follow-up questions: The first relates to the issue of settlements in your discussions with the president. The president's speech, in my estimation could have offered the Palestinians more encouragement to believe that the Israelis would be placed in a similar position of moving more expeditiously on something that I consider to be relatively simple, which is a cessation of current construction in the expansion of settlements. Were you able to get any further commitment from the president on that issue? Even though it may not necessarily be significantly tangible, it has a great deal of resonance on confidence.

Secondly, did any relationship between the president's speech and Arab cooperation on Iraq enter into the discussions either directly or indirectly?

MIN. MUASHER: On settlements: The president, without being prodded made the statement yesterday that he understands settlement activity has to stop. He didn't assign a time with

that. But he just made that statement without us asking for it. In his opening remarks, he said that "I understand both sides have obligations. As part of the Israeli obligations, settlement activity has to stop." He said that clearly.

We did not bring the issue of Iraq back. Yesterday was a 30- minute meeting with the president. We wanted to devote it to the peace process and make sure that we clarify certain points and make sure that we understand the administration's thinking on that. Of course, the issue came up in other conversations with the secretary and others. But with the president, we devoted the 30 minutes to really discussing the peace process.

Q Just as a follow-up: If the issue of Iraq came up with the secretary, could you in any way generally give us an idea of the context?

MIN. MUASHER: The context? I mean if you're alluding to the link between Iraq and the peace process, we do not believe that the peace process has to wait for any other issue. We believe that work on the peace process has to start immediately and continue, regardless of any other issue.

MR. INDYK: Marwan, Dennis asked a question and I think you've forgotten to answer it. He said: In your meeting with the administration, did they agree with May of 2005 as the date a Palestinian state based on the 1967 borders with East Jerusalem as its capital would be established?

MIN. MUASHER: I didn't mean to ignore the question, it's a very important –one. I'm glad you reminded me of it.

The administration's formula that we are talking about now is ending the occupation that began in '67. I know this was not the original formula the president was going to give.

To us it is clear: Any discussion on ending the occupation without reference to the '67 borders is not acceptable. Remember, the '67 border is the one issue that binds all Arabs together. All Arabs agree on this point. And it is because of this point that all Arabs are ready to give Israel all the assurances and guarantees that I just mentioned. And I think there is international consensus that any Palestinian state has to be established on the basis of '67 borders. Again, everybody understands there will be minor and reciprocal adjustments. But any talk on a Palestinian state that encompasses 40 or 50 or 60 or 70 or 80 percent of the West Bank is simply not acceptable and I don't think will form any basis for a solution in the future.

Q If I may just follow up?

MR. INDYK: Yes, please.

Q The ICG group came up with a proposal?

MIN. MUASHER: I don't want to get into semantics. The administration could have said ending the occupation; they could have said the occupation that began in '67. The Arab party interprets ending the occupation that began in '67 means as ending on '67 borders. The Israeli interpretation is, no, it doesn't mean that. It just means ending the occupation to secure and

recognized borders. Our position is clear. We believe a Palestinian state should be established on the basis of '67.

MR. INDYK: Can I just extend this discussion for a moment, Marwan, because that's the end point. That's the Arab preference, which is clearly understood for what the parameters should be for the negotiation on the final decision. But you've also now in your presentation endorsed the notion of a state with provisional borders, at least that's what I understood you to say. And that is something that would come after the elections in this second phase. So, can we focus a little bit on your ideas about what that would like, this state with provisional borders? Do you have any hints, or is there any position of the three Arab foreign ministers on what those provisional borders would need to be, what attributes of statehood would need to be included in such a state with provisional borders?

MIN. MUASHER: First of all, let me say that this is certainly not a Jordanian idea. We are not particularly knowledgeable about all these details. This is an idea that I'm not even sure how it originated, but suddenly people are talking about this state with provisional borders.

