The American government is intent on trying to bring the parties in the Arab-Israeli dispute closer together, to talk, to negotiate and to resolve differences. President Bush has reaffirmed this commitment on several occasions and Secretary of State James Baker described our goals eloquently in his speech on "principles and pragmatism" delivered May 22, 1989.

I want to describe for you some reflections on the human dimension of the Arab-Israeli conflict, some of the landmark changes in the political landscape of the region, some enduring U.S. principles and some potentialities for movement.

The Human Dimension

No one who watches television, who reads the press or who has visited the region can fail to appreciate the inherent agony of the Arab-Israeli conflict. The conflict is about the human condition -- the political, economic and social conditions under which the Palestinians and the Israelis live.

If you visit the place on the road to Jerusalem where a bus filled with people was propelled into a ravine during a deranged terrorist act, you cannot but be struck by the horror and the humanity of the problem. If you meet with a group of Palestinians from the occupied territories and listen to their stories of life during the intifada, you cannot but be struck by the daily human costs and tragedies.

If you see pictures of the devastation wrought by both sides during the Gulf War, you cannot but be struck by the dangers facing all peoples of the region in the build-up of new and more destructive weapons systems in the area. Long-range missile systems coupled with chemical warheads pose new threats of terrible destruction. The specter of nuclear proliferation adds another dimension to this potential nightmare. These awesome threats make more urgent the task of trying to find a lasting peace.

There are geopolitical issues involved in this conflict. There are strategic dimensions. There are diplomatic processes at work. But the conflict begins and will end with the emotions, the desires, the fears, the animosities, the loyalties and the aspirations of people -- real human beings. Thus, we cannot deal with this conflict as a classroom lesson on political theory.

Israelis, Palestinians and all Arabs dream of living in peace with security. The costs that they face due to the region's instability are genuine. Their children and grandchildren have a right to something better. The object of the peace process is a better life and that beautiful condition that we call peace.

With the important exception of peace between Egypt and Israel, there is no peace. The absence of war is not enough. We need to do something to reduce the prospects of war, the potential level of devastation and the costs of constantly preparing for war.

Let me emphasize one fundamental and enduring reality about U.S. policy in the Middle East: nothing will undermine our commitment to Israel, its security and its well-being. When I was in Israel in July, I visited Yad Vashem. I saw the horror of genocide and the results of the world's silence and inaction. This will not happen again. I visited the memorial to the children who were cut off in their youth by the horrible scourge of anti-Semitism. They never had a future. We owe it to them, to our children and to our grandchildren never to permit anything to call Israel's security into question.

There is, however, a motivation that flows from the privations that all endure in the region. No one is satisfied with the status quo. This dissatisfaction provides a base on which to build. The more noble sentiments and aspirations which Arabs and Israelis share -- the wish for a better life for their children -- provides building material for the process. Flags, masks, guns and stones are the symbols of both the dissatisfaction and the conflict. The peace process and the voices of reason are the symbols of hope for humanity which today suffers. It is the conviction that our common humanity deserves better that strengthens us for our task. We move from that human conviction back to the diplomatic realities on which we base our daily search.

Changes in the Region

Recently, the Arab-Israeli conflict has changed and so has thinking in the region:

- The wall of Arab hostility to the existence of Israel has cracked. Today's debate in the Middle East is about peace processes, not about a strategy of how best to destroy Israel.
• As ideological intensity declines in some groups, religious fervor has crept into the vacuum. This resurgence of religious fervor has altered the perspective through which the conflict is seen, not necessarily for the better.

Beyond these two attitudinal changes, there have been some recent watershed events which have dramatically changed the situation on the ground.

First came the initiation of the intifada in December 1987. This uprising has altered life in the occupied territories dramatically. The intifada has changed, irrevocably, the way Palestinians think about themselves and the way the world thinks about Palestinians. Those who cling to the outmoded rhetoric of armed struggle as a rallying cry should remember that the difference between armed struggle and terrorism is a slippery slope.

The second major event was the decision by the King of Jordan to disengage in July 1988 from the occupied West Bank. While that decision did not remove Jordan from the peace process -- in fact, Jordan still has an important role to play -- it gave a heightened consciousness of responsibility to the Palestinians.

The third change was the PLO's December 1988 acceptance of U.N. resolution 242, the recognition of Israel's right to exist and the renunciation of terrorism, all of which led to the decision by the United States government to begin a substantive dialogue with the Palestine Liberation Organization.

