

MAJOR WORLD POWERS AND THE MIDDLE EAST

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The following is an edited transcript of the fifty-eighth in a series of Capitol Hill conferences convened by the Middle East Policy Council. The meeting was held on October 23, 2009, in the United States Capitol Building with Thomas R. Mattair moderating.

THOMAS R. MATTAIR: Director of research, Middle East Policy Council, and associate editor of *Middle East Policy*; author, *Global Security Watch — Iran: A Reference Handbook*

We have convened this conference to consider U.S., European, Russian, and Chinese national interests in the outcome of Arab-Israeli negotiations, the U.S. withdrawal from Iraq, Gulf security, disputes over Iran's policies, and the war against al-Qaeda and the Taliban and associated militants in Afghanistan and Pakistan. The United States has serious decisions to make about all of these issues, and it needs to know what the motivations are behind the policies of the other major world powers.

What do these major world powers think they have at stake in these outcomes? To what extent do they think their interests converge with or diverge from U.S. interests? To what extent do they think their economic opportunities and global standing would be affected by these outcomes? Do any of them want to see a gradual erosion of American power or even U.S. failure in the region? Answering these questions will help the United States formulate its policies and to know if it can or cannot expect cooperation from other powers as we implement our policies.

SHIBLEY TELHAMI: Anwar Sadat Professor for Peace and Development, University of Maryland; nonresident senior fellow, Saban Center, Brookings Institution

When we look at the hand the Obama administration inherited in the Middle East, it's a very tough hand to play. The president came to office with two challenging wars and an economy that is going through the most important crisis in a half a century and, on day one, said, "I want to deal with the Arab-Israeli issue." There has never been a president coming into office saying he wants to tackle the Arab-Israeli issue in his first term, except Jimmy Carter.

Presidents are told to avoid it if you can until there's a crisis, or maybe it's important and you need to pay attention to it, but they see it as a huge headache. Obama certainly

had a lot of excuses not to deal with it, because he does have a very crowded agenda. And yet, this president decided to tackle it on day one and declared the pursuit of Arab-Israeli peace as an American national interest. I think it's very important to look at why.

I want to do something other than talk about the immediate strategic choices. I would like, instead, to put it in some historical perspective about how tough the hand is, even in terms of choices. We're commemorating the thirtieth anniversary this year of the Camp David accords between Egypt and Israel, mediated by the United States. I think it's very interesting to reflect on the contrasts, the choices and the challenges that the United States faces and how America has dealt with other powers in relation to the Middle East.

I wrote a book on the first Camp David accords, Egypt's agreements with Israel. One of my arguments in that book, when I looked at the Camp David accords closely, was that Israel and Egypt actually went to Camp David, Maryland, first and foremost with the objective of not getting an agreement so much as building a closer strategic relationship with the United States than the other had. Carter understood that and used this insight with both parties to pressure them to, in the end, reach an agreement. There was actually a genuine strategic competition between Israel and Egypt for the relationship with the United States. That is something that we don't have now.

Part of that, of course, had to do with the Cold War Soviet-American competition in the Middle East. The other part was that Egypt itself had military weight and had fought wars with Israel. In fact, it was arguably the only Arab party that had a credible fighting force vis-à-vis Israel. In that sense, it was a catalyst; there was a balance of power locally, but there was also the global balance of power, both of which pushed in to create a different dynamic. When you also look at American strategy in the Gulf — although that was the year of the Iranian revolution — it wasn't reliance on the presence of large American forces, although there was an American presence. It was much more reliant on a balance of power between Iran and Iraq during that period. So you had a different game.

The third point I want to make about this particular episode at Camp David is something that we forget. The process that ended up leading to American involvement, and ultimately to increased American influence in the region from that point onward, was the Arab-Israeli issue. That, in the end, is what drove the calculation on the Arab stage, what drove even the decline of Soviet influence in the Middle East before the decline of the Soviet Union as a superpower and the end of the Cold War. The Arab-Israeli issue, starting with the 1973 war and the Arab oil embargo that pushed the powers — particularly, the United States — to intervene, ultimately led to a different kind of process for American involvement that generated an agreement that we now take for granted. It had anchored American policy in the Middle East and really began the expansion of American interest there even before the end of the Cold War. When you look at that period, the expansion of American influence dramatically increased after the end of the Cold War because that almost coincided with the Iraqi invasion of Kuwait.

Then came the first Gulf War, which the United States won decisively and seemed to have won internationally. It led to the presence of major American forces in the Middle East, in particular in the Gulf region. And with that, we have the 1990s, which might be called the decade of Pax Americana or unparalleled American power and influence in

the Middle East. Other powers in the world did not have much influence in that region, including Russia and China and even, arguably, Western Europe.

In the past decade, we've had another transformation, and we find ourselves in a really changed environment. Obviously, much of it is a direct function of the Iraq War. The Iraq War has done two things. First, it has clearly changed the balance of power in the Gulf. We no longer can seriously contemplate a strategy that is primarily based on an Iraq-Iran balance of power. That's just not in the cards. Even if Iraq gets it together, as I hope it does, it is hard to envision Iraq as a serious military power in any foreseeable future that would be instrumental in a policy of balance in the Gulf. That really calls for a different kind of strategy. What might that strategy be? Clearly, a challenging strategy — for now, heavily reliant on the presence of American forces. Whether or not that's sustainable, given the resentment of majorities of the Arab public, requires a serious assessment.

The second thing that came out of the Iraq War is that the aura the United States had in the 1990s has changed dramatically. The American projection of power following the 1991 war and the acceptance of an admirable victory and dominance

has been jeopardized by the challenges in Iraq and Afghanistan. We've had, really, a transformation in the way the region looks at America, in part because we have somehow succeeded, in the past eight years, in simultaneously threatening governments and people at the same time. If you look back to the 1990s, or even the 1980s, you can say that Arab public opinion was always somewhat angry with the United States over the Arab-Israeli issue, to varying degrees — not quite to the extent of the past decade, but very angry, particularly on the issue of the Arab-Israeli conflict.

But governments in the region have seen themselves as having a stake in American success in the region. And I think the Iraq war and the initial rejection of “regime-change” theory generated concerns among many regimes that are traditionally at odds with the United States. In some ways, you had the oddity of a regime and its public at odds with each other, both rooting against an American success. It is really amazing that we can create an environment where the gap between publics and governments in the Middle East is widening on foreign policy and yet, we have alienated governments and publics, neither of which are rooting for an American success. That is a big challenge, and that challenge has opened up a new possibility for aspiring powers.

First, even at the public level, if you look at the past decade, remarkably, public opinion consistently showed that France was the preferred power of all major powers, in large part because it was shown that Jacques Chirac, during 2003-04, was named the most popular leader, according to my polls in the Arab world. China has been rising as a preferred power.

[I]n much of what happens in the region, at the public level but also at the government level, the Arab-Israeli issue remains a central prism through which Arabs see the United States. It's very difficult for the United States to conduct an effective policy in the region while there is an intense conflict between Israel and Arab states.

Clearly, the United States doesn't have that status. Even worse, from the American point of view, at the level of public opinion in the six countries where I poll. When I asked respondents to name the two countries that are most threatening to you personally, the vast majority of people in every country — actually over 70 percent, including in the 2009 poll — named Israel first and the United States second. Even Iran was a very distant third on that list. Only 13 percent identified Iran in the 2009 poll as one of the two most threatening states. So you can see the challenges at the level of public opinion at a time when we have empowerment of non-state organizations, including militant organizations in the Middle East.

In that environment, there are some new challenges coming not just from Europe, but clearly from Russia and China. We know, first of all, of China's expanding interest in the world. The Chinese are following a very quiet strategy of investment and cultivation of relations of the oil-producing states because they see themselves as needing that down the road. And we see Russia being assertive in its foreign policy, generally, and also in the Middle East, trying to cultivate different kinds of relations across the board. One of the most obvious cases is Iran's nuclear program, in which it's playing a key role. Obviously, it's made itself an indispensable player in however this thing is solved.

Here's the dilemma. Whereas the choices that are facing the United States are all difficult, whether it's in the Gulf or Iraq or Iran or on the Arab-Israeli issue, a power like Russia — which is obviously not in a position to directly compete with the United States in the Middle East and has some common interests with the United States but is extending its influence rapidly — has a win-win situation on issues like Iran. If there is a nuclear deal in which Russia is the key player and the uranium is processed in Russia, and they're cultivating commercial and political ties with Iran, they stand to win. If it fails and there is a military confrontation, either between Israel and Iran or the United States and Iran, they stand to win big. Iran will then embrace Russia, and suddenly the next morning, Russia will wake up with oil prices going through the roof, and they'll pocket the income. So for them, it's a win-win situation. It's very hard for them to lose.