What we've said, first of all, is this. First of all, this is a Palestinian issue. They have to decide whether they want a state or not. We can't say, we want a state with provisional borders.

Second of all, the Palestinians made it clear to us, and we agree with them that the state with provisional borders can only be endorsed provided it is in the context of the three-year negotiating period leading to a Palestinian state on the basis of '67. If that is not acceptable, the Palestinians are not interested in declaring a state with provisional borders. It can only be declared if it is on the basis of '67. And then, they engage in negotiations with Israel to end that occupation. If that idea is not acceptable by the international community, no one is interested in declaring a state with provisional borders.

But we don't want to get into this game ofestablishing a state on 40 percent of the land, and then it's open-ended. We don't know where this will end andthat is not acceptable. The Palestinians have made that point very clear. The quartet has made the point clear that their understanding of a state is on the basis of the '67 lines. And in our discussions with Kofi Annan, in particular we made that point very, very clear. The United Nations' idea is a state on the basis of '67, with minor and official modifications. And I think that if you coupled that with the Arab initiative and what the Arabs are prepared to give in return, I think it is a fair deal.

But to tell all Arab states, "Sign a collective treaty with Israel, normalization, end of the conflict, security guarantees," without giving the '67 borders, I don't think it works right.

MR. INDYK: George Hishmay

Q I'm wondering whether all these positive reports that you gave us on the president's remarks, make you think the president has to make another speech shortly, explaining himself, since he has received such bad press in the Arab world and, in fact, all over, so that you don't go out on a limb yourself in explaining how positive he has been?

MIN. MUASHER: First of all, I don't want to leave the impression, and I said that at the outset, that things are far from rosy.

All I'm saying is that we heard from the president yesterday a solid commitment, which was encouraging, to an endgame and a time frame of three years. That's what we heard.

The president didn't tell us, you know, "I have a road map ready. I'm going to do this in a smooth manner." He didn't say that.

But you know what? We are going to move this process incrementally, not in the Oslo incremental approach, because this time we're moving incrementally within a framework of an endgame, and that's different. Before, we used to move incrementally towards something that was not defined and not known.

We have, I believe, been able to move the administration's position from one that concentrated in March on Tenet and Mitchell to one that calls today for the establishment of a Palestinian state in three years. That's good progress.

But that doesn't mean that we are done, and that doesn't mean that we are optimistic or pessimistic. It just means that the situation today is clearer than it used to be in March, and that means that we know at least what we need to do to translate what the president said yesterday into a working plan.

I certainly don't want you to leave with the impression that everything is rosy and nice and smooth. That's not the case.

Q Can I have just a follow-up on this? Does the fact that there are new elections in two years time and that this president might not come to office again make you confident that this commitment is a U.S. government commitment, or a Bush commitment?

MIN. MUASHER: Look. This is why a road map is important. This is why a plan is important, because I don't want just to takethe time line and end with this. I want to see a road map. I want to see benchmarks. I want to see a plan that says in March of 2003, the Israeli side will do this and the Palestinian will do this; and in September of 2003, this is where we will be; and in March of 2004, this is where we'll be. And I want a plan that is agreed to now. And one that is not dependent on personalities, U.S., Arab or Israeli. First we should all agree to the road map and then we can set about implementing it.

MR. INDYK: Saeb Arakat.

Q That sounds like Oslo.Minister Muasher, I want to go back to a sobering issue that Ambassador Ross raised about the realities on the ground; the Israelis will not pull back an inch until there is total security and you now say that you will not disagree with anything on the security issue. Are we to understand that security has to be a prerequisite and isn't that -- that almost contradictory with what the foreign minister of Egypt said yesterday, that we must have a withdrawal so we can go and enhance security city by city, and so on? Is that phase one?

MIN. MUASHER: The Israelis are saying that we are not going to withdraw unless everything is open-ended. We are not saying it's open-ended. We are saying we have phase one starting now and ending in January. That's not open-ended. We have five months. During these five months, we have to move on security, we have to move on control, and we have to, you know, get to the elections, period. That's very --

Q Simultaneously?

