

Secretary of State Hillary Rodham Clinton's Remarks at the 2012 Saban Forum

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U.S. SECRETARY OF STATE HILLARY RODHAM CLINTON: I am somewhat overwhelmed, but I'm obviously thinking I should sit down. (Laughter.) I prepared some remarks for tonight, but then I thought maybe we could just watch that video a few more times. (Laughter.) And then the next time, I could count the hairstyles, which is one of my favorite pastimes. (Laughter.) I think I now know what it feels like to be one of Haim's Mighty Morphin Power Rangers. (Laughter.)

Well, I guess we should expect nothing less from Haim Saban, who's a friend, a colleague, a mentor, an inspiration to so many of us here tonight. He certainly has always challenged me to make the most of America's place in the world and especially our close friendship with Israel. And it is extremely humbling to be honored by the Saban Forum in front of so many Americans and Israelis whom I know and respect so greatly. And I am so appreciative of all those very much too kind words. I can't wait to show my husband. (Laughter and applause.) And speaking of spouses, I want to acknowledge my dear friend, Cheryl Saban – (applause) – who's being doing heroic work as a public delegate with our team at the United Nations.

There are so many friends here, and it's always a little dangerous – in fact, a lot dangerous – to acknowledge or point out any. But obviously, I want to thank Martin Indyk and Tamara Wittes and all the thinkers and scholars whose insights help us navigate this very difficult, challenging time.

I also want to say a special word to two friends who are retiring. One, Senator Joe Lieberman, – (applause) – who is leaving the Senate and going into standup comedy, I'm told. (Laughter.) He's got a lot of good lines; I've heard many of them over the years. But he and Hadassah deserve some very well merited time for themselves. And

of course, Ehud Barak, who's announced his retirement. And so we want to wish you very much happiness in the future as well.

Let me also acknowledge the Chairman of my authorizing and oversight committee, Senator John Kerry. (Applause.) Thank you, John. And Teresa Heinz, it's wonderful seeing you here as well. (Applause.) My Congresswoman, Nita Lowey – (applause) – who does such a great job in every way and is, as they say, moving on up, which we're happy to hear. I saw Howard Berman here, and I think we all want to pay a great acknowledgment – (applause) – and gratitude to Howard. There are some others that I just want briefly to mention, other members of Congress. I know there are some here, but I can't see everyone.

I want to also acknowledge Foreign Minister Lieberman, Deputy Prime Minister Meridor, Ambassador Oren, our Ambassador Dan Shapiro, my former Deputy Secretary Jim Steinberg, everyone who's made this journey to be with us tonight.

And I think that we have a lot to celebrate, because for years we have told you, our Israeli friends, that America has Israel's back. And this month, we proved it again. (Applause.) When Israel responded to a rain of rockets, when sirens sounded and schools emptied and air raid shelters filled, America's next move was never in question. President Obama and I stood before the international community and supported Israel's right to defend itself from a threat no country would tolerate. The Iron Dome system – invented by Israel, underwritten by America – knocked rockets out of the sky like never before.

We supported regional and international efforts to de-escalate the conflict and then seized on a diplomatic opening when it came. Working closely with President Obama from halfway around the world, I left the East Asia Summit in Cambodia to fly to Tel Aviv, to drive to Jerusalem, to meet with the Prime Minister and members of the inner cabinet, to go the next day to Ramallah, then back to the Prime Minister's office, and then to Cairo, and we were able to play a role in enabling the ceasefire to occur. That fragile ceasefire is holding. The skies above Israel are clear. And we are beginning to see the efforts to rebuild and resume daily life. But the world knows – and always will know – that whenever Israel is threatened, the United States will be there.

Now, that's a good thing, because we believe in our shared values. We understand we both live in a complicated and dangerous world. We're in the midst of a transformative moment in the Middle East, one that offers as many questions – in fact more questions than answers – and one that poses new challenges to Israel's place in the emerging regional order. As the story unfolds, all of us must work together to seize the promise and meet these challenges of this dynamic, changing Middle East.

In the past month alone, we've seen both the promise and those challenges. We've seen post-revolutionary Egypt work with the United States to help Israel broker a ceasefire and protect Egypt's peace treaty with Israel. We

have seen cutting-edge defenses protect Israel, cities and rural areas. We have seen Israel fight for and win a stop to rocket fire from Gaza. But we've also seen the challenge of turning a ceasefire into a lasting calm; of helping Palestinians committed to peace find a more constructive path to pursue it; of putting Israel's peace with Egypt on a stronger foundation; of making sure that Iran can never acquire a nuclear weapon. And just yesterday, as you know, the United Nations General Assembly voted to grant the Palestinian Authority non-member observer state status, a step that will not bring us any closer to peace.

