

Towards a More Robust Public Policy Environment in the Middle East Jon B. Alterman , David C. Speedie

October 31, 2011



Jon B. Alterman



a moment.

Introduction

- Remarks
- **Ouestions and Answers**

Introduction

DAVID SPEEDIE: Welcome to the Carnegie Council. It is a great pleasure to welcome Jon Alterman.

We are very appreciative. Jon has just come back from an extended Middle East trip and he leaves for Europe next weekend, so we are very grateful that he has fit us in in this very hectic schedule.

For those who do not know him, Jon is director and senior fellow of the Middle East program at the Center for Strategic and International Studies in Washington. Prior to joining CSIS, he was a member of the Policy Planning Staff at the State Department and a special assistant to the assistant secretary of state for Near Eastern Affairs. He is a member of the Chief of Naval Operations Executive Panel and has served as an expert advisor to the Iraq Study Group. He teaches Middle Eastern studies at the Johns Hopkins School of Advanced International Studies and George Washington University. Before entering government, he was a scholar at the U.S. Institute of Peace and at the Washington Institute for Near East Policy. He is a prolific author, and I won't go into all that. I will just pass over to him in just

I invited Jon to come because I read this really fascinating and immensely insightful analysis paper that he did for CSIS, that will be, I think, the topic of a conversation with us today: "Investing in a More Robust Public Policy Environment in the Middle East." I heard some snatches of conversation about the term "robust" at lunch, so we will be interested to hear how this goes.

I should say, by the way, that our work in the Middle East is generously supported by the Rockefeller Brothers Fund.

Some of the topics that Jon takes up in the paper have come up in conversations we have had previously; and one struck me particularly, and that is the question of wasted talent and the need to develop human capital in the greater Middle East.

I'm not going to steal your thunder, Jon-the part that really intrigued me was when you argue the need for patience, long-term investment, and even, as you put it, restraint.

With that, I will say no more but hand over with a warm welcome to Jon Alterman.

Remarks

JON ALTERMAN: Thank you for welcoming me here to the Council. I have watched and admired the work of the Council for some time. It is a pleasure to see you and see so many old friends in the audience.

This paper that I wrote for CSIS, which is on our website, came initially from a discussion I was having in the basement of a hotel in Paris with some Iranian representatives. One of the Canadian participants said, "We're engaging in conference-building measures."

Conference-building measures. [Laughter] Because we keep talking with the same folks about the same issues, and yet we seem not to be having the desired effect.

It seemed to me, as I engage with think tanks all through the Middle East, what was happening is we were engaging on our terms, rather than theirs. The activity was for us and not so much for them.

As people in think tanks are trying to improve the quality of public policy decision-making in the United States, they did not really have a commensurate role in their own societies. Their goal was to talk to people like us. Talking to people like us did not make anybody better. It meant that we all flew around a lot, but it did not solve as many problems as might be ideal.

What we have seen in the last nine months in the Arab world is this tremendous political upheaval, but we have not seen a policy follow-through.

It seems to me that the protesters, the people who have taken to the streets in the Arab world, have difficulty following through in political channels. They are not really able to articulate policy alternatives.

And the politics that seem to be unfolding are not about ideas—and this is true in <u>the elections that just took place</u> <u>in Tunisia</u>, this is true in the elections that will take place in Egypt starting at the end of November, and so on. For all that it is about change, it is hard to tell what in policy terms the change is about.

So while this paper was conceptualized before the political events of the last nine months, the political events of the last nine months highlight the importance of having some sort of policy discussion, so when you have opportunities for a change in course, the policy can change course. That simply is not happening.

A few cautions at the outset:

The first is, I am first to admit that the Middle East, the Arab world, is a hugely diverse region on all kinds of levels. You have more homogeneous societies, you have richer societies, you have poorer societies; you have big, small—all those things. So there is certainly not a "one size fits all" solution to any of this. That diversity, it seems to me, is likely to grow as you have a more varied kind of political system in the Middle East.

One of the interesting things, as I saw in the Middle East, was that you had a convergence of political systems. The monarchies were looking more like republics; the republics were looking more like monarchies. Over 40 years the systems had become almost indistinguishable. I think, as we go forward, we are going to see sharper distinctions, and that is going to have implications for this issue of public policy environment.

The other thing I want to caution is this issue of timelines. We are used to things being very fast. We are used to taking an action. In government—when I was on a policy planning staff, our strategic long-term efforts were three-month efforts. After three months, it is hard to be relevant.

These are, in many ways, investments in generations. You do not see the results for five years, certainly almost nothing for ten, and many of the results are 20 or 30 years down the line. We are not good at investing that way, and it is hard to tell what your return is. But I think at the same time we cannot stop investing.

Despite all of this, it is important to note that everywhere in the Middle East, there is actually receptivity to outside information about the policy process. The governments understand that they cannot keep doing what they have done for most of the modern period, which is hiring large numbers of university graduates for jobs that do not really fill any need. You can measure efficiency, but not really productivity, because government workers do not produce stuff.

What are you really trying to optimize? It seems to me that, in many cases, governments are trying to optimize employment. But that does not make the governments work better.

The governments have done a tremendous job in the last 50 years throughout the Middle East creating literate populations—that is, populations that can read or write. But they have not created educated populations. They have not created populations that can create and innovate.

They have educational systems which have done a great job at eliminating the misery, illiteracy, and ignorance of the countryside. But in many ways that has brought semi-literate people with insufficient skills flooding into the cities, where the problems in some cases grow even greater.

You also have the problem that governments have large cadres of employees who can't meet the increasingly complex needs of governance. That is, as governance gets more complicated, as you have larger and larger

cities—we were talking earlier at lunch about infrastructure and the problem that most of these huge third-world cities have, such as tremendous traffic problems because their infrastructure has not caught up. That is only part of it. You have problems with electricity, water, housing, and sanitation. You have licensing problems and basic identification problems.

That is not what these governments were set up to do. And yet, they have employees who can do the minimum, just showing up, and who cannot get ahead of the curve on solving the basic problems of society.

Governments have said, "We've got to do something about this."

One of the things they have done is executive education. You have seen the growth, with the Dubai School of Government, with the Global Affairs and Public Policy program at the American University in Cairo, and other places. In many cases, there is an effort to do some basic training of government employees to try to increase skills.

For instance, the American University in Cairo has a huge English-language program at night that a lot of government employees participate in. If government employees do not have to work second or third jobs to supplement their income—which many do—they are trying to get ahead. But it seems to me that that is not really strategic. It ends up being small-scale stuff.

You have seen some turn to consultants for especially difficult things. When Egypt was working on a health care negotiation with the <u>World Bank</u>, the people who negotiated on behalf of Egypt were McKinsey consultants. Now, many of them were Egyptian nationals, but they were employees of McKinsey, speaking for the government of Egypt, in order to bring more parity in that discussion.

