Basic Policy Guidelines of the 25th Government, 13 July 1992.

In the spheres of foreign affairs and defense, the Rabin Government committed itself to pursuing the peace process based on the Madrid conference framework, to proposing interim arrangements for self-administration for Palestinians in Judea, Samaria and Gaza. No action will be taken to obstruct the proper conduct of the negotiations. This was seen as a virtual settlement freeze apart from settlements along the confrontation lines. In the new national order of priorities, development towns away from the center of the country and communities along the lines of confrontation will be "accorded preference over areas in Judea, Samaria and Gaza, which are close to the center of the country." New housing, infrastructure and development starts in Judea, Samaria and Gaza will be re-examined in accordance with the above-mentioned guidelines. Jerusalem will remain united, wholly under Israeli sovereignty. The special relations with the United States will be deepened and improved. There will be attempts to strengthen and improve relations with the European Community, Russia, the Commonwealth of Independent States, China, India and other nations. Egypt remains an important partner in the peace process. The Government will uphold all of Israel's international commitments.

1. General

The dramatic changes on the international scene - the collapse of the Soviet Union and the end of the Cold War; the opening of the gates of the former Soviet Union and the mass immigration of its residents to Israel; the military strike against Iraq effected by the United States and its allies - all these have created new and great possibilities for advancement in all areas of life in the State of Israel.

The policies of the Government and the national order of priorities will be directed toward seizing the opportunities to realize the central goals of the State of Israel. The central goals of the Government are: national security and personal security; peace; the prevention of war; the war on unemployment, via the creation of jobs, which will enable the absorption and strengthening of immigration; the prevention of emigration; economic growth; the fortification of the foundations of democracy; the rule of law; the promise of complete equality for all citizens; and the observance of human rights.

2. Foreign Affairs and Defense

- 2.1. The foreign affairs and defense policy of the Government will ensure the independence of the State; the bolstering of its security; and the establishment of peace with its neighbors.
- 2.2 The Government will be diligent in strengthening and preserving the power of the IDF, its deterrent capability and its ability to withstand any military threat.
- 2.3 The Government will act forcefully against all terror and violence. The IDF and the security forces will act toward the maximal reduction of the level of hostile activity and toward the maintenance of personal security for residents of Israel and

residents of the territories, while adhering to the observance of law and of human rights.

2.4. The Government will provide residents of the settlements in Judea, Samaria and Gaza with their existential and security needs, and with municipal services.

- 2.5. Peace will be established on the basis of recognition, by Arab states and the Palestinians, of Israel as a sovereign state in the region and of its right to live in peace and security.
- 2.6. The Government will advance the peace process in the region with representatives of Arab states and the Palestinians, without any preconditions.
- 2.7. The Government will offer to continue the peace process with the Arab states and the Palestinians in accordance with the framework and the schedule formulated at the Madrid Conference. The Government will work for the acceleration of the negotiations and for the conducting of continuous discussions between the parties.
- 2.8. In the negotiations with the Palestinians, the Government will propose as an interim arrangement a program for the implementation of self-administration for the Palestinians in Judea, Samaria and Gaza. The Government will refrain from courses of action and activities that will obstruct the proper conduct of the negotiations.
- 2.9. The Government will reinforce and strengthen settlement along the confrontation lines.
- 2.10. The Government will work toward the creation of the new Middle East, in which resources are no longer devoted to the arms race, but to development grounded in economic, cultural and scientific cooperation. Progress in the peace process must be accompanied by the creation of systems for regional cooperation.
- 2.11. The Government will concentrate efforts to deepen and improve the special relations of friendship which exist between the United States and Israel.
- 2.12. The Government will strive to strengthen and improve relations with the European Community and its member-states. In addition, it will work toward the strengthening of relations with Russia, the Commonwealth of Independent States, China, and other states.
- 2.13. The Government will make efforts to cultivate friendly relations and reciprocal ties between Israel and all peace-loving countries.
- 2.14 The Government will continue to view Egypt as an important partner in efforts to establish peace in our region and will work for the advancement of understanding and friendship between the Israeli and the Egyptian peoples.
- 2.15. The Government will uphold all the international commitments of the State of Israel.

3. Change in National Order of Priorities

- 3.1. The Government will alter the order of priorities in the allotment of financial resources from the State budget and from funds which arrive from abroad. First priority will be given to the war on unemployment and to strengthening the social and economic systems.
- 3.2. The map of development towns and areas will be reclassified, with communities on the confrontation lines and development areas that are distant from the center of the country being accorded preference over areas in Judea, Samaria, and Gaza, which are close to the center of the country.
- 3.3. In determining the level of assistance given to communities in different areas, a major consideration will be the distance of communities from the center of the country and their being confrontation areas.
- 3.4. All other budgetary commitments of the State of Israel, vis-a-vis the implementation of housing, infrastructure and development starts in Judea, Samaria and Gaza will be re-examined, in accordance with criteria detailed in the guidelines in articles 3.2 and 3.3 above; according to budgetary ability; and with consideration to the legal situation.

4. Jerusalem

United Jerusalem - the eternal capital of Israel - will remain united and totally under Israel sovereignty. Free access to the holy places will be ensured for members of all religions at all times, and freedom of religion will be guaranteed.