When it comes to a region full of uncertainty, upheaval, revolution, this much is constant and clear: America and Israel are in it together. This is a friendship that comes naturally to us. Americans honor Israel as a homeland dreamed of for generations and finally achieved by pioneering men and women in my lifetime. We share bedrock beliefs in freedom, equality, democracy, and the right to live without fear. What threatens Israel threatens America, and what strengthens Israel strengthens us. Our two governments maintain not just the formal U.S.-Israel Strategic Dialogue, but a daily dialogue, sometimes an hourly dialogue, at every level.

In a season of tight budgets, U.S. assistance to Israel is at a record high. And over the past few weeks, I have heard from Israelis the gratitude they felt when, after hearing the sirens, they saw a second rocket launch, and knew that was Iron Dome, making them safer. America has helped keep Israel's Qualitative Military Edge as strong as ever. And Prime Minister Netanyahu has described our security cooperation and overall partnership with Israel as "unprecedented."

Our shared obsession with innovation is also bringing us closer together. Google Executive Chairman Eric Schmidt recently called Israel "the most important high tech center in the world, after the United States." So it is no surprise that our diplomatic challenge is not only about a dialogue of strategic and political interests, including not just our soldiers and our politicians, but increasingly including our techies and our venture capitalists and our entrepreneurs. And it's no surprise that since Israel signed America's first-ever Free Trade Agreement back in 1985, trade between us has increased from 5 billion to more than 35 billion.

But all that we hope to accomplish together depends on keeping Israelis safe to pursue their passions in peace and security. It depends on ensuring Israel's future as a secure, democratic, Jewish state. So tonight I want to speak about four of the goals that our countries must pursue together to make that happen in a new Middle East.

First, Iranian-made missiles and rockets launched from Gaza at Tel Aviv and Jerusalem only drove home what we already know: America, Israel, and the entire international community must prevent Iran from acquiring a nuclear weapon. (Applause.) This is a commitment that President Obama has made and repeated, because we know very well the Iranian regime already exports terrorism, not only to Israel's doorstep, but across the world. If we had a map I could put up there, I could show you what we track and plot on that map – the evidence of terrorism – mostly,

thankfully, plots foiled or unsuccessful. Unfortunately, as in Bulgaria, some that succeeded. But those plots, those activities of Iran directly and through their agents, stretches from Mexico to Thailand.

We see Iran bringing repression to Syria. We see Iran brutalizing their own people. So a nuclear Iran is not simply a threat to Israel. It is a threat to all nations and risks opening the floodgates on nuclear proliferation around the world. When it comes to Iran's nuclear threat, the United States does not have a policy of containment. We have a policy of prevention, built on the dual tracks of pressure and engagement, while keeping all options on the table.

The United States is ratcheting up the pressure to sharpen the choices facing Iran's leadership. We've had our own sanctions in place for many years. But we never had a coalition like the one we have built over the last four years. We convinced all 27 nations of the European Union to stop importing Iranian oil and all 20 major global importers of Iranian oil – including Japan, India, China, and Turkey – to make significant cuts. Iran today exports more than one million fewer barrels of crude each day than it did just last year. Iran's currency is worth less than half of what it was last November. The pressure is real and it is growing.

And let me add, we take pride in the coalition we have assembled, but no pleasure in the hardship that Iran's choices have caused its own people to endure. We are making every effort to ensure that sanctions don't deprive Iranians of food, medicines, and other humanitarian goods. I travel the world working to help people everywhere take part in the global economy, and we never lose sight of the fact that Iranians deserve this no less than any other people.

America's goal is to change the Iranian leadership's calculus. We have worked with the P-5+1 to put a credible offer on the table. If there is a viable diplomatic deal to be had, we will pursue it. And should Iran finally be ready to engage in serious negotiations, we are ready. When Iran is prepared to take confidence-building measures that are verifiable, we are prepared to reciprocate. What we will not do is talk indefinitely. The window for negotiation will not stay open forever. President Obama has made that clear, and by now I think it should be clear this is a President who does not bluff. He says what he means, and he means what he says.