You have also seen where in many places within government they set up these little pockets of excellence to do especially difficult technical things. So you have some part of the government—usually people around a minister—who get a different pay scale and have different backgrounds and abilities. These are people who can deal with international financial institutions in particular, but also technical matters. But that is not a universalized response. That is a very discrete solution to a very discrete problem.

It seems to me that what you have, across the board, is really more of an effort to deal with public administration, rather than dealing with public policy. That is, you have people who are trying accomplish very narrow tasks slightly more efficiently, rather than setting priorities early on and conceptualizing different ways of doing them. There is an assumption that, "We know what to do, we just have to do it a little better," rather than a discussion about, "What should we be doing, and how do we reinvent to do it better?". For that reason, it seems to me that most of the discussion has been about tactics rather than strategy.

Another piece of this is that the discussions which the international audience tends to be interested in tend to be the issues most difficult to have public discussions about in these countries: that is, the things *we* care about.

We care about peace and security, counter-radicalization, and democratization. But in country after country, certainly in the Middle East and even beyond, those are very sensitive issues that, especially in monarchies, are the prerogative of the ruler. The last thing they want to do is have a public discussion about these matters. And yet, you have these Western think tanks with people like me, who keep wanting to talk about these issues.

The idea of lobbying, and the whole notion that we have that you want to have a public discussion to create pressure groups and interest groups, is distrusted because that is not the way politics work.

Politics are not in the open. They are not writ large. And the more you want to invest in having that discussion in the open, the more it has to be cut off, the more it has to be protected from public discussion, because that is not the way the politics work. We end up putting resources into developing discussion that nobody really wants to have in the light of day.

At the same time, it seems to me that there is a growing appreciation among all these governments that there are a lot of really important issues, domestic issues, decisions that are really very technical. Issues like mining, arms control, and health care are all really important domestic issues that require a fair amount of technical expertise. What we have found is that rulers are actually willing to take advice on these kinds of issues because they do not pretend to have competence over these kinds of things.

The other thing that is a problem we have to appreciate here is that, in much of the Middle East, education is inversely related to employment. That is, the more education you have, the harder it is for you to find a job.

So, as you try to deal with all these technical issues, it may be that there is a job at the end of the rainbow, but for most people your greatest likelihood of finding a job is as a low-wage laborer, and then you will have work.

Most university graduates—precisely the people you would want to have trained up to do highly technical skills —spend two, three, four, or five years between when they end their education and when they get jobs.

In Saudi Arabia, while not a poor country, the unemployment rate for people ages 15 to 25 is 30 percent; that is, people who want jobs who can't find them. Those are the people whom you would presume you'd want to train up, and you'd want to incentivize, to learn these technical skills. But there aren't jobs at the end of the rainbow.

There is the possibility of creating a loop where there is receptivity to ideas, and there are people who can provide the ideas. Then you engender a larger community of people who can create the ideas. But it takes time.

I think to build demand we have to start with the question of, "Where is the initial demand?" In order to build that loop, we don't start with harder things. We have to start with some of the easier things. Rather than banging on closed doors, we have to push on the open ones and then keep opening them.

So what does that mean in practical terms, and what are the "to-do" issues?

We have the strategic interest, and they have the strategic interest. In many cases the leadership understands this—and I believe they will do so increasingly, in this new political environment. They understand that they need to enhance receptivity to public policy discussions.

I think we can help create debates around less sensitive discussions. First, we can do this by focusing on issues that matter to people. And the fact is that there are a lot of issues that matter to people. There are a lot of issues where the public has a view that the government wants to hear and the government wants to accommodate.

Part of this is also journalist training. Part of having a public discussion is having avenues where people can have that discussion. In many cases, you don't have journalists who are trained to have it, you don't have newspapers that are used to it, you don't have editors who know how to moderate those kinds of discussions.

So journalist training is a piece of creating a public debate—again, not on the issues that we care about, but on the issues they care about; understanding the issues where there is receptivity, and helping create a discussion around issues where receptivity exists.

Another issue to consider: for the kind of institution I'm in, a nonprofit think tank, you need a business model. Now, when I tell most people that think tanks have a business model, they think I'm crazy, because as far as they're concerned, the business model is that a think tank spends money.

That's what a nonprofit does: you spend money. Well, nonprofits have to take in money. Most of the think tanks in the Middle East don't have sustainable business models. They either have a single patron, or they have a government that pays for them. And then you're beholden to the single patron.

It seems to me that to have a sustainable business model, you need a diversity of funding sources. And you need an audience that cares about what you are trying to produce. To do that, you have to produce something of value. Creating that sort of feedback loop is totally absent in Middle-Eastern think tanks right now, because there simply aren't think tanks with a diversity of funding.

Part of the way to create this feedback loop is to try to incentivize researchers to do more public policy-related work. For a lot of people in academia, doing policy-related work is not intuitive. They tend to write for much smaller audiences. They tend to try to impress people rather than persuade them.

As somebody in academia who is often frustrated by this—a mentor of mine told me that he really only cared what three people thought of his work. That was when I decided that maybe a job in professional academia was not my future.

But you have to create incentives for people to write more broadly and create incentives that have to do with the business model for the think tank.

Institutional mentorship is another way to move this forward, to have think tank leadership work with Western institutions to help understand the different pieces. I can't tell you the number of times when people who had been trying to set up think tanks in the Middle East came to me from a range of countries.

The first questions are always architectural. They have to do with how large our conference hall should be. That's not it. The more important parts are, what does your cost structure look like, what does your income structure look like, how do you do it? I think institutional mentorship can help move that along.

Academic training and English training are tremendously important. In many cases, the most important thing to do is to exchange scholars over time and to see who works.

The Libyans came to me maybe six years ago, and they wanted to set up a think tank. Again, we had a discussion about how large the meeting room should be.

I said, "What you should do is identify some people, send them overseas, and every year gather them back for a year and have a conference. At the end of ten years see where you are, see what you have to work with, and see who has some leadership ability, and who is doing some interesting things. But really, this is a period of apprenticeship, a period of learning, that has to go forward."

As far as I can tell, English remains the policy lingua franca throughout the Middle East. This is a disadvantage, in that some people think that English language ability is a proxy for overall intelligence, which is a mistake that people make at their peril. That being said, there are a lot of very talented people who might not start off speaking fluent English because they didn't go to the right schools; they didn't go to the English-language schools starting off.

There has to be a way for people who did not grow up in English-language schools to get proficient and participate in these policy discussions. I have some ideas about this that I can talk about if you are interested.

A flow between government and academia is very helpful as well, to both have academia be more receptive to the kinds of concerns of government, and have government more receptive to the kinds of concerns of academia.

In this case, <u>Ziyad Baroud</u>, the former interior minister of Lebanon, generated a huge amount of enthusiasm because he came from the NGO community. Here's somebody from the NGO community who is now working in government. He takes the connections and the understanding he has into government, comes out, and then takes the understanding of government out to the academic community.

