

**Basis for  
settlement**

In my view, and I said this in my statement, the situation once again points to the need for a negotiated resolution of the dispute. The basis for such negotiations must be Security Council Resolution 242 with its careful balance of obligations on the two contending sides: for the Israelis withdrawal from territories occupied in 1967; for the Arabs, acceptance of the right of all states, including Israel, to live within secure and recognized boundaries. We believe there has to be explicit Arab recognition of Israel's permanence and legitimacy, if there is ever going to be any progress in achieving a settlement. But we believe, too, that the legitimate rights and concerns of the Palestinians have to be realized, including their right to play a full part in negotiations to determine their future and their right to a homeland within a clearly defined territory, the West Bank and the Gaza Strip.

For the moment, attention is focused on the more limited negotiations for a transitional period of autonomy for the West Bank and the Gaza Strip. The best guide here is the Camp David Accord: "The solution from the negotiations must also recognize the legitimate rights of the Palestinian people and their just requirements. In this way, the Palestinians will participate in the determination of their own future..." I think the difficulties being experienced in these negotiations come down to the fact that both sides are making efforts to stake out their final positions on the ultimate status of the occupied territories.

Israel has taken a number of unilateral measures, that have a direct bearing on this question which has, in the end, to be negotiated if there is to be a just and lasting peace.

Israel's Arab antagonists have been trying, in their own way, in some cases through unacceptable terrorist actions, through a refusal to negotiate with Israel, and through one-sided and polemical UN resolutions that have become increasingly strident and uncompromising, to gain international acceptance of certain principles, thereby laying the groundwork for the kind of ultimate settlement they would like to see. In the process they have taken advantage of Israel's unilateral actions regarding the occupied territories and have managed to isolate Israel, in some cases even from its friends, despite the many objectionable features of the resolutions presented. We have expressed our strong concern about the tendency, which we find disturbing, of escalating from one year to the next, the polemical and extreme demands in the various resolutions relating to Israel, and we try to moderate the debate and keep the door to a settlement open.

While I have to admit to some concerns about the prospects for the peace process, I am not entirely pessimistic. There have, after all, been some important positive developments. Israel's withdrawal from the Sinai, in particular, is of fundamental significance because it provides graphic proof of the possibility that Israel and its neighbours can reach agreement if the will is there on both sides. It is up to us to build on that accomplishment.