

**CARNEGIE ENDOWMENT FOR  
INTERNATIONAL PEACE**

**THE NEW MIDDLE EAST**

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JESSICA MATHEWS: Ladies and gentlemen, could I interrupt your conversations? I'm Jessica Mathews, president of the Carnegie Endowment. It's a great pleasure to welcome so many of you here today to discuss the state of our policies in the Middle East. We have been working on these issues here in Washington for many years now and for the past year and a half in our new office in Beirut. It occurred to us that with so many people working on a great many different issues from a great many different angles in the Middle East, that there might be a lot to be gained by sitting down together and trying to ask in broad terms what have we been through, where do we stand today given the thrust of policies over the past seven and a half years and more, and what changes need to be made if we are to get a better result moving forward.

And that's the product of that effort you have in front of you. I should mention that three of the authors are here next to me. One of the co-authors, Paul Salem is the director of our Beirut office, and for those of you who follow our work, I urge you to take a look at the website because there is a surging amount of work being done there, great many new scholars who are joining us in Beirut and a lot of work now also being published in Arabic as well as English. We'll be launching this report in Amman next week and in Beirut the Arabic edition of Marina's new book, "Beyond the Façade."

And so work in the region is moving forward, and I mention all this because for us very much, the context of our thinking on this is rooted in the Middle East, in Lebanon, as well as in our work here and we are attempting to build an integrated program of scholars from the region and those here in Washington into one coherent whole, and I think this report is another evidence of how well that works and how much it strengthens the analysis.

So three of our authors will cover their particular subjects: Marina Ottaway on my left, Karim Sadjadpour next to her, and Nathan Brown. Then we will open the floor to you.

And, Marina, let me turn it over to you.

MARINA OTTAWAY: Thank you very much. Thank you, Jessica. And again, thank you for being here. It's a pleasure to see so many familiar faces. We have worked with many of you over the years and it's good to have you here. Let me add one word. Jessica explained why Paul Salem is not here. Unfortunately, we lost Amr Hamzawy this morning. After sort of nursing his wife and kids through a bout the flu, of course he's down with a raging fever and he sent his apologies for not being here.

Let me start by explaining the title of this report on "The New Middle East." And we took the idea of the new Middle East from speeches given by members of the Bush administration. This theme of a new Middle East has come up quite often in the speeches of members of the administration, and it really denotes an attempt or a desire on the part of the administration not to deal with the problem of the region in the same way they have always been dealt; that is, try to contain them, try to find a solution, try to make some progress, some limited progress in solving the problems and so on. In other words, managing a very difficult situation, but try to take a much bolder approach and to leapfrog over the problems by changing the new situations in the Middle East.

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During the summer war between Hezbollah or Lebanon, depending how you want to put it – and Israel in the summer of 2006, the Secretary of State Condoleezza Rice summed up the idea very well when she explained why the U.S. did not want a ceasefire at a time when a lot of people were agitating for a ceasefire. And the answer was essentially a ceasefire at this point would just go back to the – would leave the situation the way it has always been. It's going to be going back to the old Middle East, and what we are trying to do essentially is to move forward, essentially. This is great, if it works. There is no doubt that there are a lot of seemingly intractable problems on the Middle East and if there was a way to just jump over, leapfrog over these problems and create a new situation, that would be very well.

Unfortunately, this is not working. What we are seeing, what our conclusion is, is that the problems on the Middle East are more difficult, more intractable now than they were a few years ago. It's not all the fault of the Bush administration, and there is no doubt that the Bush administration was dealt a very difficult hand trying to do something about the situation in the Middle East – that the cards were not good. It was a very bad hand, but the way in which that hand was played did not really make the situation better. We have not spent a lot of time in the report, and I don't intend to do it now, recriminating about mistakes that were made, how we got to where we are. The problem is, where do we go from here? Is there a way to move the situation forward? And the answer that we give in this report is yes, but in order to move forward, in order to deal with some of this situation, it is really important to change the policy.

The problems that the Middle East faces now are not going to be resolved by continuing in a policy of confrontation. The Bush administration essentially has tried to confront these very cantankerous issues head on in most cases. It has invaded Iraq, it has taken a very – it has confronted Syria and Lebanon and so on and so forth. And there were good reasons for doing these things. There was no doubt that there were governments that needed to be confronted, that there were policies that needed to be confronted. The problem is that we are at the end to the line in terms of what can be done through a policy of confrontation, and what is needed is a change of direction.

And let me just give you an example which to me it really sums up very well the problem that the United States is facing. You all know, I assume, that there are three U.S. warships off the coast of Lebanon, somewhere in international water, not in Lebanese waters, but there are three U.S. warships. Now, they can certainly – the justification is that this is showing support for stability in the area. The problem is that the stability in the area at this point depends on whether or not there is going to be – the Lebanese are going to find a modus vivendi among themselves, on whether or not Hamas and Fatah are going to find a modus vivendi, on whether or not the members of the Arab League that are trying to mediate in all this situation to bring about a reconciliation are going to make some progress. And it's not quite clear how the presence of three U.S. warships essentially is going to contribute to the solution of these problems, which are not problems that can be solved simply by a show of force. They are very difficult problems, and I think we have now illusion that any policy is going to deal with – is going to be able to solve these problems easily, but it's certainly not a policy of transformation.

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The final point I want to make by the way of general introduction is that we all see – all of us who worked on this project – a great sense of urgency because these problems are not standing still. In other words, the situation in many cases is getting clearly worse and it's not clear that solutions that might be open at this point are going to be open forever, and one of the – and later – Nathan is going to talk later about the Palestine, but that certainly these are Palestine issues, but that's certainly one area where definitely time is not standing still.

I focused the rest of my remarks –and I'll try to keep this fairly short, because there are three speakers – on the issue of the balance of power in the region, because I think this issue is in a sense, it's at the core of the problems of – it's at the core of the problem of the new Middle East essentially, the situation that exists in the new Middle East now and underlies everything else. And it also shows the choices that the United States is facing in the Middle East now.

The beginning of my remarks is obvious. The U.S. intervention in Iraq – this is hardly a sort of original thought – has broken a balance of power that existed in that part of the Middle East. Iraq and Iran kept each other at bay for many years, not unnecessarily – it was a balance of power that was achieved at the cost of a long war, and certainly broke down at one point when Iraq intervened – excuse me – Iraq invaded Kuwait, but there was a balance of power of sorts, in the sense that there were two major powers in the region, neither of which could really aspire at imposing its will in the region completely as long as the other one was there. They tried, but neither of them managed to break the stalemate.

With intervention of the U.S. in Iraq, of course that balance of power was broken because the outcome of the war was that Iraq is no longer the countervailing power that can keep Iran in check. Iraq at this point is not – we all hope very much that Iraq is going to be put back together, but certainly Iraq at this point can only be defined as a failed state in the sense that any state that requires the presence of 160,000 or what exactly the figure is now U.S. troops in order to stay together and to maintain a vague degree of stability is obviously a failed state, and the very fact that the administration is talking now about stopping or at least pausing the withdrawal of troops after next summer, after we get back to the pre-surge level, certainly suggests that there is not a great deal of confidence that that country can put itself together quickly.