When you analyze all of that, and you look at the challenges that the United States faces — from pulling out of Iraq while maintaining it as a unified and stable state, to dealing with the Iranian issue, to addressing the Arab-Israeli issue and all the polls and the history that I outlined — in much of what happens in the region, at the public level but also at the government level, the Arab-Israeli issue remains a central prism through which Arabs see the United States. It's very difficult for the United States to conduct an effective policy in the region while there is an intense conflict between Israel and Arab states. And we have taken for granted the 30-year-old Egyptian-U.S. and Egyptian-Israeli treaty, which has been an anchor of American policy for the past three decades. I think it's been a stable treaty. It's likely to be maintained. But Egypt will also be going through a transition, and there's a lot of discomfort within Egypt about where the state is strategically. We are on the verge of some interesting dynamics in the region.

If we look at public-opinion polls, almost all of them consistently show, for the past seven years, that most Arabs see America, first and foremost, through the Arab-Israeli issue. And last year, when I was in the region lecturing in places like Saudi Arabia and Egypt, people were fascinated by our elections. They wanted to know more about Barack

Obama and Hillary Clinton — and John McCain. The first question was not, what are they going to do about democracy, or what do they stand for on global issues. The first question always was, what is their position on the Arab-Israeli conflict? That is something that is a driving force. In many ways, the president has understood that from day one. He clearly decided that he wants to deal with it.

There's no question that, for this administration, the pursuit of Arab-Israeli peace has been connected to American credibility beyond the Arab-Israeli arena, particularly in the Arab and Muslim worlds, but even beyond them. The Arab-Israeli issue is important for American interests in the Middle East and beyond, and this administration should be commended for trying to resolve it.

We're obviously in a very difficult place right now, and I don't think the administration thought it would be here at this point. There is going to be a lot of testing. I think one cannot fault the administration for assuming that a deal was possible and for trying to work with both the Palestinian Authority and the Israeli government. You can't start an effort assuming that one party or the other is not capable of an agreement. That's not a way to conduct diplomacy. You have to go through an exercise of testing and giving the benefit of the doubt. But, I think the time is coming very soon when an assessment has to be made of the intentions of the parties, the prospects for a deal, and the different approaches that are available to American foreign policy.

ROBERT E. HUNTER: Senior adviser, RAND Corporation; chairman, Council for a Community of Democracies; former U.S. ambassador to NATO (1993-98)

I have worked on this Arab-Israeli issue for 42 years now, and someday I've got to start getting it right; I got into it because of my reading of the Sermon on the Mount: Blessed are the peacemakers, for they shall never be unemployed (laughter). I'm going to argue that the Arab-Israeli conflict is now a derivative issue rather than a central, strategic issue for the United States. Derivative in the sense that it's important to get on with it because of the efforts and support we need from others, both in the Arab world and in Europe, in order to do other matters that I would argue are of greater strategic significance. Those would be the areas where the United States is now fighting two wars and where the security and stability of a lot of things we care about in this broader region are going to be affected.

We supported Arab-Israeli peacemaking during the Cold War, not just because of our concern for Israel and concern for peace in general, but also because of the role that the Arab-Israeli conflict played in the Cold War between us and the Soviet Union. The risk was that there could be a conflict between Israel and its neighbors that could escalate into a confrontation between the United States and the Soviet Union or worse, which we saw at its most extreme in the Yom Kippur War of 1973.

That dramatically changed with the Egypt-Israel peace treaty, which took Egypt out of the strategic and military balance and dropped the risk of a war between Israel and its Arab neighbors — except by utter accident or, as we saw in the Lebanon war, when Israel took the initiative — virtually to zero and dropped the chances of a U.S.-Soviet confrontation virtually to zero. Between then and 9/11, prosecuting Arab-Israeli peace, as presidents did, was essentially a discretionary act, a derivative act, to try to continue to build

security for Israel, but also to demonstrate to Arabs and Europeans that we were taking seriously something that they took seriously in order to get them to support us on other things that mattered.

The attack on 9/11 changed that situation and dramatically increased the requirement, in my judgment, for the United States to be able to build support elsewhere in order to do what we needed that was of greater strategic significance. Whether what happened on 9/11 and with terrorism afterwards has something to do with the Arab-Israeli conflict, we could debate all day. In terms of 9/11 itself, Osama bin Laden and his cohorts had a great time exploiting this issue, but I don't think it was central in terms of their direction or motivation. For us to try to do something about Arab-Israeli peace can indeed help condition the circumstances within which terrorists plant their seeds, but we should not, therefore, sell Israel out or take heroic steps that might otherwise go against our national interests.

Second, I think it's very important for the United States to get over the habit of seeing the bits and pieces of the Middle East as though each one were an individual case; it's all part of the same set of issues, from the Levant and maybe even farther west. You can go perhaps as far as Morocco, or even Mauritania, if you want to look at NATO's relationships with these countries, all the way up to the Hindu Kush and maybe beyond. There are different aspects of this overarching framework, but they have to be seen together. We tend to look at them as individual problems, but they aren't; they are tied together. And this administration, like previous administrations, in my judgment, still hasn't gotten it strategically correct.

Third, I think we have to recognize that this area of the Middle East in which we are engaged, while important to the United States for reasons I don't need to repeat to anyone here, is only one issue that we're facing in the outside world. In fact, it may not be the most consequential for the long term. Perhaps it would be if something really went wrong; if you had a weapon of mass destruction in the hands of someone out there who might actually be predisposed to use it; if there were threats to the flow of oil; if there were threats to Israel; if there were threats to the capacity of Westerners to operate in the area; if there were a risk of death, such as a major wave of terrorism that was exportable.

If I had to do a hierarchy of what is really of interest and concern in the world, I'd start with global warming, the global economy, dealing with China, with Russia, India and several other factors. In fact, we pay, I believe, a significant opportunity cost for our preoccupation with the Middle East. I think it's time we started looking for a way to fulfill our interests in that region in concert with others, to a degree we haven't done in the past, in part so that we incur less risk and less cost in both blood and treasure — and so that our engagements in the Middle East for the long term can gain and sustain the support of the American people.

We're fighting two wars now, one in Iraq, which was one of the great follies of American history, the other in Afghanistan, which derived from the great hurt that as a nation we suffered on 9/11. Whether, in retrospect, invading Afghanistan was the right thing to do, we can debate. In any event, we should have driven that mission to closure rather than going into Iraq — closure in terms of dealing with al-Qaeda, in particular. I think it is almost indisputable that going into Iraq was a strategic diversion from our central purposes. What we should be doing in Afghanistan today, I'm not going to address; frankly, I don't have an answer. I think this is a problem that does not have any good solutions at this point.

We do have to weigh, quite significantly, what our real interests are and what we have to achieve in what we now call Af-Pak, which also ties in India, et cetera, as opposed to those things we're doing out of inertia. One of the worst difficulties that leaders of this and other societies ever face is, when they get into a conflict, finding a way to reverse course when they see that it's not necessarily in their interest to go forward.

Clausewitz, who was probably the "seal" of the strategists, said that societies have a tendency to escalate their political goals in order to justify casualties already taken. We have to think very seriously about that, although I'm not going to recommend anything in particular about Afghanistan. One of the things we have to face is that we have to get all of this right for a variety of reasons, including America's reputation. We were able to have a negative outcome in Vietnam 40 years ago, but, frankly — except for the 58,000 Americans who paid with their lives and a lot of other people who suffered and died during that conflict — it didn't have that much strategic impact. We were doing right the other things we had to do, and we were perceived to be doing them right. The brilliance of Richard Nixon's going to China gave us a way of disengaging from Vietnam without paying a penalty in the central framework, which was the prosecution of the Cold War.

What's going on in the Middle East today is, at least in the short-term, the central front. Therefore, what the United States does in particular with regard to Iraq and Afghanistan will be perceived in terms of the capacity of the United States to have staying power, to think things through clearly and the like. Madeleine Albright is often pilloried for a statement she made, that America is the indispensable power. Well, one doesn't like to get into hubris, but people do look to us to do things effectively in the outside world.

A major reason for pursuing Arab-Israeli peace now — leaving the concerns of Arab states, et cetera, to folks more knowledgeable than I — is precisely to deal with the European dimension. It was no accident that four days before the war in Iraq, the president of the United States spoke at AEI [the American Enterprise Institute] to a great extent about Arab-Israeli peacemaking. And in the Azores meeting with Tony Blair and others, just before the invasion of Iraq he focused, to a great extent, on the Arab-Israeli conflict. Why? Because Tony Blair needed it. He needed a sense that somehow the United States was not going to neglect something that matters to his society and British politics. For many Europeans, it is necessary for the United States to pursue Arab-Israeli peacemaking because of the incredible influx of Muslim migrants, many from North Africa, more from the Maghreb than the Mashreq — and concerns about the tie-in there.