The last significant event in this series was the May decision by Israel's National Unity Government to advance a four-point proposal for achieving peace in the region. The fourth point -- the election of Palestinians to negotiate with Israel on an interim settlement and final status -- has given new life to the peace process. It is that new life that we hope to nurture. We seek to do this on the basis of our publicly enunciated principles.

Enduring U.S. Principles

The principles on which U.S. policy is based provide the intellectual and the practical context for our approach to resolving the human problems that I described at the outset. These principles give our policy a consistency and an openness which are of value not only to ourselves, but to our interlocutors in Israel and among the Palestinians.

We believe in a comprehensive settlement through negotiations based on U.N. Security Council resolutions 242 and 338. These resolutions are not empty words, but describe the principles of territory for peace, recognizing the identity of Israel and its security together with that of all states in the region. The principle of legitimate political rights for Palestinians is also an essential element.

The negotiations must include face-to-face talks in order to succeed. We believe the elections proposal can provide the basis for these face-to-face talks. In the first instance, talks will be needed to reach agreement on the modalities for elections. But elections do not stand as a goal in and of themselves. They are a way station to negotiations on transitional arrangements which are themselves a way station to final status. We must not lose sight of the goal: a political settlement defining how the Israelis, Palestinians and other Arabs will relate to each other and live together over the long term.

Let there be no mistake: the United States is committed to moving to final status. But it is a reality that we cannot move directly to final status. The gap between the parties is too great to allow it. Elections, in our view, constitute an integral part of the process leading to transitional arrangements and final status.

U.S. thinking with regard to final status is well known: we do not support an independent Palestinian state, nor do we support annexation or permanent Israeli control of the West Bank and Gaza. What we do support is self-government for Palestinians in the West Bank and Gaza in a manner acceptable to Palestinians, to Israel and to Jordan.

At the same time, we also support the right of all parties to bring their aspirations for final status to the negotiating table. Neither the United States, nor any other party can impose its view of final status on the others. Only the parties to the conflict, through their own negotiations, can ensure that they will reach a mutually acceptable solution.

The process of negotiations involves no assured outcomes and is not without risks. But parties to the negotiations are protected by the nature of the process itself. Each holds a key to beginning negotiations. Each can withdraw from the process at any point; thus, each party holds an absolute veto over future progress. This applies equally to Palestinian representatives as it does to representatives of the government of Israel.

I cite this specifically because Palestinians and Israelis have asked me -- and therefore the U.S. government -- "How can you guarantee that this process will not lead to some disadvantage for us?" My response is that the United States can make no such guarantee, but the parties who negotiate reserve the right to resist an inequitable agreement at any stage in the process. The task of statesmen, though, is to work so that no party will wish to exercise this right.

Potentialities for Movement

I frequently read in the press and hear complaints from diplomats that the peace process is stagnating. It is not. The peace process is gestating. The parties are considering their tactics and how best to resolve internal tensions. Ideas are circulating. Allies of the process are looking for ways to bridge differences.
For example, the government of Egypt has suggested a 10-point proposal that might provide a bridge for Israelis and Palestinians. We believe the Egyptian points constitute a constructive and valuable addition to ongoing diplomatic efforts. Others are in quiet contact, away from the glare of publicity, exploring ideas. The public rhetoric is tough and often appears unyielding. But if it is correct that no one wants the status quo and that the idea of elections offers hope for movement, we may see some progress.

There are potentialities for movement. Not all of the issues are intractable. Let me give you some examples of possible openings, even if they are not perfect solutions as currently written.

One is the question of international observation of elections in the occupied territories. Some have argued for an organized, international, supervisory corps. I argue that the international media, and parliamentary and public interest visitors can do everything necessary to assure all sides of the free and fair nature of elections. The world press corps would provide more assurances to people about the validity of elections than thousands of so-called supervisors.

Another example of an action that could inspire renewed confidence would be a change in tactics on the issue of Israeli credentials at the U.N. General Assembly. Every year around this time, the question of Israeli credentials comes up for a vote. It is time for the Arab nations to follow the example of the PLO and acknowledge Israel's existence as a state. It is time for Arab governments to stop the anachronistic practice of voting against Israeli credentials.

There is potential for movement. It is not for the United States to suggest or propose a timetable, but for the two sides to work out their own timetable in face-to-face negotiations. That is what the human tragedy cries out for and what shared Israeli and Palestinian aspirations demand. That is what the changes in the region open the way for, and that is what our principles and our pragmatic approach to peace support.