So we are dealing with a situation where we have Iran on one side and a failed state on the other, and of course, Iran is pushing out its elbows and it's doing what I think any country would do in that situation. I have no particular sympathy for the regime in Tehran now. That is not the point, but I think this is the typical situation when you have – you break the balance of power and the more powerful a country is, that is taking advantage of everything that it – as much as it can to assert its hegemony in the area, which is really happening.

Now, the question is – the question that the United States is facing here, which is in many ways the question that it's facing in other parts, but I come to that in a moment, is how do we reestablish a balance of power? And I think there are two ways of doing this. One is the policy which I think underlies everything that the administration has – that is trying to do now and has been trying to do recently; that is, you try to build a new anti-

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Iranian coalition, you try to build a coalition of what became known as the moderate states. In reality, this is very interesting in itself because many of these moderate states were regimes that two years earlier the United States was accusing of fomenting terrorism by being too authoritarian, countries like Saudi Arabia, countries like Egypt that were renamed as moderate countries.

And you can say, in reality it is an alliance of Sunni regimes against the Iranian regimes what the U.S. is trying to do – to put together, that it's a policy of confrontation. And what is interesting is that the U.S. is at the very center. In this picture, the U.S. would be at the very center of the balance of power. It would be sort of the kernel of this alliance. It would be the center of the alliance with other countries sort of the gathering around it, and there would be a new confrontation essentially between – a new confrontation with Iran.

The other possibility is what we are seeing developing in the area now, that is the policy which is being followed by most of the Gulf countries and Egypt as well is beginning to be in that area, but really with Saudi Arabia leading the way, which is an attempt to find another way to put together a balance of power in the area. There is no doubt that the Gulf countries share the U.S. view that Iran is dangerous, that Iranian hegemony in that area would be extremely dangerous. There is no love lost between the regimes – the Gulf countries – between the regimes in the Gulf countries and Iran. I'm not trying to say that there is a friendship there, but the way in which these countries are trying to deal with this problem is by talking to Iran, is by establishing contacts with Iran, by trying to deal, trying to negotiate or trying to deal, and what we have seen is an enormous amount of diplomatic activity in the area at this point that includes – some of the most important aspects have made headlines. Of course we have right now – yesterday, Ahmadinejad in Baghdad, we have seen King Abdullah inviting Ahmadinejad to the Hajj, we see Iran having been invited to the GCC meeting in Doha, et cetera, et cetera. There is – and the list could go on and on and on. And we hope to have a new paper on that issue before too long that goes into greater detail about all these activities.

So essentially this is a concept of how you reestablish a balance of power in the area that really does not depend on the U.S. being at the center of this new balance of power; that is, it's an attempt by the countries of the region to have a different *modus vivendi* among themselves. Our argument is that that kind of – that the reestablishment of a balance of power that does not require U.S. intervention to be maintained would be very much in the interest of the United States, and that the United States should try to in fact to encourage these efforts, particularly in view of the fact that it's quite clear that most Gulf countries at this point are not interested in entering into this confrontation with Iran that the U.S. is trying to promote.

Most of the recommendations – and I'll stop on this and let other people get on with it – most of the recommendations that we made in the report – and I really don't have the time to cover everything – really go in the direction; that is, we are – the situation in the Middle East is far too complicated for the U.S. to handle on its own. It's far too complicated for the U.S. to be imposing its own solutions on all the situation there. The U.S. cannot build this alliance against Iran. The U.S. essentially really cannot provide – is very unlikely to be – it cannot impose a solution on the Israeli-Palestinian problem by trying

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to isolate Hamas from the situation. This is becoming more and more clear. It's become – the events of the last few days, it seems to me, are removing any doubt that could remain on that.

The United States cannot bring – no matter how desirable the result would be – the policy would be great, in my considered opinion, to have Syria leaving Lebanon to settle its own problems. The presence of U.S. warships off the coast of Lebanon it's not going to make that happen. In other words, what may lead to progress on these issues is regional diplomacy, is regional talks, it's a much less confrontational position, and let me stop at that and let other people then cover more of this.

MS. MATHEWS: Thank you.

We turn now to Iran with Karim Sadjadpour.

MR. KARIM SADJADPOUR: Thank you. Thank you all very much for coming. I was very sad that Amr, our Egyptian colleague, couldn't make it today because he made such a great contribution to the report. But I told him that his absence is somewhat symbolic today because it's symbolic of Egypt's absence from the new Middle East essentially – (laughter) – from being a big player in the new Middle East, and I told him that perhaps you should clone me and have two Iranians speak today, because Iran has probably – has at least doubled the influence of Egypt these days in this new Middle East, thanks in large part to the Bush administration.

I will offer four to five policy observations from Iran, and then four to five policy realities for the United States. The first point, and in retrospect, this looks – it appears very elementary, but at the time, I didn't remember anyone talking about it. The first point is that, I would argue from the very outset when the Iraq was being prosecuted, Iran actually was given an incentive to play an unconstructive role in Iraq. They had a disincentive to play a constructive role in Iraq. Why do I say that? There was an assumption that after the removal of the Taliban in Afghanistan, given that Iran had also opposed the Taliban and Iran had played a very constructive role in the U.S. removal of the Taliban, that they would be the same in Iraq.

But there was a big distinction between how the Afghan war was prosecuted and how the Iraq war was prosecuted. The Afghan war wasn't prosecuted with the premise of changing the political culture of the Middle East, or changing the political culture of Central Asia. There was not talk when the Afghan war was prosecuted that first stop is Kabul and then next stop is Tehran. When the Iraq war was prosecuted, that was very much the language, this was going to change the political culture of the Middle East and first we'll go to Baghdad and then we probably we won't even need to then move to Tehran because the Iranians will be so scared that they will change their behavior, or the envious Iranian population will see this new found democracy in Iraq and they will rise up against their leaders.

So I think from the very outset, in retrospect, Iran actually had an incentive to make life difficult for the United States in Iraq and to see the Americans trying to learn a very expensive lesson in Iraq. So that's the first point. The second point I would argue is that

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apart from the great humanitarian catastrophe in Iraq, I think one of the great dilemmas of this Iraq war is that it's really resuscitated the Islamic Republic and it's resuscitated very nefarious forces within the Islamic Republic. I was based in Iran largely from 2001 to 2005, and I can tell you in 2003, Iran was a much different place. There were student agitations taking place, oil was at \$20, \$25 a barrel, and no one imagined that in 2008, you would have kind of a return to this revolutionary radicalism and Iran would be stronger than it's ever been vis-à-vis the United States, the Islamic Republic would be stronger than it's ever been vis-à-vis the United States and the 28, 29 year history of the revolution.