The second shared goal I want to discuss is this: Now that rocket fire from Gaza has stopped, America and Israel have to work together with partners in the region to turn the ceasefire into a lasting calm. Now, we have no illusions about those who launched the rockets. They had every intention of hiding behind civilians in Gaza and killing civilians in Israel. And they would have killed more of each if they could have. They even fired poorly aimed rockets at Jerusalem, endangering Palestinians as well as Israelis, Muslim holy sites as well as those of Christians and Jews. As we said throughout the crisis, Israel retains every right to defend itself against such attacks.

But a lasting ceasefire is essential for the people of Israel, whose communities lie in the path of these rockets. The people of Gaza deserve better, too. Half the Gaza population are under the age of 18. These children,

who didn't choose where they were born, have now seen two military conflicts in the last four years. Like all children, our children, they deserve better. Just as Israel cannot accept the threat of rockets, none of us can be satisfied with a situation that condemns people on both sides to conflict every few years.

Those who fire the rockets are responsible for the violence that follows, but everyone, all parties in the region, and people of good faith outside of the region, have a role to play in keeping or making peace. Israel can keep working energetically with Egypt to implement the ceasefire to keep the rockets out but also work to try to advance the needs of the people of Gaza. For its part, Egypt can use its unique relationship with Hamas and the other Palestinian factions in Gaza to make clear that it opposes provocation and escalation on its borders. And we look to Egypt to intensify its efforts to crack down on weapon smuggling from Libya and Sudan into Gaza. I am convinced that if more rockets are allowed to enter Gaza through the tunnels, that will certainly pave the way for more fighting again soon. We are ready to help and to support Egyptian efforts to bring security and economic development to the Sinai.

Others who are close to Hamas and the other factions in Gaza, including Turkey and Qatar, can and should make clear that another violent confrontation is in no one's interest. Hamas itself, which has condemned those it rules to violence and misery, faces a choice between the future of Gaza and its fight with Israel. America has shown that we are willing to work with Islamists who reject violence and work toward real democracy. But we will not, we will never, work with terrorists. Hamas knows what it needs to do if it wishes to reunite the Palestinians and rejoin the international community. It must reject violence, honor past agreements with Israel, and recognize Israel's right to exist.

Of course, the most lasting solution to the stalemate in Gaza would be a comprehensive peace between Israel and all Palestinians, led by their legitimate representative, the Palestinian Authority. Which brings me to the third goal we must pursue together: At a time when violence commands attention, America and Israel must do better at demonstrating not just the costs of extremism but the benefits of cooperation and coexistence.

For example, we have to convince Palestinians that direct negotiations with Israel represent not just the best but the only path to the independent state they deserve. America supports the goal of a Palestinian state, living side by side in peace and security with Israel. But this week's vote at the UN won't bring Palestinians any closer to that goal. It may bring new challenges to the United Nations system and for Israel.

But this week's vote should give all of us pause. All sides need to consider carefully the path ahead. Palestinian leaders need to ask themselves what unilateral action can really accomplish for their people. President Abbas took a step in the wrong direction this week. We opposed his resolution. But we also need to see that the

Palestinian Authority in the West Bank still offers the most compelling alternative to rockets and permanent resistance.

At a time when religious extremists claim to offer rewards in the hereafter, Israel needs to help those committed to peace deliver for their people in the here and now. The leaders of the West Bank – President Abbas and Prime Minister Fayyad – deserve credit for their real achievements on the ground. They made their streets safe again; they brought a measure of peace; they overhauled governing institutions. They have cooperated with Israel to help enhance Israel's security. And we have to be honest with ourselves that, right now, all of this needs our political and economic support to be sustainable. It also needs a political horizon.

So particularly in light of today's announcement, let me reiterate that this Administration – like previous administrations – has been very clear with Israel that these activities set back the cause of a negotiated peace. We all need to work together to find a path forward in negotiations that can finally deliver on a two-state solution. That must remain our goal. And if and when the parties are ready to enter into direct negotiations to solve the conflict, President Obama will be a full partner.

Now, some will say that, given the disappointments of the past and the uncertainties of today, now is not the time even to contemplate a return to serious negotiations, that it should be enough for Israel just to muddle through dealing with whatever crisis arises. But the dynamics of ideology and religion, of technology and demography, conspire to make that impossible. Without progress toward peace, extremists will grow stronger, and moderates will be weakened and pushed away.