With regard to the Europeans, we now face, in my judgment, a very fundamental concern about the future of NATO. Despite the idea that we have this new strategic concept being prepared for the Lisbon summit next year, I think that's not going to add up to very much unless we get the Middle East right — particularly Afghanistan (it's part of the greater Middle East, too) — and Southwest Asia. Here we have a difference of views between ourselves and most of the allies in terms of focus. I'm going to overgeneralize now. Most of the allies in Europe want us to be as riveted as a European power in dealing with the future of Russia — underscored by what happened with Georgia last year, with energy, with cyber security and even with the Balkans. They want to know that the United States will fulfill the pledges we made in the 1990s, after the Cold War, as a European power.

For us, however, the strategic focus has now shifted. We had an undersecretary of state who said a couple of years ago that the U.S. interest in Europe is no longer in Europe; it is with the Europeans elsewhere. As a government official, he should never have said that; it just upset a lot of people in Europe. But there was a lot of truth to it. And for us in the United States to continue seeing the value of our relationship with NATO, we expect our allies to be helpful to us in the area of greatest strategic and, yes, practical, focus because we have Americans fighting and dying in two wars.

“... as soon as we hit March 20, 2003, the future was set.” We have no choice but to be responsible for putting something else together for the long-term strategic future of the region. And our European allies have to be there with us, because they cannot avoid the consequences, whatever they may say now, if it doesn’t work.

I have not gone into the Iraq War. Many of the allies, including the French and the Germans, who opposed what we did, did so because they were worried that we were going to end up in the exact place where we did. Just as the allies, in particular, supported us after 9/11 in Afghanistan, not because — except for a few of them — they think that if there is “failure” in Afghanistan, terrorism is going to be visited, again, on Europe, as has happened in some places, but because somehow a perceived failure would lessen the

capacity of the United States to do things that are required elsewhere, or because the United States might turn against the Europeans or take NATO less seriously. This is the big issue right now: whether there will be a new grand bargain between us and the Europeans, for us to be riveted to Europe as much as in the past — in different terms, of course — and for them to be engaged with us in the Middle East and Southwest Asia. The Arab-Israeli issue is one of the leavening elements within that, but not, I would say, the primary one.

I want to say something else now more directly about the region. I think we need to find a way to promote America’s interests that is sustainable for the long term, with the United States as a permanent Middle East power at lower risk and lower cost in terms of blood, treasure and opportunities foregone elsewhere. If we had any doubts about having to be there, that was ended with the Iraq War. What passed for a security structure or a security system at the time was shattered by that war. We’ve already heard reference to the balance between Iraq and Iran and this extraordinary policy we practiced for a number of years called “dual containment,” which was, in effect, kick the can down the road. The invasion of Iraq, incidentally, was simply taking the dual-containment doctrine to its logical conclusion, one that both George H. W. Bush and Bill Clinton had managed to avoid. In fact, we hear talk that Iran would have been next on the list for attack after Iraq. So the invasion of Iraq wasn’t a dramatic change of goals; it was a change in methodology — of course, a dramatic one.

We’re now responsible for what happens in the region. I say to my European friends “Maybe you didn’t like the war, and I heard you debate it. But as soon as we hit March 20, 2003, the future was set.” We have no choice but to be responsible for putting some-

thing else together for the long-term strategic future of the region. And our European allies have to be there with us, because they cannot avoid the consequences, whatever they may say now, if it doesn't work. It's not just the consequences the United States faces, but the consequences for themselves. I think what we need to do, therefore, is to develop a new strategic framework for the region.

One thing we have to decide right away, however, is, do we, the United States, want to be the dominant power in the region forever, to run a kind of soft neo-imperialism? Or would we rather do some disengagement while still being able to fulfill our interests, to go back — or forward — to having a greater over-the-horizon presence with less risk, less cost, less visibility and less lightning-rod effect? If there was one thing we did, in my judgment, that did help provoke 9/11, it was to keep U.S. troops in Saudi Arabia after the 1991 war. I was against it. I said, it's ludicrous to keep troops in there and be seen as infidels in that particular country. Yes, indeed, that was a rallying point for al-Qaeda. U.S. forces are in Qatar now, and, to an extent, in Bahrain, and I hope that works. I'd rather that most of these forces would be on the island of Diego Garcia, but that's something we can work toward.

What do we need for the various elements of this? I say there are several basic problems: How do you end the Iraq War in a positive way within a regional context, engaging others and keeping the U.S. reputation intact? Number two, our relationship with Iran is only, in part, about the nuclear question, and maybe that's the less important part if we can get that right. If we get the nuclear question wrong, obviously, it's the most important. But otherwise, let's face something: the United States is in the Middle East region to stay, and so is Iran. The idea of Iran's being a hegemonic power in the Persian Gulf is ludicrous unless, for some reason, we left. But we are also going to have to deal with Iran. And I'd rather try to see if there are some positive things that we could do — if we could find some way to use Iran effectively in Iraq, and certainly in Afghanistan.

In fact, eight years ago in Afghanistan, we were working with Iran, not because they love us, but because it was in their interest after 9/11, up until that egregious State of the Union speech on the Axis of Evil, which drove them away. And today, the Iranians suffer more from poppies than anybody else. The chances of the Iranians having interests compatible with ours within Afghanistan are significant. But we won't deal with them on this basis. Rather, we need a holistic process of dealing with Iran, and also with the region itself. In fact, when we talk about the new security structure for the Persian Gulf, one of the big questions is, would Iran be willing to play a positive role or not? It could go either way.

And there are more problems: asymmetrical threats, especially terrorism; WMD; Iran; the Afghanistan-Pakistan challenge, and, yes, the relationship between Arabs and Israelis. Now, I'm going to present several elements needed in a security structure. First, it has to be something that people will invest in for the future in order to increase the chances of both for predictability and stability. To begin with, a political framework needs to be homegrown. Only then do you decide how much of a role there should be for the United States and other outsiders, how much is useful, and how much is counterproductive.

Number two, we need to look at various models and possible partners. But, again, watch my caveat about outsiders. There are a number of models — the Istanbul Cooperation Initiative; NATO's Partnership for Peace; the Euro-Atlantic Partnership Council;

the role for the European Union, which can be better than having Americans involved; CSCE, a Conference on Security and Cooperation in the Persian Gulf (incidentally, that idea is contained in the Israel-Jordan peace treaty); Association of Southeast Asian Nations (ASEAN); and the Organization of the Islamic Conference (OIC).

Number three, cooperation: creating confidence-building measures in arms control, creating political and military commissions with everyone represented, creating an incidents-at-sea agreement that includes the Iranians. I think that could be easily negotiated to ensure freedom of shipping. Furthermore, a counterpiracy compact, where these countries are suffering from it, and a counterterrorism compact. The OIC compact on counterterrorism could be the basis, but one item would have to be dropped, that which says freedom fighters are not terrorists. Other possibilities include arms limitation or at least calculations about the role that arms could play in providing stability or causing instability; a role for conflict resolution; external training and engagement of local forces with outsiders; and then economic issues and social development over time.

There are three other considerations: First, the United States is going to have to provide some kinds of assurances, whether Iran is in or out of a new regional-security structure. But one has to be careful what those assurances are, where they are, and whether they are formal or informal. It's America's reputation for power and influence and intelligence that is most important.

Second, there is the role of other external powers such as China, Russia, India and the Europeans. Third, an Arab-Israeli peace agreement is also instrumental to all of this, but we must recognize that it is not the be-all and end-all. I don't expect an Arab-Israel or an Israel-Palestine agreement anytime in the near future. The Israelis are so traumatized by what happened in Lebanon and Gaza, and you don't have a coherent element on the Palestinian side. I thought the president of the United States should not have taken on the settlements issue as the test with Israel. He should have taken on the issue of opening up Gaza to humanitarian relief and economic investment. You're not going to get anywhere as long as Gaza is in the circumstances that it is today.

A final point: everything I've talked about is evolutionary and needs to be worked out over time, but I think we need to start thinking about a new security structure and see everything on a holistic basis. Otherwise we're going to be stuck in the region and doing everything while others are just kibitzing. That will not serve our long-term interests.