So I would argue this Iraq war has really resuscitated the Islamic Republic, and from a popular perspective, it's had a big impact as well. And if I were giving this talk in 2002, I could make the argument – or I would make the argument then that Iran is the most pro-American population in the Middle East. Now, I say that Iran is the least anti-American population in the Middle East. (Laughter.) And it's very difficult to blame anyone if you're – and one thing the Islamic Republic has done very effectively and very shrewdly the last three, four years is to broadcast on a daily basis the tumult and the carnage that is taking place next door in Iraq, images which we probably don't see on our television screens, they see on a daily basis. To send an implicit message to people that listen, you may not be happy with us, but at least you have security.

And I can tell you increasingly this is something I used to hear in Tehran in 2005, that yes, we may not be happy with our leaders and there is overwhelming discontent with the Islamic Republic, but people say, well, in a choice between anarchy and democracy and carnage and stability and authoritarianism, we'll take what we have because again, this is a population which also experienced an eight-year war with Iraq and they are very allergic to the prospects of increased tumult and chaos and unrest. And I would also argue that the Iraq war has on one hand poured some water on the democracy movement in Iran, but more importantly, it's provided the hardliners in Tehran a pretext to really clamp down on these pro-democracy activists in Iran under the pretext of protecting national security.

The third observation from Iran, and this is a fairly obvious point, but when it comes to the nuclear negotiations, Iran's price tag, whatever that may be, Iran's price tag for some type of a diplomatic accommodation on the nuclear issue had been increased substantially, and this due not only to the situation in Iraq given the leverage Iran has in Iraq and elsewhere in the region but also the price of oil. Again, at the outset of the Iraq war, we can check the prices, but I think it was around \$30 a barrel. Now, it's hovering above \$100 a barrel. There's been a lot written about a 2003 overture which the Iranians made to the United States. Barbara Slavin is here. She's written about it a lot, and I think Barbara and others would agree that in 2003, Iran was willing to offer more to the United States and expect less, and in 2008, they're going to expect much more and be willing to offer less, because they said the dynamics have changed and therefore the price tag has changed.

The last policy observation from Iran, and this is an important one, is that opposition to the United States has become a first tier foreign policy priority for the Iranian government, even if that means doing things which are not in Iran's own national interest. I'll give you one example as Iran's flirtations and kind of on and off support for the Taliban in Afghanistan. The Taliban is a Sunni fundamentalist cult which Iran almost fought a war with themselves about a decade ago, and now there's very solid intelligence that Iran, among

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the other actors, among the various actors that they're supporting, they've armed in Afghanistan is the Taliban, and it's not because Iran wants to see a resurgence of the Taliban or they want to see the Taliban to power, but essentially because the Taliban is making the life difficult for the United States, they're opposing U.S. interest. This has become a foreign policy priority for Iran.

They're also doing the same with various actors in Iraq who are not the natural allies, but they're actors who are opposed to the United States making life difficult for the United States and Iran has been indulging them, flirting with them at various points. And another very good example is Hugo Chavez in Venezuela; makes no sense in the context of Iranian national interest to form this great economic and political alliance with Hugo Chavez in Venezuela. I'm sure that Ahmadinejad didn't know where Venezuela was before Hugo Chavez came to power, and now there's billion dollars economic pacts being signed, increased trade relations, and this only makes sense given the fact that Iran's foreign policy is now defined by the first tier priority is making life difficult for the United States, opposing the United States.

Now, we can come back to Iran and the questions, but I want draw for us four to five policy realities for the U.S., what the U.S. can do at the moment. I think throughout the last few decades, we've heard this phrase before: the road to peace in the Middle East goes through – name the capital. I think in the '70s, Nathan will remember the road to pace in the Middle East goes through Cairo, this was the adage. The Bush administration said the road to peace in the Middle East goes through Baghdad, and I remember that (was ?) refuted by many people, said, no, the road to peace in the Middle East goes through Jerusalem. I would like to posit for your today that the road to peace in the Middle East at least today goes through Tehran, or you can make the claim that Tehran has that claim more than any other city today. Why is that?

We look at all the outstanding security issues of the Middle East, Iraq, Israel Palestine, Lebanon, Persian Gulf security, add Afghanistan to that, I would argue that Iran has more leverage than any of these conflicts than any other country in the region, and to be able to resolve these issues is going to require an Iranian seat at the table. Now, incidentally, Marina mentioned the summer of 2006 bombing of Lebanon, and you all I'm sure remember Secretary Rice's now infamous comments about it being the birth pangs of a new Middle East. And what was very interesting for me following the Iranian media was that these comments outraged the entire Arab world, but the Iranian media was actually in agreement with them. They said, indeed, it is the birth pangs of a new Middle East, but it's a new Middle East which we're going to create in our image, not the image of the United States.

And what was quite interesting was that these hardliners in Tehran who are very hostile to the prospect of free and fair democratic elections within Iran, are Jeffersonian democrats when it comes to regional elections, because they say, what happens when there's elections? Hamas gets elected in Palestine, Hezbollah in Lebanon, Shiite coreligionists in Iraq, the Muslim Brotherhood in Egypt. So the leadership in Iran right now believes that the best vehicle for them to assert their interest throughout the region is ironically the same vehicle which the Bush administration adheres to which is democratic elections, and they've very confident that if they go toe to toe, they will produce politicians and governments in

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Iran – governments in Middle East much more sympathetic to Tehran's world view than to Washington's.

Now, given this current reality, given Iranian leverage in these countries which I mentioned, I would argue that ignoring Iran is obviously not an option. Bombing Iran would exacerbate all of these issues. If we bomb Iran, it's only going to further enflame Iraq, Lebanon, Israel, Palestine, Afghanistan, Persian Gulf. So we are left with the option of engagement, and a lot of people have invoked this analogy of Nixon to China, that we need a Nixon to China approach when it comes to Iran. I think in theory, it's okay, but in practice, there's a big distinction between Nixon to China and the current reality between the United States and Iran.

And what I would argue that distinction is that the Chinese at that time had made a strategic decision internally that they wanted a different relationship with the United States, and I would argue that the current government in Tehran has not reached that consensus. I think there are certainly many actors within the Iranian government who do want a different relationship with the United States, but I think there's certainly not a consensus and certainly not a consensus to do it with this Bush administration in Washington. I think down the road, yes, but at the moment, I think it's very difficult to make this grand overture and try for a grand bargain with a government in Tehran which themselves are not quite clear if that's what they want.

And I think this recent Annapolis meeting really underscores the dilemma of how we go about dealing with Iran, because I remember at that time, there were essentially two schools of thought: there was one school of thought when it came to the Annapolis meetings which said that we shouldn't invite Iran to Annapolis because they disagree with the fundamental premise of Annapolis. Annapolis was about creating a two-state solution and Iran is opposed to a two-state solution, so it's like inviting vegetarians to a barbecue. They disagree with the fundamental premise of what Annapolis is about. On the other hand, if you don't invite Iran to Annapolis, you essentially – and the way the Bush administration did it was that Annapolis was about two things: it was about Arab-Israeli peace on one hand, but it was also, as Marina said, about assembling this coalition of moderates against Iran.