MIN. MUASHER: Doesn't matter. Simultaneously or not. We end it in January with elections. We do all this in January, with elections, as opposed to the Israeli idea of "Who knows when we move? Who knows when we withdraw?" We have a specific timeframe that we are talking about, during which we need to do things, and the Israelis need to do things, but the forces culminate in January with elections.

MR. INDYK: Marvin Kalb is nextand then Hisham Melham.

Q Mr. Minister, you have several times today described a presidential commitment to a Palestinian state within three years. You said you got this presidential commitment yesterday. I brought along a copy of the president's speech of June 24th. I would like to read you the two sentences relating to the three years. And tell me if you think, on the basis of that, that the president has now changed his position.

MIN. MUASHER: Oh, you might be answering Barry's question. (Laughter.) Go ahead.

Q "As new Palestinian institutions and new leaders emerge, demonstrating real performance on security and reform, I expect Israel to respond and work toward a final status agreement. With intense effort by all, this agreement could be reached within three years from now."

Those words sound terribly conditional to me, and I'm wondering whether you are now speaking of a firm presidential commitment to three years because that sounds different. Now is it different?

MIN. MUASHER: Believe me: I memorized every single word -- (laughter) -- in the June 24th speech. And this is why I say we come back more encouraged, because you are right in that the tone of the speech of June 24 does not have the content to answer Barry's question.

The tone now is different. Look: We have no illusions that this is performance-driven. We have no illusions about that. But what we are saying is, we are ready to take that on. We are ready to create the condition that will make this happen. But what we also need a solid commitment that if we do this, there will be a Palestinian state in three years.

Q And he's given you that commitment?

MIN. MUASHER: And he's giving us that commitment. And that is what's new, if there is anything.

Q Okay.

MR. INDYK: Hisham (ph).

Q You said that there is an Arab commitment and a Palestinian commitment to deal with the suicide bombings. I think Saud Al-Faysal yesterday alluded to that, too. Elaborate a little. I know this is a sensitive issue. And also, could you discuss potentially the role of Jordan and Egypt in training Palestinian security --

MIN. MUASHER: Hisham, I'd rather not elaborate on it, and I didn't do that on purpose.

Q I need a story about that one! (Laughter.)

FOREIGN MINISTER MUAHSER: You've done five stories already! (Laughter.)

Q -- right. He was talking to Barry about the --

(Laughter.)

MIN. MUASHER: All I want to say is that it is serious work, but it's work in progress. Let us leave it at that and get it done before we can say more about it. And all I'm saying is that we understand what needs to be done, and it is being done. But let's leave it at that.

MR. INDYK: John, please.

Q Public diplomacy. What impact do you think the results of yesterday, and what more can do more to begin to influence public opinion, as well as specific Arab states such as Jordan, Egypt, Saudi Arabia, and so on?

MIN. MUASHER: You know, a lot of people can do many things. I think we have been, for example, very encouraged by the ad that appeared in the <u>New York Times</u> two days ago. And in fact, we gave that to the president, and we said, "Mr. President, this ad represents our views as Arabs. And we want to take this is an ad by a thousand Jewish Americans, but we want to tell you, we are not going to change one sentence in it."

And I think such action by groups who really want peace in the region need to be heard and are not being heard as much as they should be heard. I think there is a lot that all of us can do -- Arab-Americans, Jewish-Americans, Arabs and Israelis in the region -- to promote the idea that this cannot go on like this. There is no military solution to this conflict; We cannot keep talking about suicide bombings, Israeli incursions, violence and tit for tat, that's not going to end it. The time has come to end the conflict.

