My task is to try to lay out for you the Clinton administration's approach to the Middle East. The broad outlines of that approach were already determined by President Clinton during the campaign: a democracy-oriented foreign policy; a foreign policy that would promote the interests of American business abroad; a foreign policy that would work with our friends and allies in the Middle East -- Israel, Egypt and Saudi Arabia -- to protect American interests in the Middle East and to counter the threats to those interests from radical regimes, be they secular or religious; a foreign policy that would seek to stem the flow of weapons of mass destruction to this volatile region; a foreign policy that would have as a priority the promotion of real and comprehensive peace in the Middle East.

In other words, the "vision thing" was very clear to this president before he came into office. He understands that the Middle East is finely balanced between two alternative futures: one in which extremists, cloaked in religious or nationalist garb, would hold sway across the region, wielding weapons of mass destruction loaded onto ballistic missiles; and the other future in which Israel, its Arab neighbors and the Palestinians would achieve an historic reconciliation that would pave the way for peaceful coexistence, regional economic development, arms control agreements and growing democratization throughout the Middle East.

President Clinton also understands that, in the wake of the demise of the Soviet Union and the Gulf War, the United States stands as the dominant power in the region, uniquely capable of influencing the course of events. By working energetically with America's friends and allies in the region, we hope to be able to tilt the balance in favor of that more peaceful future that the people of the region have longed for but have been too long denied.

The first task we faced was to develop a coherent strategy to achieve these objectives. We reviewed existing policies, analyzed the regional dynamics, engaged in extensive discussions with the various agencies involved in national security affairs and exchanged views with the region's leaders, both during Secretary of State Christopher's trip to the region in February and, subsequently, when President Clinton met with Prime Minister Rabin and President Mubarak. This was a deliberate process -- it took a little time. That review is now all but complete and I would like to take this opportunity to outline the general approach that the Clinton administration will adopt toward the Middle East, highlighting some of the critical elements of our strategy.

Inevitably, there are elements of continuity and elements of change in the Clinton administration's approach. Continuity stems from the fact that many of America's vital interests in the region remain unchanged. Despite the dramatic developments in the global arena in the past four years, we still have an abiding interest in the free-flow of Middle Eastern oil at reasonable prices. We have an abiding interest in reciprocating the friendship of those in the Arab world who seek good relations with the United States. We still have an abiding interest in the security, survival and well-being of the state of Israel. And, because peaceful relations between the inhabitants of the region facilitate the promotion of those interests, we also have an abiding interest in the promotion of a just, lasting, comprehensive and real settlement of the Arab-Israeli conflict.

Changes in policy, on the other hand, stem from the dramatic global and regional developments that are impacting on the region's political dynamics. The end of the Cold War has had profound consequences for the Middle East. The superpowers are no longer competing for influence in this volatile region and that means that the United States no longer needs to view the region through a competitive global prism. For the first time, we can judge developments there more in terms of how they impact on our regional rather than global interests.

For the first time since the 1950s, the U.S. is the unchallenged dominant power in the region and all sides now look to Washington to exert its influence. However, the absence of superpower competition also brings in its wake less influence over the policies of regional powers, let alone over our Cold War European and Japanese allies. And the post-Cold War reality is one of reduced military and economic means to influence events. We are tasked with greater regional responsibilities and yet have less ability to fulfill them.

Second, we can no longer deal with the region in compartments. With the proliferation of ballistic missiles, on the one hand, and the spread of extremism, on the other, conflict or turmoil in one part of the region can have a dramatic impact on events elsewhere. No longer could a war be waged for eight years between two of the region's powers, Iraq and Iran, while the rest of the region went about business as usual. As the Gulf War demonstrated, the missile age in the Middle East has created a situation where Riyadh and Tel Aviv can find themselves under simultaneous Iraqi attack.

Similarly, Iran has demonstrated its regional reach by fishing in troubled waters all the way from the Gulf, through
Egypt and Lebanon to Algeria. Its funding, arming and training of Hezbollah and Hamas have gained it an ability to interfere in the Arab-Israeli peace process as well. And its North Korean missiles could provide it with the capability of striking Israel and the Arab states. In short, what happens in the east of the region can now have immediate import for events in the west of the region, and vice versa.

Third, with the end of the Cold War comes a need to redefine the region. Although on the periphery of the Middle East, the newly emerging Muslim states of Central Asia need to be factored into our strategy for the region. And, once we do that, we come to understand the increasingly important role of Turkey in our regional calculations. During the Cold War, Turkey was treated very much as a European power, a partner in NATO's efforts to contain the Soviet Union. Now Turkey is coming to play an important role not only in Central Asia but also in the Middle East. Bordering on Iran, Iraq and Syria, Turkey is already critical to our efforts to contain Saddam Hussein's regime and to maintain the Operation Provide Comfort arrangements for the people of northern Iraq. In short, Turkey is a secular, democratic Muslim nation, a strategically located military and economic power, and a long-time ally of the United States. One of our challenges is to find a way to put these factors to better use in the pursuit of our objectives in the Middle East.