So essentially then, you offer Iran an incentive to rain on the parade, to try to sabotage the entire process. They say, well, if Annapolis is about isolating Iran in the region, then we're going to rain on Annapolis. And again, this is a dilemma because on one hand, how you can invite them if they disagree with the premise of it, and on the other hand, if you don't invite them, they're going to feel incited to sabotage it. What I would simply offer advice for the duration of the Bush administration is that you can do what Teddy Roosevelt did which was to speak softly and carry a big stick. You don't have to advertise everything you do in the Middle East as a means of isolating Iran. Whatever it is that the Bush administration wants to do these days, whether it's bring about Arab-Israeli peace or promote stability in Iraq or bring about Persian Gulf security, it's always mentioned with great fanfare that this is also a way of isolating and undermining Iran, and I think again, then you incentivize Iran to try to counter that and play a destructive role.

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Now, the last point is how do we move forward and what's the means of moving forward. What I would argue is that the fundamental dilemma between the United States and Iran is this very deep-seated mutual mistrust and ill-will, and it's very difficult to build confidence on issues where there's no common ground. And I would argue when it comes to the nuclear issue, the zero common ground it's really a zero sum game. On Iraq on the other hand, I would make the argument that there's more overlapping interest between the United States and Iran and Iraq than any of Iraq's other neighbors and that should be a place to continue the discussions, the conversations which have taken place in Baghdad, and I would very much encourage both sides to continue those discussions and ideally expand those discussions once sufficient confidence has been built to perhaps encompass the nuclear issue.

But I don't think we should have any illusions between – as long as the Bush administration is in office that we can bring about a grand bargain or a rapprochement between the U.S. and Iran. I think we should set the bar lower. The bar should – the ideal should be to avoid a confrontation, not to bring about a rapprochement. That's quite unrealistic. And I think by June, July, 2009, we may be in a position to really begin to try to change the relationship. At that time there will be a different president in Washington, and Ahmadinejad is up for reelection in Tehran, June of 2009. I think once we have a change of leadership in both countries is when we can to think about bringing about a sea change in this relationship and then a sea change in the Middle East. Thanks.

MS. MATHEWS: Thanks, Karim.

Now we're going to turn to the easy problem. Nathan Brown is going to tell us about the Arab-Israeli.

NATHAN BROWN: Thank you very much. And I've also been asked to fill in for Amr on the issue of political reform, so let me try to handle both and do so briefly. I think Marina in her opening remarks captured very well what it is that we were trying to do in this report. We had a couple of tasks: number one was simply to take stock, not to examine the Middle East as we would like it to be or what we would like it to be come, but as it really is today, as a result of the events in the last few years. And second, to try to be constructive as to what to do about it, so sort of with that in mind, let me go to first the Israeli-Palestinian front and then a few words about political reform.

On the Israeli-Palestinian front, there's absolutely no doubt that the situation right now is bad. Just in terms of stock taking, it is probably fair and important to note that the situation the Bush administration inherited back in 2001 was unbelievably bad, so you cannot certainly say that a disaster has been created. It may have been deepened but they took over a disastrous situation. There are a couple of positive developments. There is some good news on this front. Number one is that there is now a fairly well articulated international consensus on what a solution looks like. And this is repeated so often that it's sometimes forgotten that that international consensus was almost unspeakable a decade ago.

The United States did not talk about a Palestinian state a decade ago. A two-state solution was perhaps implicit in people's minds, but nobody had the nerve to talk about it on the American side or – (unintelligible) – on the Israeli side, and not only that. You have

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the Arab League's 2002 Beirut resolution, which again kind of supports the idea. So you not only have – it's not only being articulated by the United States. It's being articulated obviously in a very different version, but still clearly articulated and endorsed by the Arab League, Arab state actors were the ones who sort of stood aside from this process in the 1990s. So that's sort one sort of set of positive developments. And the second is that it is probably still the case that when presented with that deal, a piece in return for the compromises involved in a two-state solution, majorities on both sides, both Israel and Palestinian said will probably still take it.

So that's the good news. But there's bad news and the bad far outweighs the good. And first, let me just qualify the statement I just made about public opinion. Yes, it is probably true that publics on both sides would still take this deal if they thought it was offered them. They're now so deeply cynical that nobody believes it's being offered them, nobody believes that it's a realistic possibility that would really resolve the conflict in any meaningful way, that is to say Israeli public opinion is extremely skeptical about Palestinian intentions and capabilities and vice versa on the other side. So to convince them that this is a good, ideal solution is quite different from convincing them that this is a practical alternative.

You go to the leadership level and things are worse. On the Israeli side, you've got an Israel that is badly divided and finds it difficult to move, it is in some ways, despite the withdrawal from Gaza, even more deeply entrenched in the West Bank with the construction of the wall. And the Palestinian side, again is worse still. You have no viable Palestinian leadership. You have two rival leaderships that have each deeply entrenched themselves one in Gaza and one in Ramallah, and there is therefore in a sense that – Israelis used to complain there's no partner on the Palestinian side. Well, now that's quite literally true. There's nobody who speaks authoritatively for the Palestinians. There's two Palestinian authorities: there's the Palestine Liberation Organization which Hamas doesn't really – it accepts it in principle but does not accept it as currently constituted and it doesn't really exist except on paper in any case.

So that is the reality, and in summing up that reality, let me apologize to those of you who've heard me say this before, I said it once before in this room I believe, for 20 years we've been being told that the situation is absolutely critical, this is the last chance for peaceful settlement, it is two minutes to midnight. Well, after 20 years, if you figure out time correctly, that means it's 20 years after midnight – (laughs) – and that means that that time for that solution it's simply you can't get that from here, at least with the current configuration. Is there anything that could be done to revive the viability of the two-state solution?

I guess I would say speaking for myself, I'm mildly skeptical, but I'm not despondent. I think there are sort of things that could be done, and the primary thing that has to be done, and the first step and the obvious step is to put the Palestinian leadership and the Palestinian political entity back together and that has to be a priority, otherwise, there's simply nobody who can sign on the Palestinian side, and what they'd sign would be worthless. It's something that they could not implement, could not sell domestically and so on. So that a part of any solution has to be re-knitting back together those structures that

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unify and speak authoritatively for Palestinians, and that's the Palestine Liberation Organization and the Palestinian Authority.

Now, that's a very obvious prescription. And the simple fact is that doing that will be difficult in many different ways, difficult politically, risky politically, because it essentially means in some ways taking cognisance of the fact that Hamas is not going to go away. And that's something that I think would be very difficult for any American government to do. It's something that I think would be difficult for any Israeli leadership to accept. Oddly, I think it would be slightly easier for them than it would be for us, but that would have to be the clear direction. Otherwise, what's you've got is the death of the two-state solution, perhaps if I'm going to be consistent, the continued death, it stays dead. And you've got in a sense one part Somalia, one part Yugoslavia, and not an enviable situation.