Without peace, Israel will be forced to build ever more powerful defenses against ever more dangerous rockets. And without peace, the inexorable math of demographics will, one day, force Israelis to choose between preserving their democracy and remaining a Jewish homeland. A strong Israeli military is always essential, but no defense is perfect. And over the long run, nothing would do more to secure Israel's future as a Jewish, democratic state than a comprehensive peace.

And that leads me to my fourth goal. At a time when the Arab world is remaking itself right before our eyes, America and Israel have to work together to do what we can to ensure that democratic change brings the region closer to peace and security, not farther away. But there is no going back to the way things were. We are not naive about the risks these changes are bringing. And we recognize that for Israel, they hit close to home.

And so, even as the United States supports democratic transitions in Egypt and Tunisia, in Libya and Yemen, we are also making clear that rights and freedoms come with responsibilities. All states must address threats arising from inside their borders; fight terrorism and extremism; and honor their international commitments. And working closely with them on these critical issues does not mean we seek a return to the old bargain. Honoring

obligations abroad does not lessen the need for these governments to respect fundamental rights, build strong checks and balances, and seek inclusive dialogue at home.

Egypt's recent declarations and the decision to hold a vote on the constitution, despite social unrest and a lack of consensus across Egypt's political spectrum, raise concerns for the United States, the international community, and most importantly for Egyptians. To redeem the promise of their revolution, Egypt will need a constitution that protects the rights of all, creates strong institutions, and reflects an inclusive process. Egypt will be strongest – and so will our partnership – if Egypt is democratic and united behind a common understanding of what democracy means. Democracy is not one election one time. Democracy is respecting minority rights; democracy is a free and independent media; democracy is an independent judiciary. Democracy requires hard work, and it only begins, not ends, with elections. And let me add that the work of building consensus does not belong to new democracies alone. America will need broad-based support to end our impasse over our budget. Israel will need the same to solve your challenges.

Next door, the Syrian people are fighting for their rights and freedoms. A violent struggle against a tyrant is unfolding so close to Israel you can see it from the hilltops of the Golan Heights. Instability in Syria threatens all of us. But the safest and best path forward for Syria and its neighbors is to help the opposition build on its current momentum and bring about a political transition within Syria. The United States is using humanitarian aid, non-lethal assistance to the opposition, intensive diplomatic engagement, working with the Syrian people to try to bring about that political transition.

So there's a lot on our plates. And for me, this is a remarkable moment in history, if we were just to step back for a time and look at what is happening around the world. But it is also a time that is fraught with anxiety and insecurity, uncertainty, and danger. So we need to strengthen our consultations and collaboration on all of the issues that we face together. And we need to support the men and women in our militaries, in our diplomacy, who represent the United States and Israel at every turn so well. There is a lot of hard work ahead of us. But for me, there is no doubt that, working together, we are up to whatever task confronts us.

Protecting Israel's future is not simply a question of policy for me, it's personal. I've talked with some of you I've know for a while about the first trip Bill and I took to Israel so many years ago, shortly after our daughter was born. And I have seen the great accomplishments, the pride of the desert blooming and the start-ups springing up. I've held hands with the victims of terrorism in their hospital rooms, visited a bombed-out pizzeria in Jerusalem, walked along the fence near Gilo. And I know with all my heart how important it is that our relationship go from strength to strength.

As I prepare to trade in my post as Secretary of State for a little more rest and relaxation, I look forward to returning to Israel as a private citizen on a commercial plane – (laughter) – walking the streets of the Old City, sitting in a cafe in Tel Aviv, visiting the many Israelis and Palestinians I’ve gotten to know over the years. And of course, it is no state secret that I hope to become a grandmother someday. (Laughter.) And one day, I hope to take my grandchildren – (laughter) – to visit Israel, to see this country that I care so much about. And when I do, I hope we will find a thriving Israel, secure and finally at peace alongside a Palestinian state, in a region where more people than ever before, men and women, have the opportunity to live up to their God-given potential. That, and nothing less, is the future we must never stop working to deliver.

Thank you all very much. (Applause.)

TAMARA COFMAN WITTES: Madam Secretary, thank you so much. Your comments tonight, I think, reminded us – you used the phrase “hard work” more than once, and I think it’s a reminder to all of us that, as tough as we may find our environment, our challenges, we can never be satisfied. So thank you. We’ll start with a few questions here, and then we’ll open up – you’ve kindly agreed to take some questions from the audience as well.

SECRETARY CLINTON: Well, I mean, after that tribute, what could I say. I have to take some questions. (Laughter.)