MARK N. KATZ: Professor of Government and Politics, George Mason University; author, *Russia and Arabia*

At present, Russian interests in the greater Middle East sometimes coincide with American interests on some issues, while they collide with them on others. For most of the Bush era, Moscow worried that the United States was gaining influence in the Middle East and that this, of course, would be bad for Moscow. For the past couple of years, though, Moscow has been less worried about the prospect of America gaining influence in the Middle East. Instead, it has had to contemplate what it means for Russia if American influence declines. While Moscow has perceived that Russian interests suffer if American influence increases, there's also a growing understanding there that, if America loses influence in the Middle East, Russia will not necessarily benefit. But, of course,

being the pessimists that they are, the Russians still can't help but worry that American influence could somehow increase in at least some parts of the Middle East.

I'll look at the various issue areas, starting with the Af-Pak military campaign. Moscow is now genuinely concerned that America is losing in Afghanistan. Moscow fears that if America leaves, the Taliban will return to power and aggressively work to promote Islamic radicalism in Central Asia and Russia itself. Thus, Moscow has been well-motivated to allow the United States to transport not just non-threatening, non-lethal supplies, but now also military supplies, via Russia to Afghanistan. And we have seen, especially since President Obama was sworn in, tremendous progress on this.

But Russian cooperation with the United States on this issue does not mean that it will cooperate with it on others, especially Iran. There seems to be a sense in the past few months that, because the Russians are cooperating with us on Afghanistan, they are coming to see other things our way and will cooperate with us on Iran, as well. This I don't think we're going to see. Moscow does not wish to see Iran acquire nuclear weapons, but Moscow is not as concerned about this as the United States is. For even if Iran does acquire nuclear weapons, Moscow does not see Russia as being an Iranian target. Further, Russia has benefited enormously from the longstanding Iranian-American hostility. American economic sanctions against Iran, as well as American pressure on its Western allies to limit how much they invest in Iran, has meant that Russia has made — and hopes to make — exports to and investments in Iran that might not have been possible had it faced Western competition.

Similarly, Iranian-American hostility has resulted in America's blocking Iran as an export route for Caspian-based oil and gas, as well as discouraging Iranian gas exports to the West. This has helped Moscow. But Moscow fears that, at some point, there will be an Iranian-American rapprochement that results in an end to all these benefits for Russia. Moscow is especially reluctant to cooperate with a U.S. effort to increase sanctions on Iran which will worsen Russian-Iranian relations, when the Obama administration has declared its desire to improve U.S.-Iranian relations. In other words, they basically see Washington as trying to trick them: You do something to help us worsen your relations with Iran, and then, ha-ha, we're going to improve relations with Iran ourselves, and you'll be out in the cold!

Moscow, though, has long proposed that Russia enrich Iran's uranium as a solution to the Iranian nuclear issue. Russia would gain financially, and the West would need Russia as a guarantor that Iran is not enriching uranium to weapons grade. Thus, Moscow has a strong interest in participating in the latest proposed diplomatic effort on Iran, which calls for Tehran to ship most of its low-enriched uranium to Russia for further enrichment. While Moscow may end up supporting further sanctions if Iran backs out, it won't support anything that actually harms Tehran or Moscow's relations with it too much. They're just not going to help us that much with Iran.

With regard to Iraq and the American withdrawal, Moscow, of course, was opposed to the 2003 U.S. intervention in Iraq and has been critical of American actions there. Now that the United States has agreed to leave Iraq, Moscow is worried about what the consequences for it will be after the U.S. departure. Moscow is fearful that radical Islamists, especially Sunni forces, will gain strength and target Russia's nearby North Caucasus.

Since Iran is also fearful of Sunni fundamentalism, Moscow is less concerned than Washington about the growth of Iranian influence in Iraq. And, to this end, I'd like to talk about an episode that didn't get a lot of attention in the press here, but did get it in Russia.

You remember al-Qaeda in Iraq. These were busy boys, fighting against the Americans, fighting against the Shiites, fighting against their fellow Sunnis. But what did al-Qaeda in Iraq do in June 2006? They kidnapped five employees of the Russian embassy in Baghdad, killed one out of hand and then announced that they would release the remaining four only if Russia withdrew all its troops from Chechnya within 48 hours. This did not happen. And al-Qaeda in Iraq, being true to their word, killed the remaining four employees. These people were fighting Americans, Sunnis, Shias in Iraq, yet al-Qaeda in Iraq found time to think about Russia. As America leaves Iraq, they may find more time to think about Russia, and the Russians know that. They are very worried. The North Caucasus is close by and they are fearful about their continued hold on this part of the world.

At the moment, Moscow is focusing on its economic interests in Iraq and attempting to gain access to the Iraqi petroleum sector. Moscow has tried especially hard to regain for Lukoil the West Qurna II contract signed in the Saddam era, which Saddam cancelled at the end of 2002 in retaliation for Moscow's seeking reassurance from the United States and others that it would be honored after his overthrow. He didn't have a sense of humor. Moscow more recently forgave most of the Saddam-era debt to Russia, but not quite all, perhaps as an incentive for Baghdad to cooperate with Russian firms. But Baghdad is playing hardball with Russian as well as other petroleum companies, nor does the current Iraqi government appear terribly concerned about pleasing Moscow on the debt issue.

Turning next to GCC security, since 2003, Saudi-Russian relations have been better than they have ever been before. Moscow has come to value Riyadh as an economic partner. Some Russian firms are already working inside the kingdom, and Moscow hopes for more Russian participation in the Saudi petroleum sector, as well as arms sales to Riyadh.

Further, Moscow especially values Saudi Arabia for its understanding, since 2003, of Russian policy in Chechnya. Indeed, Saudi Arabia has played host and made much of the Russian-appointed Chechen strongman, Ramzan Kadyrov. It's difficult to overestimate how much Moscow values this. Still, Riyadh appears to be holding Moscow somewhat at arm's length. The Saudis have indicated their willingness to buy Russian arms, but they've also intimated that they will only start doing so once Moscow distances itself from Tehran. And this, of course, is something that Moscow doesn't want to do.

The Saudis appear to have a theory about Russian policy: that it is commercially driven. Essentially, their attitude is that the Russians are selling weapons and other technology to Iran because they want the money. The Saudi attitude is, we'll essentially replace those contracts. In other words, what you lose from ceasing these sales to Iran, we will more than make up for. What Russia wants, of course, is to be able to sell to both Iran and Saudi Arabia.

Russia and Iran have signed an agreement whereby Russia is to provide some \$1 billion worth of these S-300 air-defense missile systems to Tehran. The Saudis have indicated that they don't want Russia to do this. If Moscow will cancel this \$1 billion deal, Riyadh will buy \$2.7 billion worth of Russian weapons. They've made the math very clear for the Russians. But the Russians haven't yet taken this step. I think each side expects the other to back down. So far, neither has.

In my view, Moscow is not trying to displace Washington in Saudi Arabia or elsewhere in the GCC. Moscow knows that it cannot replace the United States as the GCC's principal defender. Indeed, Moscow seems to see close U.S.-GCC ties as serving to protect Russian investments there. Of special interest, I think, though, is Russia's relationship with Qatar. With its enormous gas reserves and liquefied-natural-gas (LNG) capability, Qatar is, in Russian eyes, a competitor in the world gas market. This past summer, Qatar signed a deal with Poland that will result in Qatar's supplying 10 percent of Poland's gas needs via LNG. This is, of course, a market that Russia has totally monopolized until now. And while we in the West worry about Russia's becoming the dominant gas supplier to Europe as a whole, Russia worries about little Qatar, as well as others — Algeria, Libya — encroaching on the markets in Eastern Europe that Russia has dominated till now.

Turning to the Arab-Israeli peace process, Russia's policy is to maintain good relations with all parties: the Arab governments, Fatah, Hamas, Hezbollah and Israel. Moscow holds out hope that because — unlike the United States — it can talk to all parties,

including Hamas and Hezbollah, all parties will turn to Moscow as a mediator. If they did, Moscow might also be valued by the West for their services. So far, though, none of the parties appears any more willing to make concessions to Russia for the sake of Arab-Israeli peace than to the United States or anyone else. Yet, even if it doesn't bear fruit, Moscow values its role as part of the Quartet (the United States, the EU, the United Nations, Russia) of officially recognized peacemakers, both for bolstering Russia's image as a great power and for facilitating Moscow's efforts to trade with and invest in the countries of the region. Certainly, they have been doing a great deal of this.

Especially of note is the close Russian-Israeli relationship that has developed since Putin came to power. Russian arms exports to India and other countries are enhanced with Israeli technology, which plays an important role in helping Russia keep these customers. Israel has recently begun selling unarmed aerial vehicles to Russia. Moscow is buying them from Israel, one Russian commentator recently noted, because the Russian defense industry cannot produce them itself anymore. He sees Russian dependence on Israel for military technology growing further.