With those cheery words, let me move to the issue of political reform which Amr was going to cover. Because he's not here, his understudy, Nathan Brown will say a few words about political reform, and I think I can reflect the report in Amr's understanding fairly accurately. The one thing I can't do is speak quite as fast as Amr does, although I'm pretty fast myself.

What's the reality? Well, the reality is that political reform in a sense is a difficult matter to pursue for the United States in the Arab world. The Bush administration early on provided I think a very trenchant critique of pre-existing policy and its downgrading or even ignoring issues of democracy and political reform. And it's sketched out a very powerful and ambitious vision of the alternative. The reality in 2008 after – this vision basically took shape in 2002 and 2003 – the reality in 2008 is that this is going to be a much more difficult and long-term struggle than I think the American leadership appropriately appreciated back when they first enunciated the vision.

Bush's famous declaration, the state of union address that our interest in values are one, and I think it is easy to argue that in the long run, that is the case, that the United States has interests in a Middle East in which the political systems there are well rooted, speak authoritatively for their populations, give some – are ones that are both stable and democratic and so on. In the long term, that is perhaps in the American security interest. The problem is in the short term and the medium term. There are all kinds of conflicting pressures. And what has happened over the last couple of years, basically since the election of Hamas back in January of 2006 is that those short term pressures have come fast and furious and have been overwhelming.

A second and related reality is the power of Islamist movements. It is not the case that the Islamist movements would win any free election in the Arab world. We've seen their electoral share go down in the most recent elections in the Arab world, in Jordan and actually go it didn't go down, but they performed much less well than it was expected in Morocco. But if you take a look at the elections of this decade as a whole, what you can see is that these are powerful movements that when the game of politics goes to the level of how many of your supporters you can get to turn out, Islamist movements are in decent shape. And therefore, to push for democracy while ignoring an extremely important popular political force is deeply contradictory. And we have to take account of that reality.

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And the third reality that the Americans stumbled on I think over the last few years it's that there aren't any easy partners for this. In a sense, a lot of the American post-Cold War enthusiasm for democracy and democracy promotion took place in what looked like comparatively easy cases where populations and sometimes leaderships were fairly well – or fairly interested in the idea of remaking their societies in a liberal and democratic manner. It's not necessarily the case that the Middle East – the democratic sentiments are weak in the Middle East, but when reaching out to potential partners, the simple fact is that most governments in the region regard this American mission in unfriendly manner and that there aren't any easy partners in terms of a political party, civil society and so on for the United States to work with either. So the policy, however much it may serve American interest in the long term, does not find easy purchase in the short term.

What to do about it? I think – and here I basically should note parenthetically that although this report is very much a joint product, Marina gets primary credit for trying to coordinate and review and knit together and edit and reedit and reedit. I would say it seemed almost daily for the last few months, and if there's one thing that sort of would back and enforce that at least I was wrestling with is how do we communicate the message that a fundamental sympathy with the idea of support for political reform while also being realistic, and therefore not sounding as if we're abandoning the entire enterprise. And it's in that spirit that I'm going to make some remarks today.

I think those long-term benefits are still very much real, but we have to realize that the benefits at the payoff is going to be over the long term. And what that suggests is not an easy solution, but I would sort of offer kind of three pointers on how to guide policy in the next few years. Number one, it makes great sense to ratchet down the rhetoric and the goals and the promise. We are not going to have a liberal democratic Middle East in the next year. The transformation will be slow and difficult and to be fair to the Bush administration, they've always said that, but the strength of the rhetoric and sort of the soaring claims were enough to drown out the more nuanced part of the message.

Second thing is we need a little bit of a steadier hand. There are going to be some times when short term – when movement in a democratic direction or in the direction of political reform will bring some conflict with other American goals. And sort of the manic way in which we have embraced and then rejected the outcome of any political reform process, I think is both difficult for policy makers to implement consistently and has greatly damaged the message.

And the third is probably to be a little bit more careful and judicious in our selection of candidates. In a sense, political reform and democratization was pursued sometimes as a stick by which to beat over heads of regimes we didn't like, most obviously in the case of Iraq but also some extent in Syria as well, or in failed states which are not likely candidates for political reform, and to bring democracy to Iraq after the invasion, to bring democracy to Lebanon, to bring democracy to Palestine, all of these would have been good things, but these are probably the most difficult environments which one could imagine.

Instead, I think that what makes sense is a little bit more long-term orientation not towards democratic revolution but towards slow democratic reform, probably in much more established states, ones that have a great degree of stability, in a sense the great semi

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authoritarian middle of the region. And I say those words with some misgivings, because the argument for gradualism especially in the Arab world has often been an argument, an apology for inaction. It's – how many years has it been since the Magna Carta, so therefore we're embarking on a 800-year project, is kind of the argument as it's sometimes made. So for that reason, I do want to stress that this is not – that the recommendation is certainly not to abandon the entire enterprise but to probably pursue it a little more realistically and judiciously and without, as I said, sort of the manic embrace and then undeclared abandonment that we've seen for the last few years. Thanks.

MS. MATHEWS: Thanks, Nathan.

Okay. There's an enormous amount on the table. Do I see microphones? Okay. Please wait for them, and the gentleman right here. And if you would direct your question and just introduce yourself. That will help us.

Q: Hussain Abdul-Hussain with "Al Rai" newspaper. I had a question to Marina. You talked about the national unity government in Lebanon as a solution for the Lebanese impasse. But there was a government, a national unity government that lived for a year, and the reason why Hezbollah quit this government was over the Mr. Hariri's tribunal vote and then they started the war, and during this national government too, a lawmaker was killed among other bombings in Beirut. Why do you think this time a national unity government would be a solution?

MS. OTTAWAY: Are you taking more than one question?

MS. MATHEWS: Well, maybe that's a good idea. We'll take a couple, and that way we'll try to cover more ground. In the back here and then come back up. Right behind you.

Q: Thank you. Emile El-Hokayem, Stimson Center. A question not about the definition of U.S. interests in the Middle East but more about the conduct of diplomacy. In the past two, three years, we've seen a major shift in how U.S. diplomacy was implemented in the region, a bigger use of multilateral institutions – I call it lip service to international law, the use of the Security Council, the formation of coalitions. To some extent, one can argue that given how the Middle East is today, there's not much the next administration can do, but they will certainly take this from the current administration and multilateral approach to the region. Where do you see real opportunities for breaks on major interests, whether it's Iraq, there's a sense that not much will change, on Iran, as Karim said, it will take some time even for Tehran to – Tehran's position to change. I'm just curious to see what fundamental break you see coming aside from how you conduct diplomacy. Thank you.

MS. MATHEWS: Thank you.

The gentleman right here.

Q: Thank you very much. Firas Maksad with the Lebanon Renaissance Foundation. My question is to Marina. As you might know, the report caused quite a bit of controversy in Lebanon with some of its recommendations. There were articles written in response –

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MS. OTTAWAY: We are aware of it.

