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UNREST IN THE MIDDLE EAST:

SCENES FROM THE REVOLUTION

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P R O C E E D I N G S

MR. POLLACK: Good morning and welcome to the Saban Center for Middle East Policy at the Brookings Institution. It's still a little bit early on a Monday morning here in Washington, so I appreciate all of you coming out. I hope you'll find it to have been worth your while.

We've been doing these events obviously for a number of weeks since the unrest in the Middle East began and I'm struck by the fact that each time that we do one of these events, we have to add several new countries to the list that we cover because new unrest has broken out in the region. The first announcement I have to make is that this will be the last of these meetings because clearly these meetings are creating all kinds of turmoil in the Middle East and if any of us has to deal with one more country, I think you'll start to see all of us retiring and going into Silicon Valley or something more restful like that.

Obviously we do have a lot of things to talk about. One of the issues or one of the ideas that I'd like to give you all of you as a way of thinking about this, as a way of organizing your own thoughts and a way of thinking about how we're going to present this morning is that one of the interesting things that's going on across the Middle East is both the commonality and the differences in the revolts that we're seeing. At one level there is a common pool, a common theme, a common source of all of the unrest across the region. There is a stagnation in the economic,

social and political systems of the Muslim Middle Eastern states and this stagnation has created anger and frustration all across the region, and of course all of the different revolts tap into that anger and that frustration in one way or another.

But by the same token as I think you'll hear us talk about today, there are also very important differences in each of these countries because while that anger and that frustration is common to each, its manifestation is very different in each of these countries. In some it taps into social cleavages, in others to ethnic cleavages or religious cleavages or even geographical cleavages and trial cleavages. As a result, each of these different revolts, all of the unrest across the region, has a similar character to it because of these underlying common sources, but also has its own unique features. Of course it's important in trying to understand where each of these is going as well as where the region is going overall to understand both that sense of commonality and those common origins, but also to understand the specific differences. I think that's of greatest importance for the United States and for other countries on the outside whose interests are deeply involved in what's going on in the region and who are searching for ways to help make the situation turn out well, to help push things in the right direction because you can't deal with the problems of the region without understanding these common sources of the grievances of the region and if you aren't willing to address those

underlying and overarching aspects of the problem, but by the same token dealing with each individual country and its problems also requires an understanding of the specifics of its circumstances and how these underlying and overarching problems are manifesting themselves in the very specific conflicts, the very specific sources of unrest that we're seeing across the region.

Because we've got so many countries that we'd like to at least give a little bit about, we're going to cover the topics today in a slightly different fashion. We're going to do it as I've been calling it talk-show style. We have four terrific speakers and we're going to try to cover seven, eight, maybe nine different countries. So I'm going to pose specific questions to each of them to try to draw out different aspects of their knowledge on these different countries and give us the sense of the range of what's going on.

We're also very fortunate because a number of our speakers today have actually been to many of the key countries in the region in the last few weeks so that they're bringing to bear not just their years or even decades of knowledge and experience on these countries, but they'll also be bringing in some firsthand observations gleaned in the last few weeks as they visited these different countries to see what's going on.

I'll make some very brief introductions, but I think all of these people all very well known to you and you wouldn't be here if you didn't

already know and respect their opinions and their judgments. Sitting to my immediate right is Shibley Telhami. Shibley of course is a Professor at the University of Maryland. He has the Anwar Sadat Chair there, and as I always like to say, more importantly he is a Nonresident Senior Fellow at the Saban Center here at Brookings. To my left is Daniel Byman. Dan like Shibley has dual loyalties. Dan is a Professor at Georgetown in the School of Foreign Services, but he is also the Director of Research here at the Saban Center. Then as you can see up on our television screens we have two of our terrific Brookings Doha Center Fellows. Salman Shaikh who is on our right is the Director of our Brookings Doha Center. And sitting next to Salman on your left is Shadi Hamid who is the Director of Research at our Brookings Doha Center.

Let me ask everyone to please silence your cell phones and we'll start off by doing a number of questions and then eventually we'll open things up for questions from the audience.

I wanted to start with Shadi who was in Egypt recently and since Egypt is in many ways the epicenter of this earthquake shaking the entire Middle East and because of what happens in Egypt is so important to what happens to the rest of the world because of Egypt's pivotal role in the Arab world and because of the events that have transpired in Egypt and how important they are to everything else going on in the region, I

thought we'd start with Egypt and then we will work our way west and then we'll turn around and head back east.

