

Your Excellency Minister Shalom,
Dr. Ron Pondak,
Distinguished Guests, Colleagues and Students.

~~Allow me first I would like to~~ thank the ~~Peres~~ Center for Peace and the University of Tel Aviv for organizing and hosting this event and ~~for giving me~~ the opportunity to address ~~this forum, e Israeli People~~ especially the students among you ~~some of whom will become the leaders of tomorrow who are really the leaders of the future.~~

The Israeli Palestinian ~~conflict~~dispute is a political dispute. ~~For Palestinians, it is a dispute about~~ ~~their~~ basic rights as a people and as individuals, most notably ~~of the Palestinian People and their legitimate~~just aspiration to establish a sovereign, viable and independent Palestinian state living in peace with all its neighbors and the peoples of the world in accordance with ~~international law~~UN Security Council resolutions 242 338, 1397, 1515 and the UNGA Resolution 194.

Back in 1988, in our declaration of independence, the Palestinian people represented by the PLO ~~first~~ recognized Israel. ~~Within the 1967 borders,~~ this was indeed a great compromise – we the indigenous people of this land gave up on 77% of historic Palestine and committed to establish their state on the remaining 23% of the land. This historical compromise was reinforced in the exchange of letters between late President Arafat and late Prime Minister Rabin in 1993 prior to the signing of the Declaration of Principles.

I, Myself am a refugee, my family comes from a Village near Nazareth called Mejdal, (Today known as Megdal Haemek). My family was the largest Christian land owner and we owned vast lands in Marj Aben Amer (today known as Emek Yezral). We lost all of our lands and property in 1948 and we were forced to

become refugees. The Church built by my great grand father in Mejdal still stands and is today being used again after being restored by donations we collected by Russian Roman Orthodox Christians who came with the last immigration waves to Israel. I, like the majority of the Palestinian people who want to look to the future and live in peace accepted this hard compromise.

The Israeli People has to take a similar historical decision and recognize the right of the Palestinian people to establish their independent, sovereign and viable Palestinian state on the 23% of the land living in peace side by side to Israel. Like the Palestinian People, the Israeli People has to give up on their aspiration to extend their state east to the green line of 1967.

Today more than 485,000 Israeli settlers, illegally and in breach of international law, live in the occupied Palestinian Territories in some 170 colonies including in occupied East Jerusalem. More than 40% of the occupied West Bank is controlled by these illegal Colonies through a matrix of physical and functional impediments to Palestinian movement.

These Israeli Illegal Colonies continue to constitute the largest and most immanent threat to peace and to the two states solution. A full settlement freeze is necessary to preserve what remains of the two states solution and to renew the credibility of the peace process.

A settlement freeze has to include an end to all Settlement related construction, economic incentives to settlements and settlers, planning for settlements, land confiscations and associated property destruction and migration of settlers to the Occupied Palestinian Territories.

This freeze has to apply to all Palestinian territories occupied after 1967 including East Jerusalem and remain in effect until the implementation of a permanent status agreement.

The Notion of "Economic Peace" cannot address the real nature of this political dispute; this dispute is about "territorial" and not "economic" issues. We need to change the fundamentals and the playing field if we are serious about reaching peace.

The Chinese proverb says it is better to teach people how to fish than to give them fish. It is no a secret we definitely know how to fish what we ask for is the opportunity to be able to fish. I quote the famous Palestinian economist Dr. Sayeg "give us a State with sovereignty and we will build a sustainable prosperous economy". .

Business wise we did and we can always work together

I believe that you and we are both tired of the piecemeal or as you call in it in Israel the "Salami Approach" (Shitat ha Salamy). Both People are tired of "half solutions" that do not and can not resolve the dispute. The dispute needs to be resolved through a comprehensive and just peace agreement. We have been negotiating for 20 years and everybody knows what the main features of the peace deal between us will be. How much longer do we need to wait?! It is time to make historical decisions.

The idea of "Economic Peace" has been proposed and tested many times in the past and proved to be a failure. Since signing of the Interim Agreement between the Government of Israel and the PLO 14 years ago in 1995, and despite initial economic growth, the economic situation in Palestine has been deteriorating and

the pPer capita income has been declining. Unfortunately, tThe Palestinian people unfortunately as compared~~opposed~~ to the Israeli people, did not benefit from the peace process.

Although we received \$2 billion in aid to the PA budget plus around a \$1 billion in other aid which translated to around \$800 in per capita income, the per capita income in Palestine contracted by around 1% and is around \$1200. What this proves is that no amount of aid will get us out of the current mess.