Q: – in response to that, not surprising given the nature of Lebanese politics at all. Perhaps what was surprising is some of the criticism that was levied by none other than Paul Salem, who in an interview today (in Lebanon ?) said the report was imperfect and the process was frustrating and that you yourself took the lead on authoring the Lebanon – (unintelligible) – (himself ?). I was wondering if you would like to comment on that given its impact on the credibility of the report.

And very briefly, Ms. Mathews, your piece in “Foreign Policy” about trying to divert the quote, “Syrian secular Sunni regime” away from Iran was very interesting. I’d be interested to be hear a bit more about the characterization of the regime as being secular and Sunni. Thank you.

MS. MATHEWS: Anymore? I’ll take one more and then if there’s anybody who’s feeling urgent – all right. We’ll start.

MS. OTTAWAY: I think that the first – the two question from Lebanon, and then let somebody else handle Emile’s question. Okay. What is the position that we – let me try and explain more broadly where we came from on this. Our view of the situation, the view that is reflected in the report – and we’ll talk about Paul Salem in a moment – is that essentially, there is no possibility at this point to get – to exclude Syria from playing a role in Lebanon. It’s not a question of whether it would be desirable, and I have said before. I think it would be great if the Lebanese were left to solve the problems on their own.

The fact is that this is a country where every group has now external allies, whether it’s Hezbollah with Iran and Syria, Syria sometimes plays it – it’s not quite clear what hand it’s playing and whether it’s exactly Hezbollah’s hand. It also clearly has a very murky policy of its own. The question is that these are actors that are there and are there to stay. The same way as that we are arguing the United States cannot promote a democracy in the Middle East without taking into consideration that if you have elections, the Islamists are going to play a role. It’s just – this is the way the situation is. So given the situation, how does one handle the situation? Some of the op-eds in the “Daily Star” you were referring to on the new Lebanon and so on have accused us essentially of wanting to turn Lebanon over to Syria. We are not advocating turning Lebanon over to anybody. What we are saying is, like it or not, Syria is going to be there, and with the fact that there are three U.S. warships off the coast of Lebanon does not mean that – is not going to make Syria go away.

Now, the solution then at this point is not that the U.S. can have an operation of force against Syria, sort of invading Syria, which I’m sure it’s not going to happen at this point. In 2003, I thought there was a possibility. I don’t think that there is the slightest possibility of that. The only way in which the situation in Lebanon is going to improve is if the various Lebanese groups reach an agreement among themselves and the U.S. should be trying to help finding this compromise rather than trying to do what I think it has been doing which is encourage the confrontation. There is an international tribunal, the Hariri tribunal which is going to continue with its work and it’s a good things. Later the tribunal will – but the tribunal – again, the tribunal is not going to make Syria go away. The tribunal is – hopefully, it will find out certain culprits and it will come to – and it will have an impact

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that way, but it's not – I don't see the possibility that Syria will stop being an actor in Lebanon. And that's essentially the gist of that particular part of the report.

Now, let me come to the second part and Paul Salem and his comments, the interview that he gave with now Lebanon – and if you have ever tried to write a collective piece of work, yes, it is frustrating because you are putting together the – I think that Nathan put together – Nathan summarized it well. We edited and reedited and then reedited it some more and then we discussed about it and we did some more editing and I could continue because believe me, this went on for a long time. Did any of us – did the views reflect 100 percent the views of any us? No. I think one that – so that essentially what Paul is reflecting is the fact that he was not 100 percent agreement on any of the – on all of the points that were expressed. I don't think Paul was refuting the report as such. I think – I don't suggest that we do it now, but we could pick other points in the report where the – there were some divergence of opinions.

MS. MATHEWS: Karim?

MR. SADJADPOUR: Can I take Emile's question? Emile is my former intern at the International Crisis Group, so I'm obliged to take his question. (Laughs.) You make a very, very good point and I always point out to people that, again, when the Iraq war was prosecuted in 2003, the U.S. was happy with a very strong resolution, very strong resolutions and then very weak coalition. And when it comes time to checking Iran's ambitions, it's essential to have the inverse of that, initially weak resolutions in order to achieve a more robust coalition because if you push for very, very strong resolutions, you're not going to get a multilateral coalition, the Chinese, the Russians, even the Europeans may drop out.

And I always tell people that we're trying to ascertain the world view from Tehran. If Iranian leaders wake in the morning and they see, there's been an intensification of U.S. sanctions, they say, big deal. We've been under U.S. sanctions for three decades. If they see U.S. sanctions and even stronger European sanctions, they say, well, big deal. So we can't export our pistachios to Poland now. It's not going to break the bank. But if they wake up in the morning and see well, not even the Chinese or Russians are returning our phone calls, I think this is when they start to think twice, they start to recalculate their approach.

So I would argue that moving forward with regards to Iran was really essential. Whatever the policy is, is to have, if it were possible – and it may not be possible – but if it were possible, a coherent international approach, because if every country approaches Iran with a different red line, Iran is incredibly adapt at exploiting these rifts within their international community. And if the Americans are telling Iran, you have to suspend enrichments of uranium and the Europeans are saying, well, actually we don't have really a problem with them, the entire policy is going to fall apart. So I think what's fundamental, and I would put this even a greater priority of what the actual policy is. what's essential is to have if (at all ?) possible coherent and cohesive international approach.

MS. MATHEWS: Nathan, did you want to add anything or are you happy? Okay. Let me go in the back to the gentleman right there. Right there.

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Q: Tamman al-Barazi from “Al-Watan Al-Arabi” magazine. Here on page 37, you said that you should encourage Syria to put some distance between itself and Iran. How can you do that given the strategic alliance between the two countries, secondly, the huge investment three billion plus; they have car factories in Syria, they have cement factories, name it. How can you do that, encourage Syria to distance itself?

MS. MATHEWS: Way in the back.

Q: Thank you. Rich Eisendorf from Freedom House. Karim, you made the observation that the war on terror has been an excuse for Iran to clamp down on democracy advocates. Clearly, that’s the same for much of the region. I’m sorry. You said the Iraq war. I think the war on terror also is another example of that. Can you comment for the whole panel on countries – the ability to reverse that trend in some ways? How can we in American foreign policy continue to support democracy advocates, because I think we’ve been slipping in that regard as well. Thank you.

MS. MATHEWS: Okay. One more. Right there.

Q: Hi. I’m Ori Nir with Americans for Peace Now. My question is to Nathan Brown, and it has to do with your observation or analysis that the creation of a unified Palestinian leadership is a necessary condition for the revival of the peace process or for the revival of the two-state solution option. My question is, A, given the structure of the Annapolis process which makes a clear distinction between reaching an agreement and implementing it, do you make that distinction in your analysis of that condition, in other words, would it be enough to have the current Palestinian leadership to reach an agreement, would you then need a different leadership in order to implement it. And secondly, what are the other conditions that are need perhaps not necessary but vital one for the two-state solution to remain viable?