When we make a strategic assessment of the region as a whole, we see three major challenges to American interests. First, we are very fortunate to have inherited an ongoing Arab-Israeli negotiating process, involving the Palestinians, all of Israel's immediate Arab neighbors, as well as the Maghreb and GCC states. The Clinton administration's challenge here is to turn the peace process into peacemaking, achieving an early breakthrough to peace agreements.

Second, as a result of the Iraq-Iran War and the Gulf War, we are also fortunate to inherit a balance of power in the region and a much reduced level of military capability to threaten our interests. The million-man Iraqi army of seventy divisions is no more. The challenge here is to maintain that situation in the face of determined efforts by both Iran and Iraq to rebuild their arsenals, particularly in the nuclear and ballistic missile fields.

Third, in the wake of the collapse of the Soviet Union and the defeat of Iraq, came the collapse of the radical, rejectionist front in the Middle East. But nature -- especially Middle East nature -- abhors a vacuum. With one set of troublemakers down, another set has emerged to take its place. Decades of neglect and dashed hopes for political participation and social justice have nurtured some violent movements cloaked in religious garb that have begun to challenge governments across the Arab world with the potential of destabilizing the region.

We must not oversimplify a complex challenge with differing regional and national wellsprings, and we must not dismiss all religious reformers as extremists. Neither, however, can we afford to ignore that in its resort to violence, some religious extremists have found succor from fundamentalist regimes in Iran and Sudan. Our third challenge is to help the people and governments of the Middle East confront this emerging threat, in part by pursuing peace with vigor, in part by containing extremism throughout the region, and in part by holding out an alternative vision of democratic political development and free market economic development not just for the people of the former Soviet Union, but for the people of the Middle East as well.

Developing a coherent regional strategy which combines all of these considerations is a formidable challenge all on its own for the Clinton administration. Our approach begins with a concept of interdependence between the eastern and western halves of the region: thus, containing the threats posed by Iraq and Iran in the east will impact on our ability to promote peace between Israel and its Arab neighbors in the west; similarly, promoting Arab-Israeli peace in the west will impact on our ability to contain the threats from Iraq and Iran in the east; and our success in both realms will affect our ability to help friendly governments create a better life for their peoples than that offered by proponents of violence.

A short-hand way of encapsulating the Clinton administration strategy is thus: "dual containment" of Iraq and Iran in the east; promotion of Arab-Israeli peace in the west; backed by energetic efforts to stem the spread of weapons of mass destruction and promote a vision of a more democratic and prosperous region for all the peoples of the Middle East.

Because my time is short, I thought it would be useful to focus on the Clinton administration's approach to the first two branches of our Middle East strategy, leaving to a later date and people more expert than I am, the articulation of policy on the third branch.

Dual Containment In The East

The Clinton administration's policy of "dual containment" of Iraq and Iran derives in the first instance from an assessment that the current Iraqi and Iranian regimes are both hostile to American interests in the region. Accordingly, we do not accept the argument that we should continue the old balance of power game, building up one to balance the other. We reject that approach not only because its bankruptcy was demonstrated in Iraq's invasion of Kuwait. We reject it because of a clear-headed assessment of the antagonism that both regimes harbor towards the United States and its allies in the region. And we reject it because we don't need to rely on one to balance the other.

The coalition that fought Saddam remains together, as long as we are able to maintain our military presence in the region, as long as we succeed in restricting the military ambitions of both Iraq and Iran, and as long as we can rely on our regional allies Egypt, Israel, Saudi Arabia and the GCC, and Turkey -- to preserve a balance of power in our favor in the wider Middle East region, we will have the means to counter both the Iraqi and Iranian regimes. We will not need to depend on one to counter the other. As Secretary of State Christopher has argued, we must
not allow our efforts to press Iraq to comply fully with all UN resolutions to divert us from a recognition of the threat that Iran poses to our interests in the Middle East. And, by the same token, we must not allow our concern with the Iranian threat to divert us from our efforts to force Iraqi compliance.

I hope that by now the Clinton administration policy towards Iraq is clearly understood. Simply stated, we seek Iraq's full compliance with all UN resolutions. The regime of Saddam Hussein must never again pose a threat to Iraq's neighborhood. And we are also committed to ensuring Iraq's compliance with UN Resolution 688, which calls upon the regime to end its repression of the Iraqi people.

Some have tried to portray our policy as a softening of previous policy. But by now it should be clear that we seek full compliance for all Iraqi regimes. We will not be satisfied with Saddam's overthrow before we agree to lift sanctions. Rather, we will want to be satisfied that any successor government complies fully with all UN resolutions.