Fellowships in Western think tanks is another way to try to help with training. I know that <u>Brookings</u> does some of it. We have some people at CSIS. I certainly think there could be a lot more of that, and it would be helpful.

The fourth set of issues is about recognizing/rewarding excellence. I have a friend who was a very prominent reporter on <u>Al Jazeera</u> for a long time. He said, "One of the problems at Al Jazeera is that there are awards for political excellence but there aren't any awards for professional excellence."

We have this problem in think tanks, especially, when we keep asking them to think about the things that *we* care about, which tend to be very political things. And then there are all the incentives for them to say stuff that isn't very interesting, but follows the line of whoever is in power. And it's all one way; it doesn't go back up, it just goes out.

It seems to me that it would be very useful to structure a system of recognizing/rewarding people who do really interesting things by bringing together Middle Eastern experts, Arab experts, and Western experts, on a panel to have prizes, to really recognize what excellence looks like.

I think people want to be excellent. There is a universal aspiration for excellence. Especially, the more training people get, they want international recognition. A genuine process that would recognize that kind of excellence, that would look for it, especially in the places where it's not coming first in polished English, creates a sort of ripple effect that reaches down through organizations.

The Intel or the Westinghouse talent search is such a brilliant model because you're not just rewarding 30 kids who win. In a way, there's a benefit that comes to everybody who participates.

It seems to me that on a public policy spectrum, finding ways to reward people who participate, finding ways to shape people's aspirations, really ends up shaping the course of their intellectual endeavors for years to come.

We're not going to have a robust public policy universe in the Arab world in the next three years, despite all the changes we've seen on TV and all the changes we've read about. It is a longer process.

There are the problems we see in Egypt, especially, of a young activist community as it tries to figure out, "So now what do we do?" It's hard to figure out what to do, and it is hard to make the transition from being against something, to be for something.

It's especially disappointing that, in this moment of tremendous opportunity, we have a debate that is almost free of ideas in the Arab world. It is a moment of opportunity, and yet the ideas aren't being discussed.

I think there are ways. There is a thirst to have discussions about policy. There are ways to seed discussions about policy. As we help contribute to shaping the new generation, a generation which is engaged, which is interested and energetic, we can help partner with the new generation that will engage not only with the world, but engage

with their own societies to lead to better lives for themselves—and, I think, mutually—over the longer term.

DAVID SPEEDIE: Jon, thank you so much. That was terrific.

We particularly appreciate your step-by-step inventory of the practical real-world needs that lie ahead.

You mentioned a little bit about how we can plug into this, as it were. Could you say just a little bit more in terms of advancing a more robust public policy agenda? What should our approach be from the West, from the United States, in addressing some of these needs? You mentioned, for example, placement of promising individuals in Western think tanks. How do you see us plugging into the detailed agenda that you outlined?

JON ALTERMAN: Who's "us?"

DAVID SPEEDIE: The West. The United States.

JON ALTERMAN: Okay. So we've lopped off Europe. That's a start.

DAVID SPEEDIE: Always a good start. Speaking as a European, go ahead. [Laughter]

JON ALTERMAN: Partly, I think, we have to start from an understanding of what we are trying to do. What we're trying to do is not to replicate Western institutions in the Middle East.

The fact is my European friends tell me there's nothing like the think tank community that exists in Washington in Europe. I've had a fair amount to do with Chinese think tanks, and that's just a totally different model as well.

So I am not talking about creating the Western model and exporting it to the Middle East. But it seems to me that there are clearly advantages to these societies of having more thoughtful discussions about policy, and there is an openness to having them.

So the first thing is to be a little more strategic and not just fund things that we're immediately interested in. That's hard, because we're an impatient people, we Americans.

But the fact is, I think there is a lot more opportunity to help create a discussion which can expand to include the issues we care about, if that's not where we start.

We have to understand that this is about a generational process; it's about shaping people over time. So you have to find people, invest in people, continue to invest in them, and invest in relationships.

Foundations can do it, think tanks can do it, and governments can do it. But it's ultimately about helping shape people in a way where they are going in a direction where they are engaged with policy ideas.

I think the third thing is understanding that there have to be incentives for people to behave the way you want them to behave. I think we don't. We often leave incentives out of the equation. I think people want money, they want recognition, and they want travel. There are a whole bunch of things that people want.

I would like to see us expanding a little bit beyond the usual suspects, having a better eye for excellence, having a better eye for what people's own aspirations are, and tying into them.

One of my concerns about the approach the <u>Bush</u> Administration took to Middle East issues is it seemed to me that they often felt that people in the Middle East needed to be inspired. The president tried very hard and the secretary of state tried very hard to inspire people. My own take was that people in the Middle East had aspirations; they just didn't see how the United States was relevant to their aspirations.

What we do ourselves a service by doing is spending less time trying to inspire people and more time listening to what people's aspirations are and being relevant to them.

So there are three pointers for you.

Questions and Answers

QUESTION: Jerry Goodman.

Jon, you mentioned not to replicate essentially the Western model and export it to the Middle East. And yet, some of the indices that you suggest in policy discussions, I wonder whether these are seen by contemporary leaders as, in fact, a new form of Western colonialism or imperialism by supplanting their views and implanting our views. **JON ALTERMAN:** First of all, I don't hear a lot in the Middle East about colonialism or imperialism. I think that's not where a lot of the discussion is right now on the governmental level. The governments are interested in engaging with international institutions. The governments are interested in best practices. They are doing it themselves.

I think the problem is that they often feel that if you want high-quality product, you want advice, you have to get it from outsiders because they don't have the indigenous talent pool to generate it.

There are some places, as I say, that are really trying to create little hubs of excellence where you do have a small number of people who can play very well at the international level. But I think in many ways the governments are looking for this.

What they're not interested in doing is totally renegotiating, in a sudden way, the way in which politics work. If it seems that this is a way to suddenly change how politics work, I think it's much harder to find a receptive audience. If it's about the concerns that they have, if it's about helping empower their own populations to do the work that they think needs to be done, I think that's not revolutionary at all.

To be frank, the way to get government buy-in is to have it as part of an evolutionary process, because governments aren't very interested in revolutionary change.

But what I see all over the place is an increasing government recognition that the status quo really can't endure, that there really does need to be a way not only to empower large populations, but also to create talent, to create industry on the individual level, to create a sort of drive among the younger population.

Because in country after country after country what I see is governments that are frustrated because so many people want to work for the government. In some cases, they make it worse because, for political reasons, they give everybody in government a raise. And then more people want to work for the government, and they are chasing their tail. But I think there is this broad sense.

The biggest problem that the wealthy states in the Middle East face is figuring out how to incentivize people, because, in many cases, you can do very well just by having a pulse. That's not the environment you want to create. And, for political reasons, some of the salaries are really quite astronomical for people at entry-level jobs.