MS. WITTES: You have often used Max Weber’s line that politics is the hard and slow boring of hard boards. So looking at the array of challenges that you laid out just now, and the array of challenges that you’ve worked on in your term as Secretary of State, what is the hardest board that you have worked away at?

SECRETARY CLINTON: Well, Iran. I think Iran is the hardest of the hard boards, because of the dangers that its behavior already poses and the geometrically greater danger that a nuclear-armed Iran would pose. I mean, it is an issue that has consumed a significant part of my time as Secretary of State, before that as a senator from New York. It’s a deeply vexing set of interconnected problems. But it, I think, deserves to be labeled as, among a lot of very hard problems, the hardest.

MS. WITTES: And you focused tonight on the nuclear negotiations with Iran and the necessity of testing their intentions. But of course, we see other problems in Iranian behavior as well. Do you think that there is a way to tackle these issues together?

SECRETARY CLINTON: Well, I think that they are being tackled together. They require constant vigilance. When we reported the plot against the Saudi Ambassador here in Washington, which was so outlandish I think many people around the world basically thought it was unbelievable – I mean, what do you mean the Iranian Revolutionary Guard got this Iranian American to go try to hire an assassin, and it turned out the guy he tried to hire was a Mexican

cartel member, who also happened to be an informer for us, and so therefore we found out about the plot? I mean, who would believe this? And yet, it was all true.

And when the plotter pled guilty, it got very little coverage. And in his guilty plea, he implicated high-ranking Iranian Revolutionary Guard officials. And people have become so used to bad behavior from the Iranians that it was like a big sigh – what do you expect; that's what the Iranians do. That is totally unacceptable. The entire world should be absolutely at a high pitch of rhetorical denunciation of what the Iranian regime is up to.

Because, as I said, you look at the map of the world and you see where they are plotting, and yet, like, I travel places and I meet with officials and governments who tell me about arresting two Iranians, two Lebanese Hezbollah, a group who blew themselves up trying to wreak damage on someone else. It is an incredibly dangerous, aggressive behavior that is going on every single day.

Secondly, their concerted efforts to undermine governments, to create havoc from Bahrain to Yemen and beyond, is equally troubling and dangerous. And so, we are constantly working with friends and allies to try to prevent that. And we see how Iran tries to insinuate itself into many societies with all kinds of promises, many of which are never fulfilled. I cannot tell you how many promises of infrastructure investment in Venezuela have been made without building an outhouse. It's just a ridiculous record of promise with no follow-up. But they keep doing it. They are relentless in their desire to exercise influence and to build a very intimidating, even hegemonic, presence in the Gulf.

And then, you get to what they are doing internally, with the oppression of the Iranian people. And then you've got the nuclear program. So, I mean, it's a never-ending requirement of extraordinary vigilance, reaction, good intelligence work, and intelligence sharing with so many countries. But it's also necessary to out them, to get more nations and more organizations to see them for what they are, to try to limit the reach of their activities, which is important to get their attention on the nuclear file, as well.

MS. WITTES: Let me turn to the Israeli-Palestinian arena, and your comments tonight about the need to demonstrate that cooperation brings positive results. We had a film screening last night for a new documentary about the Palestinian state-building project called State 194. And Prime Minister Fayyad spoke to the group afterwards. And in his comments, he said that the recent violence in Gaza and the outcome of that crisis was a doctrinal failure for the peaceful path to Palestinian statehood and for the arguments that he's been making.

And this morning, over at Brookings, we released a new poll by my colleague, Shibley Telhami, showing that Israelis, by and large, are giving up hope on a negotiated two-state solution. It seems that the spoilers have an ability to set the agenda by firing a rocket that far outweighs our ability to push back with the slow work of diplomacy.

So, what more do you think we can do to strengthen moderation and to strengthen the political center in Israel and in Palestine?

SECRETARY CLINTON: Well, as you might guess, I have had many, many hours of conversations about this with my Israeli friends. And my view of the Palestinian Authority in the West Bank is that, with very little money, no natural resources, not a very deep bench, they have accomplished quite a bit in building a security force that I know works every single day with the IDF keeping Israel safe, as well as the West Bank. They have entrepreneurial successes, some of which some of the people in this room have helped to support. And they are still secular – nationalistic, yes, but secular – and largely modern.