Nor do we seek or expect a reconciliation with Saddam Hussein's regime. The Clinton administration's decision to release the judge advocate general's report, which details the regime's war crimes and crimes against humanity in Kuwait, was but a first step. Now, we have decided to seek the establishment of a UN commission to investigate the charges of war crimes and crimes against humanity in Iraq itself and to assemble the voluminous evidence to back up these charges. Our purpose is deliberate: it is to establish clearly and unequivocally that the current regime in Iraq is a criminal regime, beyond the pale of international society and, in our judgment, irredeemable.

We are also providing stronger backing for the Iraqi National Congress as a democratic alternative to the Saddam Hussein regime. The INC has succeeded in broadening its base to encompass representatives of all three major communities in Iraq: Sunni, Shi'ite and Kurd. It is committed, as are we, to maintaining the territorial integrity of Iraq and to adhering to Iraq's international responsibilities. We are now urging others in the region to accord the INC the recognition and support it deserves.

It should be clear that our quarrel is not with the Iraqi people. Their plight is the responsibility solely of the dictatorship in Baghdad. We are engaged in a UN effort to provide them with humanitarian assistance and to prevent them, as best we can, from falling victim again to Saddam Hussein's brutal repression. That is the purpose of Operation Provide Comfort and the no-fly zones in northern and southern Iraq. That is also the purpose of UN Resolutions 706 and 712 which provide for much greater humanitarian assistance but which the Iraqi regime refuses to accept. We are now looking, on an urgent basis, at other ways we can assist the Iraqi people. For example, we support proposals to send UN monitors to Iraq to observe human rights violations.

In short, the Clinton administration is intent on ensuring, through the UN resolutions and their enforcement and inspection measures, that as long as the Saddam Hussein regime survives, it will not be in a position to threaten its neighbors or to suppress its people with impunity.

Containing the threat from Iran is a more difficult though no less necessary undertaking. When we assess Iranian intentions and capabilities we see a dangerous combination for Western interests. Iran is engaged in a five-part challenge to the United States and the international community. It is the foremost state sponsor of terrorism and assassination across the globe. Through its support for Hamas and Hezbollah, Iran is doing its best to thwart our efforts to promote peace between Israel, the Palestinians and the Arab states. Through its connections with Sudan, Iran is fishing in troubled waters across the Arab world, actively seeking to subvert friendly governments. Through its active efforts to acquire offensive weapons, Iran is seeking an ability to dominate the Gulf by military means. And, perhaps most disturbing, Iran is seeking a weapons of mass destruction capability including clandestine nuclear weapons capability and ballistic missiles to deliver weapons of mass destruction to the Middle East.

I should emphasize that the Clinton administration is not opposed to Islamic government in Iran. Indeed we have excellent relations with a number of Islamic governments. Rather, we are firmly opposed to these specific aspects of the Iranian regime's behavior, as well as its abuse of the human rights of the Iranian people. We do not seek a confrontation but we will not normalize relations with Iran until and unless Iran's policies change, across the board. We are willing to listen to what Iran has to say, provided that this comes through authoritative channels. However, in the absence of dramatic changes in Iran's behavior, we will work energetically to persuade our European and Japanese allies, as well as Russia and China, that it is not in their interests to assist Iran to acquire nuclear weapons or the conventional means to pose a regional threat. Nor do we believe it is in their interests to ease Iran's economic situation so that it can pursue normal commercial relations on one level while threatening our common interests on another level.

We will pursue this effort of active containment unilaterally, maintaining the counterterrorism sanctions and other measures enacted by previous administrations to encourage a change in Iranian behavior. However, we recognize that success will require multilateral efforts since much of what Iran seeks in order to build up its military power is obtainable elsewhere. In this regard, we will seek to impress upon our allies the necessity for responding to the Iranian threat and the opportunity now presented by Iran's current circumstances.

The necessity to act now derives from the fact that Iran's threatening intentions for the moment outstrip its capabilities. But this moment will not last for long. If we fail in our efforts to modify Iranian behavior, five years from now Iran will be much more capable of posing a real threat to Israel, to the Arab world and to Western interests in the Middle East. The opportunity to act now, on the other hand, derives from the fact that Iran is no longer a good commercial proposition. It is $5 billion in arrears on its short term international loans and this figure is growing in leaps and bounds. Iran suffers from 30 percent inflation and 30 percent unemployment. In short,
Iran is a bad investment in both commercial and strategic terms, not just for the United States but for all responsible members of the international community.

This argument should be compelling for another reason as well. Iran does not yet face the kind of international regime that has been imposed on Iraq. A structural imbalance therefore exists between the measures available to contain Iraq and Iran. To the extent that the international community, as a result, succeeds in containing Iraq but fails to contain Iran, it will have inadvertently allowed the balance of power in the Gulf to have tilted in favor of Iran, with very dangerous consequences. That imbalance therefore argues for a more energetic effort to contain Iran and modify its behavior even as we maintain the sanctions regime against Iraq.