We believe we have a solid plan to end the conflict that addresses not just the needs of Arabs, but as I said, Arabs and Israelis. And we need to market this more. And I think the overall parameters, thanks to the efforts of many, many people over the years, many of them are here today, the parameters of a final settlement are there. We don't need to reinvent the wheel. This is the most negotiated conflict in the history of the world. (Laughter.) We know what the final parameters will look like, we just need, you know, people to stand up and say enough is enough, let's get it going.

Q Marwan, I just want to go back to your response to Marvin Kalb's question. There's always been tension between, on the one hand, having a fixed timetable, and on the other hand, having a performance-driven scenario. If I heard you correctly, what you were saying was that you indicated to the president that you are prepared to meet the conditions. So the president's position is still conditional, but you're saying you feel that you can meet the conditions and that he's given you a commitment that if those conditions have been met, then he will go ahead with a final --

MIN. MUASHER: I don't want to characterize what the president said beyond what he said. All I'm telling you is his tone, his repeated reference was positive and encouraging. And he kept saying -- he didn't have to keep saying it. He kept saying it to us, "Guys, I am serious about this. When I say a Palestinian state in three years, I'm serious about this. I understand perfectly what it means. I understand perfectly that there are obligations on this on both sides, and I intend to see this through." That's what he said. I cannot, you know, read his mind beyond that. That's what he said.

MR. INDYK: If you wouldn't mind, I want to shift the discussion to another subject very much on Washington's mind at the moment, which is Iraq, and give you the opportunity --

MIN. MUASHER: I thought I got away with it. (Laughter.)

MR. INDYK: Let me put it in a broad context and then give you an opportunity to speak a little bit about Jordan's situation and Jordan's position on the question of what to do about Saddam Hussein, given that the president repeated five times in a very strong tone that he wants to topple Saddam Hussein. Maybe you would start by talking a little bit about Jordan, the situation at the moment in the context of all that's happened because of September the 11th?

MIN. MUASHER: Let me first start by saying that when Jordan speaks about Iraq, it is not in the business of defending Saddam. When we speak about Iraq, we speak out of our own national interest. We don't have anyone but our own interest in mind when we speak about Iraq.

And we are in an extremely precarious situation. We have a war going on on our west border. We have all our oil supply coming from Iraq at a discounted rate. If we are to get our oil from source other than Iraq, then we have to come up with 550 million additional dollars that represents the difference between the discounted price and the market price. To give you an idea, this is an additional 8 percent of our GDP. This will wipe out all the achievements that we've made since 1989 with the IMF until today. All of it.

It would create another war on our eastern border. It would create public discontent at home, especially if there are civilians being hit in Iraq. It will create a refugee problem on our borders. Remember, the last time Iraq was hit, we had to deal with 1.5 million refugees, representing 40 percent then of the country's population, coming through Jordan because of it.

This is what we are talking about. We are not talking about defending Saddam Hussein. I doubt anybody would defend his regime. But we are talking about real problems that we have as a result of a war against Iraq.

And that is why we are of the position that yes, Iraq has to comply with all U.N. resolutions. We have no problem with that. But we believe that diplomacy should be given a chance, so that this can be achieved through diplomacy and not through a war.

Q Can you tell us what that means?

MIN. MUASHER: That means talking to Iraq. There are talks going on between the U.N. and Iraq. Let's give them a chance. If fail, that's a different matter. But jumping to the military solution immediately, without giving other options a chance, we don't believe is in our interest. And we're going to be vocal about it.

Q Can we apply the same logic in this case, as the one you're applying to the Israeli-Palestinian Crisis, namely a time line. Right now, you say, give diplomacy a chance. Is it openended? I don't see much prospect --

MIN. MUASHER: Dennis, don't get me into this. (Chuckles.)(Laughter.) Don't get me to saying something that I -- (laughs) --

Q About where we go in three years --

MIN. MUASHER: It's an interesting idea. (Laughter.)