There are also very close cultural contacts between the two countries. Over a million Russian speakers now live in Israel, and it really is quite remarkable: Jews leave Russia because they don't like how they're treated in Russia. They move to Israel and they fall in love with Russia! Last year, I was one of three Americans who participated in a Russian-Israeli conference in Jerusalem. Former Russian foreign minister Igor Ivanov was there, as was Yevgeny Satanovsky, the head of a pro-Israeli research institute in Moscow that appears to be very close to Putin himself. And there were presentations on this. I had not realized the depth of the contact, not just on a government-to-government level but on

Russian foreign policy is strongly concerned with advancing the interests of Kremlin-connected Russian business, especially the petroleum, arms and nuclear-reactor industries, but also railroads, mining and others as well.

a person-to-person level, between Russia and Israel. It's the one place, if you are a well-to-do Russian, that you can go on holidays where it's warm, and virtually everyone whom you could need to do business with speaks Russian. This means a lot to these people. I have argued elsewhere that Russian restraint with regard to providing S-300s and other weapons systems to Iran may well have more to do with Russian concerns about maintaining good relations with Israel than Russian concerns about maintaining good relations with the United States.

Looking at Russian policy toward the Middle East as a whole, I think I can say the following: While Russian foreign-policy interests sometimes cooperate and sometimes clash with American ones, there are a couple of constants that Moscow always seems to pursue. One is that Russian foreign policy is strongly concerned with advancing the interests of Kremlin-connected Russian business, especially the petroleum, arms and nuclear-reactor industries, but also railroads, mining and others as well.

Second, Russian foreign policy seeks good relations with all actors that oppose Sunni extremist forces that could support anti-Russian causes in the North Caucasus and elsewhere in Russia and Central Asia. Thus, Moscow is willing to work with both pro- and anti-American governments in the Arab world, with Shiite Iran, with Israel, with Fatah and even with Hamas, which, though Sunni Islamist, has aims that are limited to Palestine. Russia is even willing to work with the United States against Sunni extremism, but as Yevgeny Primakov's recent book *Russia and the Arabs* makes clear, what Moscow especially fears about American foreign policy is that, through supporting the Afghan mujahedeen in the '80s and mishandling both Afghanistan and Iraq in recent years, Washington has done more to foster Sunni extremism than to combat it.

CHAS W. FREEMAN, JR.: Chairman, Projects International, Inc; former president, Middle East Policy Council; former assistant secretary of defense and U.S. ambassador to Saudi Arabia

I'm tempted after listening to Mark's excellent presentation to speak about Afghanistan, where many of the concerns that the Russians are developing about our staying power are shared by the Chinese. They have made it pretty clear in recent days that, under the right circumstances, they would be prepared to train and equip Afghan forces and to facilitate logistical support of combat operations in Afghanistan by NATO forces, in part as an offset to the hammerlock that the Russians have gained on our logistical operations in support of Afghanistan. But I won't talk about that.

Distant as they are from each other, the peoples of the Middle East and China have interacted since well before Islam. In 650 C.E., the then caliph sent one of the Prophet Mohammed's companions as an emissary to the newly established Tang Dynasty. That date marks the beginning of Islam in China. Muslims have ever since played a prominent role in Chinese society. As the example of the great Ming Muslim admiral, Zheng He (1371-1435), attests, some of them have also been active in sustaining Chinese contact with Arabs, Persians, Turks and other Muslim peoples. This cross-cultural liaison was, of course, interrupted by the reorientation of international relations imposed by Western colonialism. The postcolonial era in the Middle East and the return of China to wealth and power are fostering its resumption.

The Prophet Mohammed advised Muslims to “seek knowledge even unto China,” but it would be fair to say that Islam is far more familiar to Chinese than Chinese culture is to Arabs, Berbers, Kurds, Persians, Somalis and Turks. Official statistics count about 25 million active Muslims in China. Much evidence suggests that the number of Chinese who consider themselves Muslim is well over 100 million. Meanwhile, some of the several hundred thousand Chinese now working in the Arab world will take Middle Eastern versions of Islam home with them. They have converted. There are already 3,500 Koranic schools, nine Islamic universities, and at least 28,000 mosques in today’s China. There will now be more, with additional schools of thought associated with them.

This year, China overtook the United States as the largest exporter to Arab markets, creating a rapidly expanding set of job opportunities for Chinese with expertise on the contemporary Middle East. Dozens of Chinese universities and institutes now teach Arabic, and hundreds of Chinese are enrolled in Arab universities. In a few commodities markets in China, like the city of Yiwu in Zhejiang Province, Arabic now rivals English as the second language of Chinese traders. This past summer, Chinese Central Television inaugurated a 24-hour Arabic-language service. The appearance of Chinese officials who speak fluent Arabic on satellite news services like Al Jazeera is no longer a novelty.

In the Middle East, interest in China is also rapidly increasing. China is the fastest-growing market for the region’s oil and gas as well as energy-intensive industries like cement, steel, fertilizer and other petrochemicals. There is intense Arab interest both in downstream investment in China and in industrial development in the Middle East that can add value to exports destined to China. Some far-sighted Arab institutions, like Saudi Aramco, began to send students to China years ago. The result is a growing cadre of Chinese-speaking Saudi engineers and Saudi Aramco’s new refinery in Fujian. (That will be joined soon by an even larger investment in South China from Kuwait.) There is, I believe, only one Confucius Center in the Middle East (at Suez Canal University in Egypt), but thousands of Arab students are now studying in China. The ranks of those on the Arab side familiar with Chinese ways are thus rapidly growing. This trend, though in its early stages, seems likely to accelerate and intensify.

All this is happening with the enthusiastic welcome of governments on both sides, but almost entirely unguided by them. It is a product of individual and business interests, guided only by the invisible hand, even in the case of state-owned companies. (Their behavior does not differ in any important regard from that of their large, publicly held corporate counterparts and rivals in the West.)

The way in which ties between China and the Middle East have developed is impressive, but it has not been without difficulties. The refusal of Middle East oil producers to allow foreign partners to do much upstream on their territory has driven Chinese companies toward the more accommodating commercial environments of sub-Saharan Africa. But Arab and Iranian nationalism are not the only impediments to expanded business between the Middle East and China. Among other things, the cultural divides to be bridged are vast.

In fact, if substantial amounts of money weren’t at stake for both sides, rapprochement would probably quickly bog down. Arab casualness about time and meeting preparation does not mesh well with the obsessive punctuality and meticulous planning of the Chinese. Chinese boisterousness clashes with Arab reserve. Middle Eastern defer-

ence to vertical allegiances contradicts Chinese emphasis on social equality and face. Chinese agnosticism contrasts with Arab and Persian religiosity. Muslim fatalism gainsays Chinese optimism. Frankly, in my experience, it is easy for the two sides to drive each other nuts. That creates a role for foreign intermediaries who understand both cultures to help them find ways of doing business with each other.

I am personally fascinated by the way in which mutually advantageous commercial cooperation between the Middle East and China is developing. But this is Capitol Hill, where politics are always in command, the military-industrial complex pays the piper and calls the tune, and the favorite dish of the inhabitants is globaloney. So let me join all

China seeks to pursue economic and social development rather than getting sucked into political or military controversies. Its foreign policy seeks to foster the “peaceful international environment” it believes it needs to do this. This gives it a vital interest in the stability of the Middle East.

present in relegating history, culture and commerce to the boonies beyond the Beltway. Instead, let’s briefly plunge into the geostrategic mists that waft across the Potomac from the Pentagon to Foggy Bottom and accumulate in Gucci Gulch on K Street.

Foreigners often remark on the extent to which the Chinese gravitate to the long view. Chinese political culture does seem to predispose those who participate in it to think strategically and to reason

about foreign relations in terms of their country’s especially long historical experience. In the early 1970s, Nixon and Kissinger were entranced by the extent to which Chinese officials thought and spoke like the leaders of a world power, even though the country they led was then, at most, a rather weak regional power, very much on the defensive against its — and our — Soviet enemies. China has changed in many ways, but not in this one.

From the Chinese perspective, the Middle East is not just where over 60 percent of the world’s oil and 40 percent of its natural gas reserves are found. It is also the strategic point where Asia, Africa and Europe converge. It is where the trade routes and lines of communication connecting Asia and Europe intersect, a fact that last year produced the first Chinese naval deployment to the region since the fifteenth century.

The Middle East is a major source of global investment flows. Its markets, including its capital, arms and consumer markets, are prizes for which the world’s great economic powers must compete. Its political economy is a central determinant of the global future. What happens in the Middle East affects the vital interests and foreign and defense policies of great powers on all three continents. In recent years, no region has played as great a role in the devaluation of American global power.