Pursuing Middle East Peace

This effort at dual containment in the Gulf is also lent greater urgency by its impact on the other arm of our policy toward the Middle East -- the pursuit of Middle East peace. The opportunity that we believe exists for Arab-Israeli peacemaking stems in large part from changes in strategic circumstances in the region.

After four decades of trying to settle their conflict by force, Arabs and Israelis have come to recognize that it is time to settle their differences through direct negotiations. But if the balance of power in the region should shift again in favor of radical forces led by Iraq or Iran, this effort is likely to fail as the military option appears more viable to some of the participants in the negotiations.

President Clinton's ability to fulfill his campaign promise to maintain continuity in these peace negotiations was due in large part to the fact that the strategic calculations of the parties to the peace negotiations had not changed in the interregnum between administrations. Indeed, the one new factor that emerged during this period -- the rising tide of religious extremism -- seemed actually to reinforce the interests of all the parties not only in returning to the table, but also in demonstrating that negotiations can produce results. For the Islamic extremists pose a common threat to all the parties engaged in the peace talks, be it Israel, the Palestinians or even Syria.

Nevertheless, bringing the parties back to the table was still no easy task. And the way the Clinton administration pursued this objective has established a precedent for the way we will conduct policy with regard to the negotiations. First, based on our assessment that the negotiations were ripe for breakthroughs on several fronts, we offered to step up America's role in the negotiations by offering to become a "full partner" to all the parties. This, however, remains a contingent offer. We can only be a full partner if the parties themselves are willing to assume their responsibilities. In this regard, returning to the table is not enough. We cannot and will not substitute ourselves for their direct involvement with each other in the give-and-take of negotiations. If they are ready to solve their problems through compromises, which take account of the minimum requirements of the other side, we are ready to act as the facilitator and intermediary. But we will not be the ones to deliver or impose our will.

Second, the president and the secretary of state made it clear that our approach to the negotiations will involve working with Israel, not against it. We are committed to deepening our strategic partnership with Israel in the pursuit of peace and security. Those who genuinely seek a comprehensive and real peace recognize that this cannot be accomplished without Israel undertaking a withdrawal from territory, involving tangible risks to its security. And those who seek real progress should understand that it won't come without this kind of special relationship between the United States and Israel.

Prime Minister Rabin has made it clear that his government is ready to take those risks for peace. But he cannot do that unless Israel is offered real peace in return and unless Israel is secure in the knowledge that the United States stands four-square behind it. That is precisely why, when the prime minister told President Clinton that he was prepared to take risks for peace, President Clinton responded that our role is to minimize those risks. One way we can do that is by fulfilling our commitment to Israel's qualitative military edge. Another way is to establish a partnership in the development and production of high technology goods. That is why the president has already fulfilled his campaign pledge to establish the U.S.-Israel Science and Technology Commission under the chairmanship, on the American side, of Commerce Secretary Ron Brown.

Third, we have demonstrated that we are also prepared to work as full partners with the Arab parties involved in the negotiations. They too will have to take risks for peace and we recognize this. We understand the pressure the Palestinian negotiators are under and the difficulties they have in engaging in negotiations. But to achieve their objectives there can be no substitute for engaging in negotiations about the substance of interim self-government arrangements without knowing the final status of the West Bank and Gaza. They will know, however, that engagement will bring empowerment over their lives and fate for the first time in their troubled history. And they will know that in the third year of the interim period they will be in a position to negotiate the final status issues under the aegis of UN Resolutions 242 and 338. The Syrians need to be willing to commit themselves to real peace with Israel with all that means for ending the conflict, normalizing relations, opening borders, exchanging embassies and establishing commercial relations. If they are ready to engage in negotiations in this way, we are ready to do our part to ensure that a breakthrough to peace is achieved.

Ladies and gentlemen, as you can see from this tour of the Middle East policy horizon, the Clinton administration faces a large agenda and some daunting challenges. A great deal is at stake for the future of the region and for American interests there. At a time when many other issues demand the attention of the president and his national security team, he is nevertheless determined to devote energy to seizing the moment. As President Clinton declared in announcing the dispatch of Secretary of State Warren Christopher to the Middle East on his first mission abroad:
"We cannot impose a solution on the Middle East. Only the leaders of the region can make peace. Theirs is an awesome responsibility. Those who oppose the process, who seek to subvert it through violence and intimidation, will find no tolerance here for their methods. But those who are willing to make peace will find in me and my administration a full partner. This is an historic moment. It can slip away all too easily. But if we seize the opportunity, we can begin now to construct a peaceful Middle East for future generations."