Q I'd like to pick up a little bit on what Dennis was saying. Marwan, taking into account the administration's support for the recentIMF rescheduling, which is very important in the context of the concerns you've raised to keep the Jordanian economy stable. Where is the administration on gaining support for the concessional oil? I mean, it remains a bit of a question. So where is the administration on that if they're so interested in gaining more support for their Iraq policy?

MIN. MUASHER: All I can tell you, and you know all of this. is, we started this discussion when I was ambassador to Israel and he was ambassador to Israel -- (laughter). And since then, every administration has told us the same thing: "Cut off your oil supply with Iraq, and we'll give you the alternative," which is not good enough for us. We can't take a leap of faith. We have to have the alternative ready first. But to announce tomorrow that we're going to cut off all our supplies and just hope suddenly an alternative would emerge is not good politics, in our view. And until that is done for us, we are not prepared to do it. And I don't know, frankly, why the U.S. has not been able to do it. I don't.

MR. INDYK: Because we don't control the oil decisions of other countries.

MIN. MUASHER: No, but the point we made, the point we made, then and now, is if that is the case, don't ask us for something that we cannot do. If you can't control, don't come and tell us, "Cut your oil supply." That's the difference.

MR. INDYK: Vicki O'Hara

Q That was the question.

MR. INDYK: That was the question. Okay.

Q Mr. Muasher, going back to the issue of Iraq, it seems that the planning is going ahead with, you know, Secretary Wolfowitz's visit to Turkey. The Turks seem to be on board, although grudgingly, in exchange for wiping out the debt, \$5 billion, and so on. There's also been a lot of talk about Jordan being a Western base, and so on, for the attack on Iraq. Let's say that the administration comes with some sort of planning to replace Iraqi oil, to do all these things, to resolve these issues, and so on.Do you think that Jordan will play a role in these attacks on Iraq?

MIN. MUASHER: Look, I think we made our position clear, and I think that the administration understands that position fairly well -- very well, in fact. We cannot have Jordan as a launching pad for action against Iraq. That is suicide for us, and we are not going to do it, neither in the present nor in the future.

And to be fair, the administration has not asked us for this. It has never asked us this, despite all the leaks that you saw in Arab and American newspapers. We have not been asked. I don't think we will be asked. We have no U.S. forces in Jordan that are directed against Iraq. We have no plans to use Jordan as a launching pad. We are not enlarging our air bases to accommodate U.S. planes. We're not doing any of that.

AMBASSADOR INDYK Let me ask the last question, Marwan. It relates to U.S. relations with the Arab world in general, particularly post-September 11th. Now that you've gone back to the area, to Jordan and traveled around the Arab world, give us your sense of what the mood is about September 11th. We hear a lot about hatred for the United States. What's your take from ground zero on all of those issues?

MIN. MUASHER: Look, I think the initial reaction among some in the Arab world after September 11th, had some sympathy for Osama bin Laden. I think that dissipated rather quickly. And I truly do not think that Osama bin Laden commands any considerable support in the Arab world. But, having said that, we still have a problem, which is the peace process. And, the image of the United States I don't think is tied with bin Laden, but it is tied with the peace process.

There have been conflicting messages coming out of Washington after September 11th to the Arab world, if I want to be frank. On one hand, you tell us: You're not democratic enough and you need more democracy in the Arab world. Then you tell us: We are going to determine the outcome of this democracy; if Arafat stays, we cannot negotiate. This is a conflicting message. Do

you want us to be more democratic, or do you want a democracy that produces only the kind of people you are prepared to deal with? I think it's a serious question that needs to be addressed.

That does not absolve us from our own shortcomings, and I believe that many in the Arab world understand these shortcomings, understand the need for more openness. But we have to agree on the basics. We cannot engage in a process that produces a democracy only to your liking. You either want full democracy, or let us establish the guidelines.

MR. INDYK: Okay. Marwan, thank you very much on behalf of all of us. It's been a fascinating and educational session. I even think Barry would agree. (Laughter.)

(Applause and end of event.)