And so, for me, it has always seemed clear that the more Israel can do to help support that, the better for Israel. But I know there's a debate in Israel. Some people say, "Well, President Abbas is not a partner for peace. He's not somebody that could make a deal and stick with it." But I think that should be tested. And I think while it is being tested there can be a concerted effort to kind of win over some of the Palestinians in the West Bank with a very clear distinction between the lives they're able to lead now compared to the lives of their cousins in Gaza.

And I think that the more generous Israel can be on everything from expediting the tax revenues that Israel collects and then remits to the Palestinians, the more investment that Israel can try to help catalyze inside the West Bank, the more opportunities for people to feel like they have a real stake in a more positive future, helps provide a bulwark for Israel's security, whether or not there is a comprehensive agreement in the near future.

So I think a lot of the confidence-building measures that we have discussed over the years are ones that should be revisited, even now as part of a, if not explicit, certainly an implicit, agreement about what the aftermath of the resolution passing in the UN will be, what more might be put on a back burner or totally forgone in return for some kind of negotiation and some kind of positive steps on the ground, which are still, I believe, in Israel's interests.

MS. WITTES: Thank you. We focused quite a bit in that video on your travel. And a lot of that travel has been to the Middle East or about the Middle East. This is a region that is undergoing tremendous change, not only in politics, as you pointed out, but also within society.

And one of your hallmarks as Secretary has been the time that you've spent meeting with people from society, from women's groups, young people, students, business groups. You've met with ordinary citizens on just about every trip you've made.

So I wonder if you can give us a sense of what are your hopes for them as they deal with this tremendous societal change. And what are your fears?

SECRETARY CLINTON: Well, my hopes are that the energy and the real potential, particularly of young people in everywhere from Egypt to Libya and Tunisia, even Yemen, Jordan, certainly, that they can be freed from

the yoke of repression, but not oppressed by a new form of social management, either because of religion or ideology. They did not launch and support revolutions to trade the dictator for the dictatorship of the mob or a new face on the dictatorship.

So, when I meet with these young people, particularly – I've been with young people in Tunis and Tripoli, in Cairo and Alexandria – a lot of them are very excited about what lies ahead, but quite worried that the leaders they have in place now will not be able to deliver the changes that they are seeking. And one of our problems is that when you think about who the leaders are, there aren't political parties that create a Tzipi Livni or an Ehud Olmert or Avigdor Lieberman. There are no political parties. And so, a lot of these people emerged into this post-revolutionary period without any political experience or organization. The only organized entities, other than in the state, were the Islamist groups that were tightly bound together because they organized an opposition to the prevailing authorities prior to the revolution. And they don't – and so many of the people who are trying to hard don't know how to do this. It reminds me a little bit of what it was like when the Soviet Union fell. And I traveled extensively at that time, during the '90s. And I remember so clearly. I remember being in Minsk. And it was after Belarus became independent. And Bill and I were at a lunch. And the people who were temporarily in charge were the academics, the artists. And they were so unpolitical. (Laughter.) And Bill and I sat there and we watched the old Communist apparatchiks go around slapping people on the back, having a joke, talking about something funny that happened, making conversation. And I said to Bill, I said, "Those are the guys who are going to end up in charge." Because there's a political gene. You got to know how to relate to people, whether you're in Israeli politics, Egyptian politics, or Belarusian politics.

And, unfortunately, that is just not the experience of most of these leaders. One of the things we're trying to figure out how to help with, which is difficult – look at what Libya did. They had an election. They rejected the Islamists. They voted for moderates. But they can't figure out how to make the necessary compromises to put together a government that will function.

And think about it. I mean, this shouldn't be surprising. We didn't kind of emerge full-blown out of the head of George Washington. It took a lot of work to do what we had to do. And we are still fighting some of the unfinished business of the Federalist Papers. But we've created systems that enable us to do that. These countries are desperately trying. And the organized forces that want to take over and influence what they're doing are the Islamist forces and the extremists. So it's very much in our interest to keep engaging, keep educating, keep talking about what it means to run a democracy, what it means to compromise. And if you come to politics from religion, compromise is unacceptable because you think you know what you're supposed to be doing based on your theology. So I think we all need to put ourselves into the shoes of these, mostly men, trying to create the governments in these countries, and understand how hard this is. And young people see this, and they want faster progress. They want to

lift all of the barriers to being in business or travel or whatever they're seeking. And we just have to do more to be on the side of those aspirations.

MS. WITTES: Thank you. Let's take a couple of questions from the floor, if you're willing. I see one hand in the back, there, David Makovsky. If we could get a microphone to David.