What you want to do—and I think governments are looking for ways to do this—is work out, how do you create people who want to be energized and industrious on their own time? How do you engender that population without overthrowing the whole system? I think that's not seen as imperialism. That's seen as the only way to go forward in the current global economic environment.

QUESTION: Robert James, ex-oilman.

Let's see where we are in the Persian Gulf—or the Arabian Gulf, as you please. We've got a central command there, a four-star general, <u>Mattis</u>. He visits 24 countries there regularly. We have huge bases throughout the Middle East, some unused but that were there for us, like in Saudi Arabia; other bases are very active indeed. We have floating Marines and war materiel. We have a huge Navy there now, and it is apparently going to get bigger. Essentially no other military is there except us.

Then, outside the military, we have policy-planning staffs like yours, or the same sort of thing in the Pentagon. There are not very many people who can remember when we weren't there at all. But we weren't.

So I have a question: If you were writing a history of the last 50 years, since 1955 or so, and you were writing this 50 years from now, could you make a case that the Middle East, the world, or the United States might be as well off, or even better off, had we not been there at all?

And when you're answering that, would you look at this? Are we likely to be doing a better job there now than the British and the French did up to the 1950s or the Ottoman Empire did before <u>World War I</u>?

Is it possible, finally, that we shouldn't be there at all now?

DAVID SPEEDIE: In a few words, Jon. [Laughter]

JON ALTERMAN: When I met you in Manama [capital of Bahrain] last December, you didn't ask any hard questions like this.

QUESTIONER: Privately I did.

JON ALTERMAN: The Gulf has had foreign powers since the 16th century. The nature of the Gulf has been to invite in foreign powers. So I think one of the questions one has to ask is: If we weren't there, would there be no powers, or would there be another power?

Certainly in the Cold War the reason we went in when the British withdrew was because of a perception that if we weren't there the Soviets would be, for those of you who remember the Soviet Union. The old nostalgia guys.

DAVID SPEEDIE: Those were the days.

JON ALTERMAN: That's right, those were the days. It was much simpler then.

QUESTIONER: The good old days.

JON ALTERMAN: So clearly we got in because we wanted to keep the Soviets out, and the British were no longer going to stay.

QUESTIONER: The threat of the Soviets—they weren't there.

JON ALTERMAN: Right. That's how you keep them out. [Laughter] That was the perception.

We have increasingly become enmeshed in maintaining the status quo between the Arab Gulf States and Iran. We can argue about whose fault that is.

QUESTIONER: Both sides.

JON ALTERMAN: Dr. Karimi [audience member from Mission of Iran] would have his views. But we can argue, right? The fact is I think the U.S. presence in the Gulf is, and will be for the foreseeable future, about trying to protect the <u>Gulf Cooperation Council</u> states from the depredations of the Iranians.

The fact that Iran has tasked the Revolutionary Guard with doing security inside the Gulf and its regular navy with doing security outside the Gulf does not suggest to me that, in the absence of U.S. forces, the Gulf would be a much more peaceful place.

One question one might ask is: So what if the Gulf has rulers who are friendly to the West or hostile to the West? They're still going to sell the oil, and so we shouldn't care at all.

I'm not totally persuaded by that argument. But it seems to me that the longer-term issue is that when we look at 50 years from now, we are likely to have a continued use of oil—petroleum products—as a fuel, but those products will increasingly be used in the developing world, and less so in the Western world.

So in my mind, the real question over the next 50 years, is: As energy use patterns shift and the Western world is less reliant on petroleum—as I think will happen over the next 50 years—and the developing world is more reliant on petroleum, which I think will also happen—how does that play out? How is the burden of defense shared, and what is the perception the U.S. has towards guaranteeing the free flow of oil, not only to China, but to a whole range of other less-developed economies in the world?

I'm not smart enough to figure that out. But it strikes me that that is really the core of your question.

It has to do with the fact that as the world changes from being largely Atlantic to largely Pacific, the United States as a country has the advantage of being both an Atlantic and a Pacific power. We send troops to Iraq from both coasts. We are a Pacific power in addition to being an Atlantic power. How do we deal with the economic rise of Asia? How do we deal with what I think will be the growing reliance of Asia on petroleum products and our diminishing reliance? I simply don't know. But that's the question I'd look at.

DAVID SPEEDIE: Since Jon mentioned Dr. Karimi, let's go there next.

QUESTION: Thank you. I'm Karimi from the Mission of Iran. Thank you very much. I enjoyed your talk.

I think one of the examples is the <u>Suez Crisis</u> of 1956, in which the United States played a positive role in that region, condemning France, Britain, and Israel for attacking Egypt.

I personally believe that U.S. forces or presence could be for for good as well as bad. But between Iran and the U.S. there is misperception on both sides. I can't convince my politicians about what I see here. When you have misperception, then you have misunderstanding and misjudgment. Otherwise there are lots of common grounds

between the two countries.

Let me just give you one example from the last century or two. Iran has never attacked any country. Unfortunately, the perception of Iran by U.S. politicians is the same as their perception of the Soviet Union. It is wrong to compare Iran with the Soviet Union or Russia. The policy of containment is going on because of the presence in the Persian Gulf. That is wrong. We can't convince people.

But my question is: How do you see differences between the U.S. and European approaches towards that region? My belief is that the U.S. is a new player in the region—for the last 50-60 years, as compared to the Europeans or other powers who have been in the Middle East for 300 or 400 years. So I believe—I may be wrong; I can't prove it—that U.S. power is a soft power, usually being manipulated by the Europeans.

So we have the proof of the Iraq War: the <u>dossier</u> came out of the the London branch of the IISS [International Institute for Strategic Studies]. That was the basis for George Bush to convince Congress to attack Iraq. Then they didn't find anything. There is a <u>report</u> by the Select Committee of Congress. They say it is a report of 500 [tons of <u>chemical warfare agents/chemical explosives</u>], that somehow the U.S. policy has been manipulated by the foreign intelligence services.

JON ALTERMAN: I couldn't agree with you more on the importance of confidence-building. You have seen a number of efforts on the U.S. side to try to ensure that we don't have misunderstandings with the Iranians. There was the effort to set up a hotline, which the government of Iran unfortunately declined.

I think there have been a number of efforts by the U.S. military in the Gulf to try to avoid misunderstandings with the Iranians. You have all these <u>IRGC</u> [Iran's Revolutionary Guards], and Navy ships swarming. We had an <u>incident a few years ago where a U.S. ship was within seconds of firing on the Iranians</u>. There have been instances where Iranian ships have approached American naval ships with the guns uncovered and loaded, and all those things.

I totally agree with you that we have to avoid misunderstandings. I hope that you will work to encourage your government to do what it can to avoid the misunderstandings. At some point, if we keep getting so close to the line, there is going to be a mistake. How we handle the outcome of that mistake becomes a big problem. I have no confidence it is going to turn out well.