MS. MATHEWS: Who would like to begin?

MS. OTTAWAY: You can go in – (unintelligible).

MS. MATHEWS: Okay. Fine. Okay. Why don’t we start with Nathan?

MR. BROWN: Okay. I was hoping not to so I would have time to jot down my thoughts. This will be a little less coherent. But no. It’s okay. I’ll just be incoherent. You’ll suffer. (Laughter.) With regard to the first part of the question about sort of the Annapolis process, what about this idea of sort of going to a (shelf ?) agreement, general declaration, whatever, I think it’s pointless, because the idea of – part of the idea is that what it will do is give the current Palestinian leadership based in Ramallah something to show their populations to say this is what happens when we sort of go along with this diplomatic process. The problem is that Palestinians think that they have been promised this two-state solution over and over and over, and promising it to them again without any realities changing on the ground will do absolutely nothing. It will just make people more cynical.

There are those who argue that it discredits the process, that it would actually be actually damaging because it will damage that two-state solution. I don’t go that far. I don’t

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think it will damage it. I think most people will just treat it as an irrelevancy. And there is something to be said sometimes for sort of putting things down on paper in the hope that five years, 10 years from now, if there is a process, they'll go back from that point. So I don't think it does any harm, but it certainly doesn't do any good and it probably distracts energy and attention away from that fundamental task of recreating the Palestinian leadership.

The second part of the question about the two-state solution, what else has to be done in order to revive it besides reviving the Unified Palestinian Leadership, I would just add sort of a second condition that any revival that takes place probably has to be along the lines of something like the Mecca Agreement that did allow for some negotiation to continue. It was never clear how any agreement launched under the Mecca Agreement, the national unity government would be implemented, but at least it wasn't being actively undermined at the time, so that basically a return to a unified Palestinian leadership would presumably allow Abu Mazen in his capacity as chairman of the Palestinian Liberation Organization to do in effect what the Annapolis process is promising, that is to go ahead negotiating on behalf of the Palestinians and leaving questions of adoption and implementation until later. So what I would say is that whatever reunification of the Palestinian leadership does take place has to leave some room for bilateral – or for some sort of internationally sponsored Israeli-Palestinian negotiations.

MR. SADJADPOUR: Okay. A couple of quick points on Syria and Iran. I remember after the Iraq war, I was asked to write an op-ed about the Syrian-Iranian relationship and my analysis was totally wrong. I mean, my op-ed was totally wrong. I hope no one Googles it and finds it because it really turned out exactly (what?) the opposite of what has happened, and my analysis was this that the Syria-Iran alliance is kind of an odd alliance as it goes because you have a secular Ba'athist regime in Syria aligned with an Islamist government in Tehran. And the alliance wasn't born out of an ideological affinity. It was born out of a mutual enmity towards Saddam Hussein during the Iran-Iraq war and Syria was Iran's only Arab ally during that war. And my analysis was that after the removal of Saddam, we were eliminating the *raison d'être* of that alliance. If you remove Saddam, then if the alliance again, was born out of this mutual enmity toward the Ba'athist regime in Iraq, you remove that Ba'athist regime, then it's based on kind of on faulty ground then.

And the reason why my analysis turned out to be wrong is that the United States has essentially filled that vacuum left behind by Saddam and now it's not a mutual enmity towards Saddam but a mutual concern and a mutual enmity towards the United States, I would argue, the Syria-Iran alliance at the moment. It's also built up other features as well. It's obviously the enmity toward Israel and the patronage of Hezbollah. But is that alliance – is it going to be impossible to break up? The example you used was Iran's economic patronage of Syria. But when you look at it, it's quite paltry to what some of the Gulf countries could offer potentially.

It's true. Iran has given Syria subsidies – or probably billions of dollars of subsidies all over the years and they've opened up manufacturing plants. But is an Iranian automobile plant in Syria really that attractive compared to what some of the Gulf countries can offer in terms of economic patronage? I think Saudi Arabia has \$130 billion surplus right now. So I don't think that the alliance and the endurance of the alliance is based on Iran's economic

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patronage of Syria. It's again based on the strategic common sets and kind of a mutual security fear of the United States and I think if a couple of these things change, either Iran's relationship with the United States or Syria's relationship with the United States, then I think the alliance will come much more into question.

Second question about reversing the trends of governments seeing the war on terrorism and the Iraq war as a threat to their own interests and these governments clamping down, and how do you support democracy activists in the region and not hurt them in the process of doing so. Marina and Nathan and my colleague Michelle Dunne and Amr have written a lot about this as well, and maybe they would agree that I don't think there's one size fits all approach to the entire Middle East. Probably each country we have to look at uniquely.

In the case of Iran, what I will tell people is that I defer to the democratic activists themselves in Iran. And I was waiting to hear what Akbar Ganji – Akbar Ganji is Iran's most prominent dissident, and he was in prison for five years, and I was really waiting to hear what he would say about all of this, because there was this raging debate about whether or not we should support democratic activists in Iran, while he was in prison. And I was very curious to see what he would say when he would emerge from prison. And he's written about this extensively since he's come out, and that has been that the U.S. actually hurts Iranian democratic activists much more when they try to support them financially and rhetorically. And there should be a support for human rights and these types of measures. But that ultimately active U.S. support for democratic activists within Iran is counterproductive. I'm not sure if that necessarily applies to other countries in the region.

MS. MATHEWS: Did you have –

MS. OTTAWAY: Just very briefly I want to add something essentially in reply to both the questions that Karim addressed. In an atmosphere of confrontation, if the policy continues to be – if the main U.S. policy continues to be sort of to confront Iran head on and the confront Syria head on, obviously there is nothing that can be done to separate the two because there is no – in effect, it seems to me that what we are doing is making it inevitable that there will be that alliance, and – (unintelligible) – we are also making it impossible for any solution to be worked out in Lebanon because I think we are in a situation where there's not going to be a clear victory of a U.S. policy that manages to sort of bring down the regimes in Tehran and the regime in Baghdad – excuse me – in Damascus and make Hezbollah go away.

So that it seems to me that in a policy of confrontation, of course these alliances are going to remain as tight as they were before. The question is, can anything be done to start changing this atmosphere and therefore making it possible for countries to start pursuing interests that in the long run are not identical? There is no magic bullet that's going to change the situation tomorrow, but it's a question can we start essentially try to put in place a different process that might make some of these things possible.

Q: I'm Ali Gharib from IPS. I was just wondering. In light of your last two comments, is there – I don't want to ask you to peer into a crystal ball here, but is there a point at which when you say Tehran might not be interested in any sort of grand bargain

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because they've gained a lot of leverage in a lot of different situations across the region and they've very much been empowered by American policy. Is there going to be a sort of breaking point where – from my understanding, there is still some interest in a grand bargain with the U.S. in Tehran, and I'm just wondering if there's going to be a breaking point where they feel that, as you said in the report, the nuclear clock is going to beat out the regime change clock and they know that. How much incentive do they have to just wait out a situation like that and use that as sort of a big bargaining chip and not negotiate with the U.S. at all?