QUESTION: Madam Secretary, thank you for that fabulous speech and for honoring us with your presence.

MS. WITTES: David, could you just take that mic that's next to you? Thank you. (Laughter.)

QUESTION: Could you let us know if – could you let us know – Madam Secretary, you mentioned about a U.S. offer to Iran. There is an expectation of diplomacy of the 5+1 being resumed. Do you see a situation, an end-state offer to Iran that would be early on in the negotiations? People think there's limited time. Given what you've talked about, and other American officials have talked about, is the fate of the Iranian nuclear program to have an end-state offer sooner, rather than later, so we can focus the diplomacy of the P-5+1 on something (inaudible) an end-state proposal? Cut to the chase.

SECRETARY CLINTON: Well, David, thank you. And thank you for your years of work on this and other difficult issues. We are deeply engaged in consultations right now with our P-5+1 colleagues, looking to put together a presentation for the Iranians at the next meeting that does make it clear we're running out of time, we've got to get serious, here are issues we are willing to discuss with you, but we expect reciprocity.

Now, I would also add, David, that we have, from the very beginning, made it clear to the Iranians we are open to a bilateral discussion. And we have tried. You know the President tried to reach out. Dennis Ross is here. He was instrumental in those first two years in trying to create some kind of opportunity for dialogue on the nuclear issue. So far there has not yet been any meeting of the minds on that. But we remain open. And we've certainly tried quite hard in the P-5+1 context to have a bilateral discussion, and they've not been willing to do so. But we understand that it may take pushing through that obstacle to really get them fully responsive to whatever the P-5+1 offer might be. Right now, we're working on the P-5+1 and making our willingness known that we're ready to have a bilateral discussion if they're ever ready to engage.

MS. WITTE: Thank you. I see a question over here. I think it's Ilana, Ilana Dayan.

QUESTION: Thank you. I wondered if you look back --

MS. WITTE: Yeah, hold it right up there, Ilana.

QUESTION: Yeah. That works now. I wonder, if you look back four years, at your four years as Secretary of State – but you know what? – even two decades, as you've been watching Israelis and Palestinians, both as a Senator and even as a First Lady, was there a moment of grace? Was there a moment in which you saw that the spark can enlighten everything, it can make it happen?

SECRETARY CLINTON: Yes.

QUESTION: And I wonder, when you look upon those two decades, and you try to explain to yourselves and to us what is it, in the psyche of Israelis – and you have this warm sentiment, and you have this rich dialogue – what is it in our society, in our fears, in our historic traumas, that somehow makes us so suspicious? And can it be dismantled? Have you ever sensed that you are close to it?

SECRETARY CLINTON: Well, look, I think Israelis have good grounds to be suspicious. And I would never be one who tries to rewrite or dismiss history. The Palestinians could have had a state as old as I am if they had made the right decision in 1947. They could have had a state if they had worked with my husband and then-Prime Minister Barak at Camp David. They could have had a state if they'd worked with Prime Minister Olmert and Foreign Minister Livni.

Now, would it have been a perfectly acceptable outcome for every Israeli and every Palestinian? No. No compromise ever is. But there were moments of opportunity. And I will also say this. When Prime Minister Netanyahu agreed to a 10-month settlement freeze I flew to Jerusalem. We'd been working on this. George Mitchell had been taking the lead on it. And when Prime Minister Netanyahu agreed to a 10-month settlement freeze, it wasn't perfect. It didn't cover East Jerusalem, but it covered much of the contested area in the West Bank.

And I stood on a stage with him at 11 o'clock – Israelis always meet late at night, I don't understand it – (laughter) – but 11 o'clock at night, midnight, and I said it was unprecedented for any Israeli prime minister to have done that. I got so criticized. I got criticized from the right, the left, the center, Israeli, Jewish, Arab, Christian, you name it. Everybody criticized me. But the fact was it was a 10-month settlement freeze. And he was good to his word. And we couldn't get the Palestinians into the conversation until the tenth month.

So, look, I'm not making excuses for the missed opportunities of the Israelis, or the lack of generosity, the lack of empathy that I think goes hand-in-hand with the suspicion. So, yes, there is more that the Israelis need to do to really demonstrate that they do understand the pain of an oppressed people in their minds, and they want to figure out, within the bounds of security and a Jewish democratic state, what can be accomplished.