On your second question, does Europe manipulate the United States, does Europe understand the Middle East better than the United States, I'm not sure. Every European power wasn't engaged in the Gulf. It was really principally the British for the last 300-400 years.

As to British understandings of the Gulf—a lot of the people who understood the Gulf are no longer in the government. Britain hasn't been a major power in the Gulf for 40 years. So I don't think you sustain that understanding.

I think you have a lot of people in the U.S. government who do understand the Gulf. But Americans think differently than many people in the Gulf, and that's not going to change. The people who make the strategic decisions think in an American way, and people in the Gulf think in Gulf ways.

We are often, for example, used to drawing very clear lines and saying, "You have to choose which side you're on." You can look at the foreign policy of many states in the Gulf, and they are trying to figure out how many different sides of a line can they be on. I don't think that is going to change. I think it's partly a reflection of us—not so much that we don't have the knowledge, but it's who we are as a state.

I think Europe, in many ways, has its own issues.

I think ultimately the problem of understanding the Gulf is one that we're going to have to adjust to the Gulf, and the Gulf is going to have to adjust to us. Ultimately there is going to be a gap, and we'll just have to deal with that gap.

QUESTIONER: [off-microphone, inaudible].

JON ALTERMAN: Honestly, when I look at, for example, the European approach to the fear that Iran has an active weapons-development program or warhead-development program, I see the United States and Europe hand in glove. I even see major trading partners, like China, aligned with Western powers in trying to find ways to increase transparency and, as you said, to reduce tensions.

You had this <u>Tehran research reactor proposal</u>, which the president seemed initially favorable to and couldn't get through. I think you have a unity of approach, and it goes beyond just Europe and the United States. I certainly

hope that we can be more effective on this than we have been, because my fear is that, regardless of the approach, we are spiraling toward greater uncertainty and the likelihood of greater conflict.

DAVID SPEEDIE: Since this last exchange involved the Soviet Union containment and near misses, perhaps Dr. <u>Graham</u> might be the next.

QUESTION: Tom Graham, Kissinger Associates. But that's not the question.

I actually want to take you, Jon, back to your remarks at the beginning and think of it more in a practical way. You talked about a "to-do" list, a number of things that we as the United States ought to be doing. How would you break that down between the government and the think tank world? To what extent does the think tank world need the U.S. government to have an overall policy which you can come behind and fill out? And how much could a think tank world do by itself without that type of government support in improving the policymaking environment and the public discussion, throughout this very broad region?

JON ALTERMAN: The advantage of governments is that governments tend to have deep pockets. Think tanks tend to have shallow pockets. But there is no question in my mind that foundations, were they to be serious over time, could make a fundamental difference.

One of the things that the paper talks about is several examples with the <u>China Medical Board</u>, with the <u>Central</u> <u>European University</u>—useful efforts that have evolved over time to try to invest in the public policy environment.

But all of them require some steady stream of funding. There is no question in my mind that given a steady stream of funding, a think tank or a collection of think tanks, over a decade or more, can have a profound impact.

The advantage of governments is (a) what becomes our overall budget is a rounding error in most governments' budgets, and (b) just for the facilitation of logistics, visas, and those kinds of things, it is helpful to have government backing.

But the fact is—look at diplomacy more broadly—I think we are going to have to do more and more outside of government because governments either cannot do it, don't have the money to do it, or they cannot sustain it for the amount of time it needs to be sustained.

QUESTION: Jim Hoge from the <u>Council on Foreign Relations</u>.

At the beginning, it was said that you counseled for U.S. policy in the Middle East patience and even restraint. Is that a blanket recommendation, or is Iran sufficiently different, even from the autocracies of the Middle East?

There is a school of thought—some of it in the British government today—that says, "This is not a crowd you can really negotiate with, that you can't really make any long-term progress, because fundamental to the regime is hostility to the West, in particular to the United States."

The idea behind that is, instead of trying to find anything except restraint from miscalculations, we ought to be giving whatever support we can to other forces besides the regime in Iran. What's your take on that?

JON ALTERMAN: First, it seems to me that it is possible to make agreements with countries with which we have hostility. We certainly have a record of that.

Second, my reading of history is that playing other people's politics is harder than we think it is at the outset, and it is hard to shape the outcomes afterward. One of the principles that has impressed me is that it is harder for the United States to be more patriotic than even the least patriotic person in the society you are trying to affect. Even bad rulers are assumed to in some way be more patriotic than foreigners, and certainly than the United States, with the sense of imperial designs and all that.

I don't think we can pick and choose successive regimes in Iran. Our patience cannot be infinite, either in terms of time or in terms of steps that the government of Iran takes.

My hope remains that we are going to find a way to create transparency in the process that will reassure everybody of what Iran is doing and what their intentions are. If we can't, there is a range of consequences along the way that we may have to engage with.

But I don't think that plotting for or trying for overthrow is a substitute, or even an extremely useful adjunct, for the kinds of policy discussions we have.

I think ultimately what we have to do is we have to find some shared interest and build off that. It has been very

hard, partly because of the fragmented nature of the Iranian government, to find a shared interest that the government shares, because the government doesn't share very much sometimes within itself.

QUESTION: My name is Osama. I work as a diplomat in the Mission of Egypt to the UN.

I couldn't agree more with Professor Alterman on the issue of his findings of and his analysis of the public policy environment in the Middle East.

I am 45 years old. I can tell you very easily that yes, truly, most of the ministers in my country used to depend on a very small nucleus of experts, rather than try to build a wider lobby off of those who are capable of managing and administrating a lot of policies and programs.

Also, there's a tendency to go for a "quick fix" solution rather than to institutionalize certain long-term policies. There is a lack of establishing public policies and trying to draft the right ones. We have had the tendency of trying to merely administrate, rather than going for long-term policies.

As for your findings, I also couldn't agree more with most of them, even including the one that deals with how the West should assist the reforms in the Middle East.

My remark has to do with the issue of the new colonialism. Being a diplomat, one cannot very easily ignore the linkage between those types of positive Western and U.S. engagement in the Middle East, trying to assist with aid programs and other initiatives, with the issue of the core problem of the Middle East, the peace process.

For the younger generation in my country, the U.S. has always been an inspiration in itself, the model. When Obama became president, that was an inspiration in itself. American policies such as the <u>Madrid Conference in</u> <u>1991</u> was a step ahead, and so on. And whenever we had a drop in the efforts to achieve peace in the Middle East, we have had those who argue conspiracy theory and that the U.S. is advocating its own agenda in the region, and so forth. It is logical that each country has to maintain and serve its own interests.

I would like Professor Alterman to shed more light on that, because we have had two camps in the Arab world and in the Middle East in general: those who want to have peace with Israel, who want to make war part of our past and then to keep progressing; and on the other side, those who are arguing, "No, we have not yet finished with the most important crisis of the Middle East. We did not attain peace between Arabs and Israel—Syria, Hezbollah, and others." This is very important for me as a diplomat to hear your opinion on that.