The Middle East is also, of course, the epicenter of Islam, an expanding faith that defines the lives of nearly a fourth of humanity, including — as the recent race riots in Xinjiang attest — many in China. The Middle East’s quarrels, as we Americans have learned to our sorrow, can easily spill over to affect the domestic tranquility of nations far from it. China seeks to pursue economic and social development rather than getting

sucked into political or military controversies. Its foreign policy seeks to foster the “peaceful international environment” it believes it needs to do this. This gives it a vital interest in the stability of the Middle East. That interest and the vacuums created by American policy failures there are now driving China warily toward greater engagement in the region’s affairs.

China understands the causal link between the Israel-Palestine issue and the terrorism with global reach that has taken root among the world’s 340 million Arabs and 1.2 billion or more other Muslims. It also understands Israel’s strategic dilemmas and is acutely aware of America’s special relationship with the Jewish state. Its own relations with Israel remain quiet but productive, especially in the area of high-tech trade. But, unlike the United States, China has not delegated the formulation of its policies toward the Middle East to Israel or any other third party. It remains free of passionate attachments in the region and careful to avoid entangling alliances. China avows that it seeks peace, commerce and friendship with all nations. It wishes to avoid becoming embroiled in whatever quarrels break out between them. Like Muawiyah, the founder of the Umayyad Dynasty, and his handling of the tenuous “hair” that connected him to others, Chinese leaders are careful neither to pull too hard nor to yield too easily in their relations with other states. And, having been subjected to decades of sanctions itself, China both objects to them in principle and dismisses them as usually counterproductive.

These traits are most clearly exemplified in China’s handling of Iran. The United States encouraged China to collaborate with Iran under the shah as part of the global effort to contain Soviet expansionism. Beijing’s relationship with Tehran survived the Islamic revolution. China has not been averse to reaping whatever benefit it can from the contention between America and Iran, but it has tried very hard to keep its distance from the confrontation itself. China became a net importer of oil in 1993. That gave it a major new rationale to cultivate Iran. Unilateral efforts by the United States to isolate Iran squeezed out our companies and those of our European allies and created a vacuum in Iran’s oil and gas sectors. Chinese, Indians, Japanese and others could, and did, move to fill this vacuum. About 15 percent of China’s oil imports now come from Iran. China does not want to see a nuclear Iran, but it will not take direction from the United States or Israel, abandon its principles, or deny itself access to Iranian energy supplies in a feckless effort to prevent Iran from mastering the complete fuel cycle.

Somewhat ironically, and perhaps beside the point, the United States is now said to be urging Saudi Arabia and others to step up oil and gas exports to China in order to undercut Chinese dependence on Iran. The Saudis, Kuwaitis and other Gulf Cooperation Council members do not need much urging. In many respects, they — rather than the Chinese — have provided the impetus for the rapid strengthening of Sino-Arab ties. As I mentioned, China is now their fastest-growing market and the largest source of their imports. The International Energy Agency predicts that, in 2015, China will buy 70 percent of its imported oil from the GCC. McKinsey projects annual two-way trade between China and the Middle East in 2020 as somewhere between \$350 and \$500 billion, most of it with the GCC. (To put this in perspective, annual trade between the United States and the GCC today is a bit over \$70 billion.) The Chinese relationship with the Gulf Arabs and Iran seems destined to become a significant factor in the global economy.

Strengthened relations with China suit the strategic purposes of these countries. In the case of Iran, a stable relationship with China is a hedge against pressure from the United States and the EU. In the case of GCC countries like Saudi Arabia, ties to China are a supplement and offset to perceived overdependence on the United States. (So, by the way, are ties to India.)

What China is not, and is not likely to be in the foreseeable future, is either a substitute or a counter to American military power in the Middle East. On a related matter, in the short term, the competition to American and European dominance of arms sales to the Gulf Arabs is likely to come from Russia, not China. China is not a major factor in the international arms trade. It is not dependent on arms exports to sustain its defense-industrial base nor has it yet emerged as a technology leader with state-of-the-art defense systems of the sort Gulf defense ministers find irresistible. It will likely take a couple of decades for this to change substantially. In the interim, the United States will remain the central element in the balance of power in the Middle East. European, American and Russian companies will control the arms market. And the Gulf Arabs, Iran and China will continue to rely on the United States Navy to guarantee freedom of navigation and the security of their energy trade.

DISCUSSION

DR. MATTAIR: I think we have a difference of opinion here that I would like to explore. One of our speakers, Shibley, indicated that resolution of the Arab-Israeli conflict is a central national interest of the United States, whereas Ambassador Hunter argued that it is a secondary or derivative issue, meaning that resolution would help us in other areas with other partners. I don't dispute that resolution of this conflict would help us in other areas, but if we go back to 1993 and the first attempt to bomb the World Trade Center, the people who did that explained their rationale. They said, we did it because we're upset about American support for Israel. I know there are other panelists who take Osama bin Laden very seriously when he explains his rationale. He has been writing since the 1990s about his anger over American support for Israel as well as American military power on the Arabian Peninsula. And very recently, as Ambassador Freeman pointed out last week [see Freeman speech, p. 55], Osama bin Laden said that the purpose of 9/11 was to focus American attention on the atrocities committed by Israel with American support.

So, in thinking about Arab-Israeli policy, is it not in the national interest of the United States — a national-security interest to protect the American people from the scourge of terrorism — as well as being important in bolstering our relations with other states in the region so that we can deal with problems like Iran more effectively?

DR. TELHAMI: Let me just say something about what you said about al-Qaeda and Osama bin Laden and his calculations. I don't know what he calculated. I do know that he did speak about the Arab-Israeli issue very early on, but clearly al-Qaeda arose largely in reaction to the American presence in the Gulf. And public opinion shows that it is a very, very important issue, that the Arab-Israeli issue is important, but in the Arabian Peninsula and in Saudi Arabia in particular, the presence of foreign troops really is a big issue that probably was a mobilizer.

I don't doubt that there are people who are just fanatical, motivated by religious beliefs; we have them in all societies, Muslims, Christians, Jews. But the real question is, regardless of what motivates the group or its leaders, why would they employ the language of the Arab-Israeli issue? They employ it because they know, whether or not that's motivating them, it motivates the vast majority of the public in the region. So it doesn't really matter what motivates them. The fact is, it is an instrument of mobilization. That's what the public — including the public that doesn't agree with al-Qaeda, the public they're trying to attract — is mobilized by. We forget that. We dilute it by saying, well, this is up to them; it doesn't matter. I buy that they're fanatical, and they're motivated by political issues, for sure. Fanatics are also motivated by political issues. But the reality is, it's an issue that can be used to mobilize people.

I'm not one who thinks revolutions are common or easy, and I think that governments in the region that have gone against public opinion have been able to do it. But, in many cases, there are indications that they are behaving as if they're more and more concerned about public opinion, even separate from the militancy aspect of the non-state groups that are empowered and that are eroding public authority in various places. It might be one reason we ended up having mobilization and increased incidences of failed states.

There is no question in my mind that this is an issue. And we see it in public-opinion polls. It is clearly a central issue in the way Arabs view America. I call it the "prism of pain" because, in some ways, it's even subconscious. It's not that people love Mahmoud Abbas or Hamas or even the Palestinians next door. It's an identity issue that has to do with the history of the twentieth century and how people see themselves. They see this issue as reflective of their aspirations. When they make an evaluation of the outside world, they ask, what is the position of this country or this leader on the Arab-Israeli issue? That's why, when you look at some of the questions in my public-opinion poll, they are specifically intended to get at the prism through which Arabs see the world.

So when I asked, whom among world leaders do you admire most, throughout the last several years — when we were talking about Islamic fundamentalism, clash of civilizations, clash of values, they hate us because of who we are, in 2002, 2003, 2004 — Jacques Chirac of France was the most admired leader. This was not because of his values — we know where people stand on France and the Middle East or France and its domestic issues pertaining to immigration — but because they saw him as being more sympathetic to the Palestinians and admired his stand on Iraq.

In 2006 and 2007, we start seeing Hassan Nasrallah of Hezbollah being the most popular leader in Egypt, Morocco and Jordan, three Sunni-majority countries, at a time when we were talking about the Sunni-Shiite divide as driving public opinion in the Middle East. In 2009, the most popular leader in the Arab world as identified in my poll is Hugo Chavez of Venezuela, by virtue of the fact that he took a stand on Gaza and cut off relations with Israel.

So there is no question that, at a public level, this issue is a central driving force. And, I think, if we don't have an Arab-Israeli peace agreement — particularly one based on the two-state solution — sometime soon, we're going to have continuous confrontation for the coming generation between the Israelis and the Palestinians. Israelis will not accept the one-state solution. Palestinians will not accept occupation. It's going to drag everyone into a state of tension that's inevitably consequential for America's interests in the Middle East.