And I think that, unfortunately, there are more and more Israelis and Palestinians who just reject that idea out of hand: Why bother? Why try? We'll never be able to reach an agreement with the other. But in the last 20 years, I've seen Israeli leaders make an honest, good-faith effort and not be reciprocated in the way that was needed. Now, I've told this story before. It always makes Ehud cringe. But after Yasser Arafat said no at Camp David – and I don't care how many people try to revise that history, the fact is he said no at Camp David – some months later he calls my husband, when Bill is no longer President, and says, "You know that deal that you offered? I'll take it now." (Laughter.) And Bill goes, "Well, that's terrific. Why don't you call the White House and tell them that?" And what was

the lesson that President Bush learned? Why try? Bill Clinton spent so much time and effort; Ehud Barak put his political life on the line. Why try? Because you'll never get where you're trying to go, so work on something else. So I think that – I really believe this with all my heart. I think that even if you cannot reach a complete agreement that resolves all these incredibly hard issues, it is in Israel's interest to be trying. It gives Israel a moral high ground that I want Israel to occupy. That's what I want Israel to occupy, the moral high ground. (Applause.)

And so from my perspective, all those efforts of the past – I mean, I do believe there would have been a Palestinian state if Yitzhak Rabin had not been murdered. I believe that. Because I think the Israeli people would have trusted him to take the hard decisions that were needed. So for the 20 years that I've been watching this very closely, I give credit to a lot of Israeli leaders, trying to figure out how to manage this difficult situation. But I really am saddened when the conclusion is it's just not worth trying and walk away, build the wall higher, more Iron Dome – all of which is essential, but is not sufficient. Because more and more technology is going to impose greater and greater burdens that over time will be very difficult.

MS. WITTES: Okay. I think we have time for maybe one more question. Is someone volunteering Nahoon? Let's take Danny Diane. Back here, please.

QUESTION: Madam Secretary, one of your most famous quotes regarding the conflict in the Middle East is that the status quo is not sustainable.

SECRETARY CLINTON: What?

QUESTION: That the status quo is not sustainable.

SECRETARY CLINTON: Yeah.

QUESTION: Now what if all the other viable alternatives, the principal alternatives, are worse than the status quo. We are with the status quo for the last at least 10 years, since Operation Defensive Shield in 2002. And putting wishful thinking aside, I think that most observers will agree today that we are going to be with the status quo in the next 10 years. So maybe instead of putting self-fulfilling prophecies that will make the status quo collapse, we should work together – Israel, the United States, and the Palestinians – to make the necessary improvements in the status quo regarding human rights, freedom of movement, et cetera, et cetera, economy, rehabilitation of refugee camps, and strengthen the status quo instead of undermining it.

SECRETARY CLINTON: Well, I think you've got a short-term and long-term challenge. In the short term, I agree, improvements should be made to the status quo. That's what I said in the very beginning. I think that more investments, more confidence-building measures, the kinds of things you were mentioning, I think Israel should be doing that, and I think it's very much in Israel's interest.

I do not believe in today's world, however, that that creates a sustainable status quo for the long term. Now, you and I may disagree about that, but that is how I see it. I think that if you look at increasing extremism – which is not your father's extremism, it's a different variety that is linked into what is happening in the region in a way that it was not before – if you look at demography, you see the population shifts and the problems that that will cause for Israel. And if you look at technology, it's very difficult to constantly stay ahead of the advances in weaponry. I mean, that's one of the hallmarks of human history is weapons just keep getting better and more deadly every decade. So perhaps by investing in improving the status quo in the short term, you can possibly improve the status quo for longer. It certainly is worth trying, and I would urge that be undertaken, for on the merits, I think it can bring Israel some benefits. But I just personally believe that it's going to be difficult if you think about what could be facing Israel in three to five years – either a failed state or all or part of Syria under control of extremists; instability in Jordan or all or some part of Jordan under control of extremists; continuing political instability in Lebanon with the growing power of Hezbollah; Hamas basically becoming a proxy of Iran; and Sinai becoming a danger to Egypt as well as to Israel. Where does one look to try to get some benefit in that equation?

And I think that there is still an opportunity with the West Bank Palestinians to have a different status quo that is very much in Israel's interest. So that's a debate that goes on every day in Israel, it's a debate that goes on here in the United States, but I think it's a very important one to have. (Applause.)

MS. WITTES: Madam Secretary, thank you. You have been such a friend to this forum and to Haim and Cheryl. And I dare say this is a room full of friends who wish you well and we know that the best is yet to come. Thank you so much.

SECRETARY CLINTON: Thank you all. (Applause.)