Also, I would like to have some light shed on the difficulties we are facing internally in Egypt as a society. The younger generation initiated that revolution, and then all of a sudden we were open to all kinds of possibilities. The young activists lack a unified front and a means of integrating themselves into society.

That is why I had a short debate with an Iranian colleague on whether that revolution will be hijacked or not. I kept joking, "Yes, it has to happen. Every other revolution on earth was begun by some people and then hijacked by others, to serve others."

I don't want to prolong my remarks. But in Egypt the expectations of all the segments of the society have been raised. Even if we start reform now, it will take us decades to reach certain degrees of achieving our goals.

I wonder personally whether the poorer segment of the society will be able to bear the cost, and for how long. This is very important, because the revolution was led by the middle class—people having very good salaries. The revolution was initiated for reasons of social justice and political freedoms, as well economic difficulties. So I would also like to hear the opinion of Professor Alterman on that.

You know, some people are arguing that the Islamic current of the society will take over for a few years to come. This might be the price of democracy. We have to accept it. But how far should this go, and will those people who promote Islam be capable of shaping the right policies and serving a wider agenda for the whole society? We can have a very specific debate on that later on.

I tried to provide some very quick reflections on what I heard; I apologize for taking too long.

JON ALTERMAN: No, not at all. Thank you.

On the first question of whether the Arab-Israeli conflict has to be solved before the Arab world moves forward into its future, the Arab world will neither forget nor can it afford to wait. The Arab-Israeli conflict, even under the best of circumstances, will take years.

My own view is that the environment for diplomacy is not very auspicious right now, for a whole set of

reasons—we can talk about Palestinian, Arab, Israeli, and U.S. politics. I think it is a very tough time.

This is precisely why the Arab world cannot hold its future hostage to resolving this conflict—not that the conflict goes away, not that the conflict isn't important, not that it shouldn't continue to be a priority, but it is not the only priority. The danger is that necessary things will not be done while people work on this problem.

I think Egypt's greatest successes have not been done because of the Arab-Israeli conflict but despite it. I know that there is a huge amount of pride over the <u>1973 war</u> and the <u>crossing in October</u>. I have been to <u>6th of October</u> City, I have been to <u>10th of Ramadan</u> City, I have been on the bridge. But it still seems to me that Egypt has to be about more than 1973, that Egypt has to embrace a future which is Egypt's future, where Palestine has a role; but the future of Egypt is not Palestine, it is Egypt. That is from somebody who has been going back and forth to Egypt for 20 years. I feel that pretty strongly.

In terms of the future of Egyptian politics, and especially the role of the poor in Egyptian politics, I am quite confused what the role of the poor will be in the future Egyptian polity. The traditional role of the poor was to accept payment for voting in a certain way, to reelect royal notables who stayed in Parliament. And sometimes they joined the <u>NDP</u> [National Democratic Party] because it was useful to join the NDP, or they joined some other party. The connection of the poor to voting was as follows: voting provided a way for people to get a little extra money to buy food for their family, but it was not about political engagement.

The poorest of the poor around the world are not politically engaged. But Egypt has a growing number of people who certainly have subsistence levels of income, who might be presumed to be politically engaged.

I have been told by people on the ground in Tunisia that <u>Ennahda</u>'s fundamental victory was a class victory rather than a religious victory. That is, that the upper middle classes had their own parties, but Ennahda reached out to the poor and created an inclusive vision which the poor felt connected to, which was partly about religious authenticity and partly about social justice and other things.

I do not think religious parties have a monopoly on social justice. Religious parties should not have a monopoly on the programs or on the vocabulary of social justice.

But that requires people to have actual policies. Here we are, less than a month away from the first round of parliamentary elections in Egypt, and I could not begin to tell you what anybody's policy toward anything is. As I count it, if all goes according to plan, there are almost ten rounds of elections in Egypt in the next year. This is going to be a big iterative process. You have the elections in three rounds and the runoffs for each of the three rounds, so that's six parliamentary elections; Upper House referendum on the constitution, presidential elections—it goes on and on.

My hope is that over this process you at least have some people talking about policy and about what they would do in office—not on issues like, "Is Shariah an inspiration or the source of law?" but about, "What do we do about tariffs? What do we do about minimum wage? What do we do about education? What do we do about creating opportunities for Egyptians to excel?"

How do you incentivize Egyptians to be excellent? If you get past the slogan of [Arabic phrase—translation "Raise your head high; you are an Egyptian!"], what does it mean to "Raise up your Head; you are Egyptian!"?

"What can you do? What does the society help you do?"—that is the question the parties should ask. That is the question the parties are not asking. It seems to me that is the opportunity, because Egypt has a much more open political space, that people can't be out in that space on policy issues. I think that is an opportunity.

Where the poor come into that—I hope the poor are in it, I hope the rich are in it, and I hope the middle class is in it. I hope the educated and the uneducated are in it. This is a societal discussion.

I think the real promise of January 25th is having a more serious collective discussion about where to go, instead of looking to somebody on top and saying "What do you want me to do?"

QUESTION: I'd like to introduce into your conversation a couple of points which you have not mentioned, because clearly time is short, but which I think have much to do with what you are hoping will happen in the region of the Middle East—namely, change of some sort, as change is unavoidable for any of us. Anybody who believes we are all stuck, I think, is a little bit mistaken. Everything moves.

It seems to me that you have not referred—and I ask you this as an intellectual provocation, which has nothing to do with my admiration for your analysis. It is evident that the history of the Middle East, like the history of any other places, is something we take for a factual account of what happened. This is very funny to me because, of course, as the great <u>Ralph Waldo Emerson</u> used to say, "There is no history, only biographies." It is more than just

a statement. I think it is very true.

Let me give you an example. In this way I will come back to the question of how everybody looks at history. I just refer to Iran because of our friend here, but also because of my experience in other countries. It is very funny, but understandable that the focus is on <u>1953</u> and the <u>Mosaddeq</u> era.

What is less funny is that in the Iranian narrative there is no reference to 1947. Of course, I should stop there, because we all know <u>what happened in 1947</u>. Without the West, Iran would not have freed itself of Soviet occupation of a good part of Iran. So history goes funny in different ways.

Similarly, of course, if we were to go and look at the history of Iran's nuclear story, according to some governments—and I have statements in mind because I have counted them—according to some governments, the Iranians should have had an atomic weapon in 1993. They have repeated that threat of that estimation now 15 times. I have them all written down.

I mention this question of history because, of course, it's just a matter of what we want to underline.

Now, how can you change a society if you look at a particular narrative and there is no evolution in the narrative? The narrative, I think, is fundamentally what happens not just in the Middle East, but everywhere.