MS. MATHEWS: Thank you. And then go in the back.

Q: Hi. Frankie Sturm, Moroccan American Center. I have a question about the relationship between the United States presidential election and Iran's presidential election. If U.S. candidates go out and say things like, we're willing to talk to Iran about the nuclear issue, about Iraq, about terrorism and in return we're willing to talk about security guarantees, not invading, recognition, entry into the WTO. Is that at all a non-invasive way to undercut Ahmadinejad and hardliners going into the 2009 election in Iran? Thanks.

Q: Hi. Gary Mitchell from the "Mitchell Report," and I guess this wouldn't be the place to ask what your predictions are for Texas and Ohio – (laughter) – so I'll move on to the other question.

MS. MATHEWS: No.

Q: A year from now, if we're sitting in this room, there're going to be a new cast of characters in American politics and an opportunity to get some things right that we apparently have not been able to get right for a long time. I'm struck by the sort of the bipolar messages that come out of the Middle East to us. On the one hand, you've got to get involved, you've got to be directly involved, and I'm thinking particularly about Palestine and Israeli situation. And on the other hand, that's the kiss of death. So aside from Nathan's sort of process recommendations about ratcheting down the rhetoric and a steady hand, et cetera, what are your thoughts about the sort of substantive elements of what the next administration might put together that would be the architecture of a Middle East strategy.

And I'm going to ask the sort of other part of that question, which is: and is there such a thing as a Middle East strategy or is it really increasingly getting it right country by country?

MS. MATHEWS: We ought to be able to do it in 30, 45 seconds, right? Who wants to begin?

MS. OTTAWAY: Let me try. You always – I have heard you asking the real impossible questions to answer many times, and you did it again, but let me try. Is there an overall architecture rather than case by case? I think there are both in the sense that I think in terms of – if I were to say is there a single step essentially in trying to address – guiding principle towards some of the international issues, the regional issues in the Middle East, I would say to look at the initiatives that Arabs themselves are taking and what seems to be

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promising and build on those. We cannot continue trying to impose own idea about how to proceed and how to reach a decision and sort of expect Arab countries to follow the lead of the United States.

First of all, it's not happening. Second, I think we – there is a lot of understanding and wisdom and context and so on that comes from the area itself. And I think we really think we need to spend a lot more time working with Arab countries not in the sense of convincing them to join us, but in terms of trying to see whether they are proposing something that does make sense. And I think we should spend a lot of time trying to understand what is really – how far can these diplomatic and regional diplomatic initiatives go and what can the U.S. try to do to support them, rather than to say, we have the solution, you come with us – you are with us or against us, but just we have the solution and you come with us. So that is I think in terms of an overall approach that would be the most important.

That said, there are a lot of situations that cannot be addressed on the regional level. The issue of political reform within Arab countries is not something that can be addressed through regional initiatives. Each country is different. If you want to try and see what – if the U.S. wants to try and do something to nudge Morocco or to nudge Tunisia, it's going to by definition have to be very different from what U.S. could do to try in Egypt or Saudi Arabia to talk about one country that it's difficult to wrap one's mind around in terms of political reform, so not everything is a regional issue. So you are right. There is a difference there.

Finally, there is the sort of the issue that you talked about, everybody is clamoring for the U.S. to get involved, but also at the same time we get the message that this is the kiss of death and so on. And that is unfortunately part of – sort of the consequence of exaggerated promises that have been made. I think by and large nobody in the region wants the U.S. to pick up and go home, essentially. I don't think there would be – you know, total withdrawal from Iraq would not be seen as – be well looked at from anybody I think, including Iran at this point. So the need to remain involved is there, but there is a big difference between remaining involved and acting as if we had all the answers, and that's why follow more the lead of what is going on.

MS. MATHEWS: Before we go to Iran, Nathan, did you have anything you want to add to that?

Okay. Karim?

MR. SADJADPOUR: Okay. I would just say that the 2009 presidential elections in Iran I think are going to be very much like the 2005 presidential elections in the sense that the main platform which people are going to be voting on – or people's primary concern is going to be the economy. It's not going to be foreign policy. Ahmadinejad was elected not to be belligerent against Israel or deny the Holocaust or take a non-compromising approach to the nuclear issue. He was elected to put the oil money on people's dinner tables, and I think that's going to be the question – whether or not people renew his mandate in 2009. So whatever the U.S. does, I think is going to be – it's not irrelevant, but it's going to be of secondary importance to the state of the economy.

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Now, this – I think we should be very sensitive about the domestic debates taking place within Tehran when we think about whether or not – or how to make an overture to Iran. And one thing that’s quite interesting about these hardliners in Tehran is that they’re obviously very contemptuous of the U.S. and Israel, but they’re also very contemptuous of the moderates and the reformers within Iran. And what Ahmadinejad’s people have said repeatedly – they’ve repeatedly attacked former president Khatami and they say that this nonsense you came up with, the idea of dialogue of civilizations, what did this get us? This got us into the axis of evil. This projected a very weak image of the country, and what we need to do instead is take a very hard line, non-compromising approach, and this is what the West responds to.

So I think that at this moment, making a major overture to Iran would be problematic in the sense that we would validate the approach of the hardliners who would say, yes, our approach has worked, we delivered in ways that the moderates didn’t. So I think the timing is very important.

And there was a question posed to Senator Obama in one of the YouTube debates whether in his first year in office he would talk to the leaders of Iran, North Korea and Venezuela, and he said he would. And let’s say there’s going to be a different president in January of 2009 in the United States, whoever it is, would I advise that president to invite Ahmadinejad to Tehran in January of 2009 or travel to Tehran in January of 2009? I wouldn’t. Ahmadinejad is up for reelection in June of 2009, and I would argue that the only two things that could really rehabilitate his presidency are, A, the U.S. bombing Iran, or, B, the U.S. making a major overture to Iran. And I don’t think we should give him either.

Because I do think that as long as this present government is in power in Tehran, there isn’t a hope for a more amicable relationship. This is a group of people which has re-implemented the punishment of stoning women to death, they’re publicly hanging homosexuals, they’re now – they’ve begun to amputate the limbs of thieves. And I’ve dealt with these people up close. They’re not people I have confidence that are, quote, unquote, “partners for peace.” That doesn’t mean that they represent the majority of the Iranian government. I think that they represent a small minority, but they’re in office at the moment, and I don’t think that these are groups – these are individuals whom we should be trying to engage. But I do think, if indeed there is a different government after June of 2009, that’s when we should start to think it.

MS. MATHEWS: Okay. I would like to hope that you would join me in thanking these three and their two absent co-authors for undertaking the agony of a joint report. I think that you get a sense from this discussion, and you will even more from reading it, how much it contributes both to have the very different expertise that they bring, then also the different insights that come from three different nationalities participating. So on behalf of all of us, thank you so much, and thank you all for joining us. (Applause.)

(END)