AMB. HUNTER: I resist single-factor analysis in just about everything, and certainly in the Middle East. I also resist just taking people at their word, unless it correlates with other things. There's a lot of politics that goes on and appeals to what people think will be effective, even if it's not what motivates them. And it's very difficult sometimes to decipher. I recall being in the Persian Gulf at the time of the Israeli attacks on Gaza, and at least the people I heard from weren't terribly worked up about it. Some of them thought that, maybe if Hamas got a bit bloodied, that wouldn't be such a bad thing, right? There is not a lot of consistency there.

That doesn't mean that I somehow play down the importance of Arab-Israeli peace-making. As I said, I've been involved in this for 42 years. I think it's important to try

I think the Israeli government of the day is not being helpful, and one still has to work on confidence building with regard to the Israelis. I would not do that, however, in terms of buying its view, for example, to the point of attacking Iran. If you want to destroy NATO, that's the quickest way to do it. There is almost universal opposition in Europe to an attack on Iran.

to drive it to closure. But I don't think we should say this is the be-all and end-all and therefore ignore other things we have to do. One of the most important things I think we need to face — and you almost never hear this debated in public — is the role that some people in Saudi Arabia play in fomenting terrorism. Probably the most important supporters of terrorism today are private individuals there who pour endless amounts of money into the Taliban and madrasas and a lot of other things that have fostered terrorism all over the place, particu-

larly in Pakistan and for a long time in Afghanistan. We don't pay enough attention to this factor, for reasons I just don't understand.

I think it's also important to understand the role that poverty, lack of opportunity, corrupt governments, including a number that we have supported for what seemed like good and sufficient reasons, have played in the development of terrorism. So I worry that bringing this issue down to the Arab-Israeli conflict, as though somehow, if we were to drive that to closure, it would end in significant fashion the recruiting of people who undertake terrorism, that is probably creating the wish as father to the thought.

I do believe in the need to press for Arab-Israeli peace, but I think we should go about it in an intelligent fashion. This is the only conflict in the world that I know about in which we know the answer — it's called the Clinton Parameters. We have also made the leap from what so many of us worked on for so many years, called "step-by-step": you take step X, and that validates itself and leads to step Y. That may have worked with the Egypt-Israel peace treaty, which was more about strategic relationships than anything else, and with Oslo and with the agreements between Israel and Jordan, but we're now at a point where we have to leap the other way and start at the end and work backwards.

How do you do that? I think the Israeli government of the day is not being helpful, and one still has to work on confidence building with regard to the Israelis. I would not

do that, however, in terms of buying its view, for example, to the point of attacking Iran. If you want to destroy NATO, that's the quickest way to do it. There is almost universal opposition in Europe to an attack on Iran. Now, admittedly, French President Sarkozy is much more supportive today of a hard line on Iran, and the British are a bit more so than before. But the Europeans initially went into their negotiations with Iran not so much because they wanted to press Iran to change its policies as to keep us and the Israelis from going to war. If you want to verify this point, just ask them.

As I said earlier, I don't believe you're going to get very far on the Palestinian side until you find a way to bring the people of Gaza into it. To pretend that there can be a valid process just between Israel and the West Bank — the Palestinian Authority — I think is nonsense. We made a gross error after Israeli Prime Minister Sharon got out of Gaza. I proposed at the Munich International Security Conference the following year, from the floor, that we should validate what Sharon did with a \$6 billion immediate investment program — call it “stimulus” if you want — \$2 billion from the United States, \$2 billion from the European Union, \$2 billion from the oil producers.

The man in the chair said, “I like the idea; I've got my \$2 billion if the others will match it.” That man was Javier Solana, the senior foreign-policy person at the EU. The U.S. Congress put up \$150 million with a bunch of strings attached, and the oil producers did nothing. As a result, Hamas won the elections. Well, Karl Rove or Dick Daley would have known that Mahmond Abbas needed some walking-around money. Then, when the election was over, we said, okay, we can't do anything. We'll permit the creation of the Gaza ghetto. That doesn't get you anywhere. You've got to start weaning people away from Hamas. Give them an alternative. If you don't do that, it's not serious. And I'm afraid it's not serious.

Incidentally, the Palestinian refugee camps could have disappeared 20 or 30 years ago, if Saudi Arabia and the other Arab states didn't see an instrumental value in keeping them going, and if they put up the money to remove them. That's where we ought to be pressing.

I want to see Arab-Israeli peacemaking, not because I'm confident that that is the way to defeat terrorism. It would be a great thing on its own. Maybe it would be useful in reducing terrorism. I'm not smart enough to know the answer to that. I want to move on with it, but if we're going to, we've got to do it in a serious way that has a chance of success, and I don't think we are.

DR. TELHAMI: My position is not that the Arab-Israeli issue is the be-all and end-all, or that, if the Arab-Israeli issue is resolved, we won't have problems in the Middle East. I think our problems will be easier to manage. We have problems in Latin America, and we don't have an Arab-Israeli issue. We have problems in Africa; we have problems in Asia. Obviously, the Middle East is a strategic area, and we will continue to be challenged. And I don't think the terrorism issue broadly is going to be resolved as such. The question is the extent to which people will remain determined to attack American interests. It's a question of degree and determination.

I think about the principle. You don't even have to think about the opinions or how it's unfolded. We call it the Arab-Israeli conflict. It is a conflict between Israel and the Arabs. We are committed to Israel and Israel's security, a country that we will continue

to provide support for, and we have significant interests in the Arab world. Just on the issues that you raised, even apart from commercial interests or from the war that we are fighting in Iraq, the major presence, the heavy footprint that we have in Kuwait, in Bahrain, in Qatar, in the United Arab Emirates, in Saudi Arabia, all of that is absolutely consequential for what we do and how people deal with this. Whenever you have an escalation between Israel and the Palestinians, the likes of which we've witnessed, or between Israel and the Arabs or just Israel and the Palestinians, Israel and the Lebanese — in the past three years we've had two major confrontations — they pose serious challenges to everything else we do.

If we don't address it, I think the two-state solution, which has been on the table since Camp David, is coming to an end because of the changes on the ground, because people have given up, on both the Arab and Israeli sides. Frankly, there is no other practical, realistic solution in this generation. If we don't get it, I think we are in for a whole new course of confrontation between Israelis and Arabs, the likes of which we can't easily define. But we know there will be no other peaceful solution on the horizon, and we are going to be dragged in. So I think it is not only important, but urgent. If this administration fails in its efforts, I think the prospects for a two-state solution will have diminished significantly, in a manner that will put us on a brand new course just as we are witnessing significant coalition changes in the region, including changes in places that have been anchors of our policy in the past few decades. That's why I think it's important: not because it ends everything else, but it's consequential for everything we do.

AMB. FREEMAN: I thought Ambassador Hunter's statement was an eloquent recapitulation of the conventional wisdom in the United States, but there are a lot of problems with it. For one thing, money is not the life blood of terrorism. It's not a capital-intensive activity; money is not very important. The fact that so much is made of money is also ridiculous. The United States never put a control on, for example, contributions to the IRA, whereas Saudi Arabia and other Arab states have controlled mosque contributions to foreign causes, including charities. So I think that is both an incorrect connection and outdated information.

Second, there is no connection whatsoever between so-called madrasas — that just means "schools" in Arabic — and terrorism. Every study that has been done has shown zero connection. The people who tend to do terrorism are not the people who are so poor they have to go to religious academies. They tend to be more middle class; very often they're married, they have a technical background. For this, I refer you to the work of Marc Sageman, who has done the best examination of terrorists and their motivations and demographics. So I don't agree on the facts.

Third, I don't think one should confuse the cynicism of anti-Hamas leaders in the Gulf with mass opinion. Of course, the leadership in the Gulf is anti-Hamas, because Hamas' argument is that the alliance between power and religion that some of these regimes, particularly the Saudi regime, represent is inherently illegitimate. They claim that they, by combining democracy and Islamism, have found a way to bypass the requirement to rely on princes, generals, dictators, thugs or whomever to advance moral agendas. So they are seen by the ruling families in the Gulf — correctly, I think — as a threat.

But, at the mass level, this is not the perception. And here is where the function of government in Islamic societies has to be taken into account. The charge against the regimes in the Gulf is that they are not meeting the requirement of government to defend the ummah, the Muslim community. The Muslim community is under attack, notably in Palestine, but now elsewhere, and these governments, far from rising to the occasion and defending the ummah, are actually in collusion with or complicitous with those who are attacking it. That, in fact, is the transformative mechanism that turns the Israel-Palestine issue into the central motivating force that it has become.