Let me give you an example. In the last 30 years Iran and the West have negotiated at least 11 or 12 times, according to accounts of what I was involved in and accounts of what I learned. Of these 12 times, only one negotiation failed. But of course this is not what you read every day, right?

I am talking about specifics with that. I am talking about human lives. So my point is, when it comes to the Middle East, we have to find somebody both in the Middle East and in other parts of the world who has the courage to do two things: first of all, to think out of the box; and second, in my view, to be very open, very undiplomatic, and to say once and for all, "To lead and to be a leader with an enemy is a very primitive, simple, and easy thing to do. The difficult thing is to be a leader without an enemy."

That's why many national approaches throughout history have come to an end with their leader. So is that what we are expecting?

It seems to me that many of the things we say belong to 1930 instead of 2012. National projects which are rooted in the need for an enemy to exist are doomed to end in a very bad way. Is that very stupid?

JON ALTERMAN: Not only is it not stupid but its character is to be provocative.

To take your point about the history, I think the history of the Middle East in the last half-century has been too centered on the United States, not because the United States is an enemy, but the United States is seen as a controlling force.

I don't think the United States is a controlling force. All you have to do to get a sense of that is to talk to the people who are supposedly doing the controlling in the U.S. government, either in embassies abroad or here, and you understand just how little they understand about what's going on.

But I think there is a sort of reductionist effort to blame the problem on outside forces—on outside provocateurs, on the United States—which is not helpful.

And the history of the Middle East—one which is focused on the Middle East itself, on its societies, and on the forces in those societies—would, I think, be a much more constructive history, but one that a lot of societies are reluctant to enter into.

I don't think you need an enemy so much as you need somebody to articulate a goal. It strikes me that one of the things that the Middle East has done a tremendous job with—but has not really articulated in terms of goals—is the basic issues of literacy and health. Tremendous changes have been taking place—not because they have been first and foremost in people's minds, but because governments have actually been serious about it. If you look at literacy—women's literacy, primary education—there have been tremendous accomplishments over the last 50 years.

I think that sort of basic level of accomplishment, were it articulated, again, referring to societies themselves, to their goals for themselves going forward—not just, "We are going to be a top-ten society in terms of the quality of the business environment," but really articulating a goal for what the society is, what it looks like, and how it works—I think that, with leadership, can be.

One of the things we have seen that you didn't mention, was that you have had almost an entire absence of charismatic leaders in the Middle East for decades. One of the things that we may see as a consequence of these political changes in the Middle East is that you might actually have charismatic leaders instead of colorless bureaucrats, retired generals or such, who don't really inspire anything.

Again, inspiring people to do things by themselves, instead of having to instruct them, is the key toward empowering these societies.

I do not think you so much need an enemy, as you really need a leader.

QUESTIONER: You can lead without an enemy.

JON ALTERMAN: Right. But it strikes me that these societies have been societies that have largely kept enemies and not developed leaders. In many of these cases, you don't even have a cadre of potential leaders. Because it's been so dangerous to challenge the leader, you do not really have a field system, or farm system, I should say. Developing people who actually can inspire people to *do* under any terms is a tremendous asset.

QUESTION: My name is Peter Russell.

As I was listening to your description of the importance of a focus on public policy, I was reminded of the <u>Arab</u> <u>Human Development Report</u> of 2003, which really underlined the importance of a knowledge economy, the information flows, broadening economic opportunity for people.

So one question would be: Do you see that kind of research-based focus, fostered by the UN, which happened within the region, as useful to help drive and set a context for the focus on public policy?

Secondly, maybe related, you mentioned a number of possible tools or ways in which people in the United States or elsewhere could help foster this process. I didn't hear you say anything much about universities. It seems to me there's a much greater potential there in terms of collaboration cross-border than just focusing on think tanks.

Two other groups that occur to me are professional associations. There are engineers, doctors, and others. I just have a sense we don't do enough to try and engage, because there you do have counterparts who can come together as equals.

The third group is industry trade associations, whose members have tremendous interest in the area—and not just oil—as the kinds of institutional connections that could really foster and help deepen public policy awareness and capabilities.

JON ALTERMAN: The <u>Arab Human Development Reports</u> were terrific. There were, I think, five over the course of several years. It became hard to sustain.

But one of the things they did that I think people have not paid enough attention to, is they really developed a cadre of Arab scholars looking at public policy issues. But a lot of them were very senior. Paying attention to mentorship—when you do those kinds of reports, and you are really trying to bring people up—is a very important thing.

I hope that there will be similar efforts—not necessarily through the UN, but through other organizations—because just articulating the agenda and getting people used to thinking in those terms is very, very healthy.

I am generally concerned when all the incentives for people who are well trained are to work for Western institutions. For example, I did a paper for CSIS on the consequences of 30 years of health assistance to Egypt. Interestingly, one of the consequences was that the most highly trained people left the Egyptian government and worked for Western consulting firms or worked for <u>USAID</u> (U.S. Agency for International Development), where they got paid a lot more, and you end up weakening the ability of the Egyptian government to do these things indigenously rather than strengthening it, which is not the whole point of the program.

So finding ways to have Arab institutions that help Arabs think in public policy terms and articulate them and mentor younger scholars is very important.

You're absolutely right about other institutions beside think tanks. The advantage that think tanks have over universities is they tend to be more purposive and limited. Universities are all about giving people infinite choice in what they pursue. I think public policy is about restricting choice.

My concern about professional associations and trade associations is that although I agree, my concern would be the sort of part-timeness of it. As somebody who has traveled around a fair bit, there is very little life-changing

stuff that can happen in a week. I mean, sometimes life-changing stuff happens in a week. But I think a lot of what we are talking about is more sustained than what I am familiar with people experiencing through those other channels.

Now, certainly, there are people who have done internships through corporations that invest in the Middle East, and they have done executive development programs, and they have brought people to the States for training. Those things are terrific.

My caveat would be (a) to avoid the university model, which is "everything is fair game," and (b) to avoid the professional development/tourism model, which is very short-term experiences that do not really change thinking.

I have not done a study. At one point I was trying to urge the State Department to do a study, which they declined to do—not for me; I just thought they should do it—that looked at what intensity of experience at what point in people's life makes the biggest difference.

My guess is you would probably need to spend at least three months to really change the way somebody thinks in a fundamental way. If we went down the professional association/trade association route, I would want to make sure that it had that level of intensity attached to it so it would have the long-term positive impact.

Just on that note, I ran into a guy when I was doing dissertation research 20 years ago who had been to the States for three months in the 1950s and went to Colorado. He had forgotten all his English, he had forgotten a huge amount of stuff, except he remembered this one professor.

Whenever he asked the professor a question, the professor looked at him and said—and this is the only thing the guy said to me in English—"Why not?" To have somebody who is in agriculture in Egypt who was told, "This is the way we do it and this is what we do and this is how you do it,"—to have a professor say, "Why not?" all the time, "Why not?" The guy came back to his farm and he did everything differently.