The occupation and its associated policies was, is and will remain the cause of all evil. We could not benefit from all this aid because of the occupation and the policy of the closure regime imposed on the occupied Palestinian territorye. It is not me who is saying this. All credible economists from the World Bank, the IMF, UNRWA and others are saying this.

The World Bank Report of 2007 demonstrated that the main obstacle that faces Palestinian Economic recovery continues to be the closure regime and the restrictions on movement and access in the West Bank and between the West Bank and the Gaza Strip. These restrictions do not serve Israel's security but their main objective, as the World Bank report states, is to enforce the Israeli settlements, colonies.

Thus the idea of "Economic Peace" on its own can not solve the "*real*" problems facing the Palestinian economy. A removal of one checkpoint here and one there will not solve the problem. Only dismantling the closure regime all-together in the West Bank including East Jerusalem, lifting the siege over the Gaza Strip and allowing continuity between the West Bank and the Gaza Strip can alleviate the economic situation.

The ~~s~~Siege over Gaza Strip is both a crime and a shame. We Palestinians are ~~legally~~ allowed to ~~bring~~enter into Gaza only ~~34~~ items comprising less than 5% of Gaza needs. ~~S~~so we are allowed ~~flour~~ur~~wer~~ but not yeast, we are allowed sugar but not coffee or tea. Hence our VAT revenues in Gaza dropped by more than 90%. This is happening for more than 3 years now while according to estimates ~~hundreds of 100 to 1000~~ tunnels operate freely. Maybe you've heard the of the story of the lion that was brought ~~alive~~ through one of the tunnels, ~~for what purpose it is not clear.~~for the entertainment of Gaza ~~novorich~~. Hamas publishes a daily newspaper. ~~T~~he paper reel which is entered through the tunnels weights 600 kg and is 1.2 meters long and has a diameter of almost 1 meter. ~~T~~hese ~~reel~~soles are brought in daily through the tunnels.

Have no illusions: ~~goods are available~~everything is in Gaza ~~—~~ but for a price. Hamas is ~~s~~etting on the tunnels collecting~~g~~on “taxes” while you have the illusion that Gaza ~~you siege is preventing the movement of all sorts of goods and materials through the tunnels~~is under siege. If I and all ordinary Palestinians know this I'm sure that the leaders of your security establishments and intelligence services must know this too.

The siege is empowering Hamas. This is the truth. I know it and your leaders know it. This is happening according to a well~~—~~designed plan. Since your Government does not want to pay the price for peace - which ~~requires ending the occupation of~~is giving up the~~—~~223% of Mandate Palestine. Your leaders thought that the best way ~~to do this~~ is to claim that our leadership is ~~wea~~ek and that you have no partner.

Let me level with you, Abu Mazen has been ~~consistently undermined~~subjected to ~~a process of castration~~ by your Government ever since he was elected. ~~N~~o matter

how brave or bold, big ones balls are no one can sustain such systematic attack on his credibility a systematic operation.

To illustrate this, Israel insisted on a unilateral disengagement from Gaza. We insisted ~~laterally begged~~ that the process should ~~would~~ at least be carried out ~~done~~ in coordination with us. We, the moderate core of the Palestinian society, wanted to turn ~~package~~ the disengagement into ~~as~~ a success – a “deliverable” that we accomplished, to show that negotiations and coordination with ~~talking to~~ you yielded something positive. However, Sharon and the Israeli government insisted on unilateralism. Hence Hamas came out as the victor that forced Israel to flee from Gaza under fire.

This is happening once again now. Historically Israel allowed prisoners to sit for the high school examinations - the equivalent of the Bagrut. Even the 2006 Hamas Government Ministry of Education was allowed this. Yet my Government ti ~~ell~~ now has been ~~was~~ denied this right. If this is not empowering Hamas in the eyes of the people I really don't know what is.

The Arab Peace Initiative that has been accepted by all Arab and Muslim countries lays the ground for “Regional pPeace” that would end the conflict not only between Palestinians and Israel but between all Arab and Muslim countries and Israel. The Palestinians, the Arabs and the Muslims have extended their hand for Peace, Israel has to reach for ~~to~~ this hand and accept the initiative.

We do not have all eternity, we wasted too much time and the reality is that the window of opportunity will not be open for long. Let us be strong and make peace now for both of us, for both of our children and for the future generations to come.

Unemployment q4 2008 in wb 19.8% and in gaza 44.8

2007 gdp per capita 1177.4 us million

2007 per capita \$1095

1999 gdp per capita 1640.6 us million

1999 per capita 1605

1999 - Unemployment in WB and Gaza in total 11.8%

In 2000 unemployment wb 12.1 and gaza 18.7% and total 14.1