What began as a struggle between Jewish colonists and indigenous Arabs in the Holy Land has now become a global struggle between Jews and Muslims and their respective allies. This is, therefore, something much bigger than simply Israel and Palestine. It is, as Shibley suggested, approaching the dimensions of something similar to Sam Huntington's conjecture about a clash of civilizations. From the American perspective, therefore, to neglect this issue is to pretty much guarantee endless trouble — for our ally Israel, but also for ourselves — and long-term terrorism.

A cold-blooded assessment of our strategic strengths in Arab-Israeli issues, Afghanistan, Iraq and Iran does not yield a lot of optimism. In fact, I don't think it would be outrageous to say we need to address the possibility that, over the coming five to 10 years, the United States will fail miserably in all of these places.

FRANK ANDERSON: president, Middle East Policy Council

I am going to slip into Islamic fatalism rather than Chinese optimism. A cold-blooded assessment of our strategic strengths in Arab-Israeli issues, Afghanistan, Iraq and Iran does not yield a lot of optimism. In fact, I don't think it would be outrageous to say we need to address the possibility that, over the coming five to 10 years, the United States will fail miserably in all of these places. As for the Arab-Israeli conflict, I do agree with Chas that we should leave it there; the time for this to be resolved is running out, and I don't see a lot of options. The numbers of forces and the amounts of resources we have available to deploy, and the expertise that is necessary to deal with Iraq and Afghanistan, are lacking. Therefore, reasons to be optimistic about how those places will turn out for the United States are quite few, and there is a possibility that Iran will recede into a strategic position that neither they want nor we ought to want, without our or their being able to prevent it. What is going to be the European, Chinese and Russian response to the possibility of across-the-board American failure?

DR. MATTAIR: Making up for the erosion of American global power and much more business opportunity for all those other powers is one part of the answer.

AMB. FREEMAN: I think optimism in this context means the will to persevere in intelligent policy. Existing policies may be unintelligent, in which case persevering in them leads

to disaster. But optimism means some confidence that, with careful thought, we can come up with policies that might work, and if we apply the resources to make them work, they will. The question was asked, what would the Chinese or the Russian or the European reaction be to U.S. failure in Afghanistan in the first instance or, more broadly, in the Middle East, in general. I would say that the reaction would be multiple and most unfortunate.

First of all, the Chinese rely on U.S. power in the global order that the United States is the lynchpin of. They don't like the fact that they have to rely on us any more than we liked the fact that we had to rely on the Royal Navy for our protection in the nineteenth century. We didn't like the British. And many Americans, if given a choice, would have gone the other way in World War II rather than support the British, so anti-British were we at the time. But the Chinese understand that they need the world order that the United

If the United States fails in any of these arenas, the Chinese will be forced to step forward at their own expense, which they do not like to incur, to acquire power-projection capabilities they do not have, to act directly on their own behalf rather than deferring to the United States. That's not a good thing for China. It's not a good thing for the United States. It's not a good thing for the world. So I think a lot is at stake.

States guarantees, and they would be very upset if that order were to collapse in any part of the world, in particular the Middle East. Why? Because, as I said, they have their own very substantial Muslim population and they indeed have people being trained in Afghanistan, or now presumably Pakistan, to blow things up. That is how the unfortunate Uighur population in Guantanamo ended up there.

Instability is bad from their point of view, and if the United States fails, there will be much more instability, not only in the Middle East but more generally. So they look to us to manage our

extrication of ourselves from Iraq in a way that does not totally unhinge Iraq. I think they recognize that the prospects of instability in Iraq are considerable, but they would like to see it minimized. They want to see us manage the problem with Iran without conflict, without war, because they see war as inherently destructive of the global order. Relations with Europe, relations with countries in the Middle East, would be unhinged. Finally, they expect us to maintain some kind of constructive military and political relationship with the countries of the GCC in order to sustain the stability of the Gulf.

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The final point is, I referred to the fact that no region had made a greater contribution to the diminution of American power or the devaluation of American power than the Middle East. Our political power has suffered greatly because of our self-isolation on all

the issues in the Middle East. There is very little international sympathy for most of our positions. Economically we are in grave difficulty, and I couldn't agree more that our recovery is central to global prospects, including those of countries like China. What we have left is military hegemony, but we've got to pay for that. It's expensive. And, fundamentally, what we need is a strategy that uses force effectively, rather than the use of force as a substitute for strategy, which is what we are in many ways doing, in my view, in Afghanistan now.

DR. KATZ: Domestic politics obviously has a huge impact on American foreign policy, but it strikes me that domestic politics are changing. I'm in my twenty-second year now as a professor at George Mason University, and one of the things I have seen during that time is a tremendous increase in the number of Arab-American and Muslim-American students who are fully integrated as Americans and who interact with other students. Certainly, their view of the Middle East is very different than, I think, that of the older generation. I see many Arab-Americans and Muslim-Americans imitating what Jewish-Americans have earlier done in creating organizations and connections, lobbying for their interests. As for Jewish-Americans, I'd like to point out there is now the J Street organization that does not see Israel's interests as being served through continued occupation.

I can't help but feel that, at a certain point, these changes in views are going to be reflected in congressional politics. In other words, American domestic politics, which in a certain sense drives this American foreign policy now, is going to almost mandate certain changes in the future. The Congress does things because it's in the interests of individual congressmen and senators, and that is changing, I think, over time.

As to how the great powers will react if America fails, certainly with regard to Russia, I think they will be in trouble. As much as they dislike the American order, without it they're in very serious trouble. Ambassador Freeman talked about fatalism versus optimism. I think of myself as an optimistic pessimist. I remember how, in the 1970s, we withdrew from Indochina, and then there was Marxist revolution after Marxist revolution in the Third World. There was a real sense that we were on the decline, that the Russians and their allies were on the march, culminating with the Soviet invasion of Afghanistan in 1979. Ten years later, the Berlin Wall fell. So now, even if the worst happens and Islamist extremists take over one or two or three or many countries — like the Marxists — they don't have a satisfactory program to run their own countries.

So, while I'm not advocating that we give them the opportunity to show this, I have a feeling that we can mess up to a tremendous extent. They can win in the short run, but in the long run, like the communists, they don't have a program. Defeat for us in the short run is not defeat in the long run.

AMB. HUNTER: That was a wonderful conclusion. I'm not a fatalist. In fact I have always worried about fatalists. Yes, we hit a low at the time of the invasion of Iraq, when America's standing in the world fell to the lowest point in ages. We are on our way back. Whatever your politics, and however you felt about the Nobel award in Oslo, we now have a president whose very election and whose very demeanor and approach towards so much of the outside world are an amazing American secret weapon. He is reestablish-

ing the beacon that we have been, that we sometimes get a little self-conscious about, in which people look to the United States, as Lincoln said, as the last best hope of earth. That does not mean that we are alone, or that we are necessarily the best, but we have something going for us, and that includes in the Middle East.

One thing about the region is — Chas was just talking about terrorism — that money does matter and style of approach matters. I would be careful about what we do in this region and elsewhere. We need to start thinking strategically and seeing things on a holistic basis and finding people who are prepared to see the priorities and putting money behind them and get rid of some of the intellectual and emotional and ideological baggage that has kept us from looking at things clearly.

How we should be dealing with Iran is a serious issue, but it shouldn't be on the basis of the fact that the Iranians held 52 Americans hostage for 444 days back in 1979-81, at a time when I worked in the White House. The Iranians, frankly, shouldn't be operating on the basis of the fact that we got rid of Mossadeq in 1953. This is a kind of a mutual hate relationship that ought to be transformed into something else. If Iran got the bomb, it would be a white elephant. It would be stupid.

With regard to Afghanistan and our allies, there is an awful lot that now needs to be done in a non-military sense. Everybody has been saying that, but you can't get NATO and the EU to work together because the Turks veto that cooperation. Will the Europeans put in more troops? We don't need that many more troops. What we do need are a lot of aid workers, development people, police trainers, people who know how to train a judiciary — great numbers of them.

Where do we get the extra money? American wealth for oil purchases goes to a limited number of countries in the Persian Gulf that look to us for security. How about \$50 or \$100 billion dollars from these countries to Afghanistan and Pakistan? We ought to send a bill to them to start doing that. I am optimistic about what we can do. Why don't we start thinking clearly and start pursuing policies that others are desperately interested in our pursuing and that we have the leadership capacities to do — if we will only wake up and move in that particular direction. Once again, my three colleagues have set us on the right course. It's been an honor to be with you.

DR. TELHAMI: I also am not a fatalist. Change comes either through some crisis that we don't anticipate that reshuffles the deck, or through unusual acts of leadership. This is either a crisis moment or a leadership moment. I think we have a choice, and we will see how it ends.