Maybe you get that on a short visit. But I think it is the sustained relationship that does it, and then you can really change the entire trajectory of somebody's life.

QUESTION: Ron Berenbeim. First of all, I have a quick comment and then a question.

One of the gratifying things about the <u>Arab Spring</u> in the three major countries in which it has occurred—Tunisia, Egypt, and Libya, occurred successfully; there are other countries, and I'll get to one of them in a minute—is the absence of enemies. I mean, you don't hear anything about the United States. I haven't heard anything about Israel either, or very little. So whether you won't get any leaders until you have enemies, that's a question for discussion. But in any event, the enemies appear to be the state—<u>Mubarak</u>, <u>Ben Ali</u>, and of course, most conspicuously, <u>Gaddafi</u>.

But what I want to get to is this. I remember in 2000 and 2004 the late <u>Tim Russert</u> would have this index card on which he talked about what will be decisive in the election. In 2000, you may remember, he would write "Florida" on there. In 2004 he would write "Ohio." He was right both times.

If I were to write an index card about the future of the Arab Spring, what I would write on that index card would be "Syria." Syria, because it seems to be the tipping point; it seems to be the country in which the government is the most relentless in its resistance. It seems to have the power to draw Turkey into the mix, which could be very interesting—perhaps positive, perhaps not. So I'd be interested in your opinions about Syria and the role it may play.

JON ALTERMAN: Syria is different from Libya, because you are not going to have the same international force, partly because Syria has not distanced itself from the Arab world the way Libya did.

Syria, I think, represents an effort to learn from the mistakes of Mubarak and Ben Ali: that Mubarak and Ben Ali faced protesters and tried to make concessions, and each time the concessions were judged inadequate. Ben Ali endured three days of protests in Tunis before he fled in the middle of the night, while Mubarak went through 18 days of protest across the country before he left. <u>Bashar al-Assad</u> has clearly indicated that that won't be his future.

It is very hard for me to figure out what Syria's future is. I think it hinges on the loyalty of the army. There are signs the loyalty of the army is increasingly unpredictable. Can he sustain it? I don't know. You certainly have protestors going out every week, despite not only threats of violence but actual violence, and they keep going out. There are some signs that it is spreading more to Damascus and Aleppo, places that have not been tinged by protest.

My guess is it is going to be very hard for Bashar al-Assad to pull this out. Turkey has become increasingly hostile. I think Saudi Arabia and Qatar are fairly hostile to Syrian policy. The only country he really has to rely on is Iran. Previously, Bashar al-Assad had tried to reach out to the Gulf States and attract investment from the Gulf States, in order to have a more diverse set of supporters. I see him increasingly isolated in his country and increasingly isolated in the region.

What I am much more uncomfortable about predicting is what the timeline is. I think the timeline is going to be very *un*predictable. But if I had to bet, I would say there is a less than a 50 percent chance that he is going to be able to turn the corner on this.

I don't think that tells us what shape political change in the Arab world takes. In fact, I think the shape it takes is the aftermath of places where change has occurred.

So how Tunisia plays out over the next three-to-five years matters; how Egypt plays out over the next threeto-five years also matters. What happens in Yemen; what happens in Bahrain. If agitation for change seems to lead to something better, that will be an inducement to greater change. If it just means violence—and sometimes chaos—and no fundamental change in the order of things, that is an inhibitor to change.

However all this plays out, the time frame to think about this, is that this is not three months. It is not the Arab Spring. This is a ten-year process of protestors trying to learn lessons, of governments trying to learn lessons, of interacting, of trying to differentiate between one experience and another experience. This is going to be a much longer process than any of us wants to consider.

I do not think Syria is the fulcrum of this. I think actually the aftermath in Tunisia and Egypt—and you are going to have a process of political events over the next couple of years in both places—is going to be much more determinative of how this plays out than what happens in Syria. I am afraid that Syria is going to be very long and very messy, and it is not going to be very inspiring to much of anybody.

QUESTION: Enzo Viscusi, company president in both Egypt and Iran.

Israel has hardly been mentioned in this conversation. To what extent do the interests of Israel shape the West's policies towards the region?

DAVID SPEEDIE: Could we take the last question from this gentleman here?

QUESTION: I just have a comment. Like Mr. James, I spent a lot of time in the Middle East 40-50 years ago. My big anecdotal experience is that there's a big population growth that has occurred there. This is something that hasn't been brought up, but something you should think about. Syria, which you just talked about, went from five million people in 1965 to 21 million in 2005. The quality of life goes down and down, and you have what you have there now. I think the population growth in Egypt is one of the reasons—and the decline in quality of life—that brought about the events that occurred there.

JON ALTERMAN: Israel certainly influences the way the United States looks at the Middle East, broadly speaking. Certainly on issues affecting Israeli security, the Israeli views are at the forefront of many American considerations.

But on a lot of these public policy issues—on the issue of human capital development and similar matters—Israel is not in the forefront of people's minds. In fact, Israel, interestingly, has its own problem developing a public policy environment because Israelis do not do much strategic planning. Because Israelis feel that they have no idea what the future brings, they do not do the kinds of long-range things.

Actually, <u>RAND</u> has a <u>project</u>, as you may know, to try to help develop Israel's ability to do public policy planning, because so much of what they do is either reactive or short term.

In many ways, Israel has the same set of issues: A much more developed educational sector—a lot of people working on peace and security issues, which are forefront issues for them; but on a lot of the other kinds of issues—on education, on infrastructure, on those kinds of things—there is not nearly the work that there should be.

In terms of population, what I would look at is not just the overall population of these countries but the huge growth of cities. So Saudi Arabia is now 93 percent urban.

QUESTIONER: No, no. It's the Near East that I'm talking about, not the Middle East. Saudi Arabia is as different from Syria as we are.

JON ALTERMAN: But there is a broader process where people have moved off land and into cities. They have gotten literate, but there are not meaningful jobs for people.

When people think of Saudi Arabia, they think of Bedouin, and this is a country that is 93 percent urban. A quarter of the population of Egypt lives in metropolitan Cairo. In Iraq, I think a third of the population is in metropolitan Baghdad. The Middle East is moving, as many third-world states are, to a situation where a huge bulk of the population lives in or around the capital city, which is increasingly unlivable. This creates a demand for public policy, which states have difficulty providing.

I agree with you that there is a huge change in the overall population. There is also the growth of these mega-cities, which have complex tasks of governance. This precisely argues for governments that are able to meet these sorts of sophisticated models, which they do not have an ability to do. So you are absolutely right.

That is absolutely why people need to read this paper.

DAVID SPEEDIE: Amen to that.

Jon, time flies when you're having enlightenment. Thanks for a wonderful presentation. It led to stimulating and often very provocative questions from a terrific audience.

JON ALTERMAN: Thank you, David. I appreciate it.

Copyright © 2012 Carnegie Council for Ethics in International Affairs