Shadi, you were in Egypt not too long ago. Tell us what you saw at the revolution.

MR. HAMID: Thanks Ken. I was in Egypt the day of the actual revolution when Mubarak announced, I'm sorry, not Mubarak, but when he was forced to step down by the military and I was also there before and after that day as well. I was meeting primarily with Muslim Brotherhood activists and leaders to get a sense of their role in the revolution so maybe I'll just touch on that then maybe talk about the military.

I think first of all, people underestimated the Brotherhood's role in the revolution. They played it quite well I have to say. They were savvy and smart about how they went about it. And over the 18 days of protests, they gradually increased their participation and they provided services in Tahrir Square, they protected the protestors from thugs and so on. What was interesting too is they made a conscious decision to order their members in the square to avoid using Islamic slogans. They were really trying to portray this image of a unified revolution that liberals, leftists and Islamists were all together. Actually interestingly enough, their leaders also managed to write two op-eds in "The Washington Post" and

"The New York Times" on the same day right before the revolution actually happened so that there was a charm offensive going on.

Moving on to the post-revolutionary phase that we're in right now, we're starting to see the Brotherhood become more confident and we're likely to see some divisions at the same time emerge within the group. They're about to form a new political party called the Freedom and Justice Party and the tension between the religious movement and the political party is going to be very interesting to watch. The military has also responded to the demands of the Brotherhood and also other opposition groups and we saw this on Friday where a new prime minister was appointed and this is a really important development. It was the first time an opposition prime minister was appointed in Egypt in more than six decades so that this is really an unprecedented development. But was even perhaps more interesting about that concession from the military was that last Friday in Tahrir Square, Essam Sharaf, the new prime minister, was addressing the protestors right there, but standing next to him was a senior member of the Brotherhood. And just to think that this group went from being imprisoned and repressed just a year ago to being at the seat of the table and right next to Egypt's head of government is quite remarkable.

This brings us to an important issue about how to run transitions, and one concern that I was when I was talking to liberal and

leftists activists when I was in Tahrir Square was they were worried about this larger role that the Brotherhood was playing, and now we're starting to hear more concerns that this 6 months of a transition period is not enough. The Brotherhood is now the most powerful group in Egypt and they are the only ones that have a grassroots support network. The other youth groups are now, they haven't formed political parties and the political parties that do exist are quite weak. So an interesting question now is how long do these parties and groups really need to be able to build their capacity to reach out to larger audiences and to provide a competitive atmosphere for elections and that's a big debate that we're seeing right now. Currently the military is still staying around this 6-month target, but now we're hearing more and more calls for a 1-year transitional period and drawing out the process a little bit more.

Lastly I'll mention in terms of the regional implications here, Tunisia as Shibley will probably discuss isn't going as well as many people had hoped. Egypt is going better. There is an organized political opposition, there is movement and there is a constitutional review process. Things seem to be moving forward. But the region is watching to see if Egypt's transition is going to be relatively successful especially now that Tunisia and of course Libya don't seem as promising. So there is I think a lot of hope and pressure on Egypt to deliver and keep the process moving forward.

MR. POLLACK: Thank you, Shadi. Shortly after Shadi left Egypt, Shibley arrived in Egypt so I thought I would turn next to Shibley and ask Shibley to pick up the story for us. What did you see in the wake of the revolution and the formation of the parties that Shadi was talking about? How did things transpire after you passed Shadi in the airport?

MR. TELHAMI: I returned about a week ago and in fact was in Tahrir Square Friday a week ago when in the evening some of the demonstrators were assaulted by the military police and then the military said this wouldn't happen again.

I have to tell you that I go to Egypt very frequently and this is different. There is no question. I think it's different in a very exciting way. I would say that it's odd to go into a place that is in a transition where you would expect tension in the middle of a revolution and to be relaxed. In fact, it's infectious because the Egyptian people relax with each other and they relax with outsides and you relax with them, it really is a transformed environment I think psychologically in ways that one does not expect even with all the uncertainty and the complexity and the anxiety about what might happen.

Just a couple of reflections particularly about what Shadi said, and I agree with Shadi particularly about what he said about the transition and the concerns about the rise of power of the Muslim Brotherhood. There is no question in my mind that the core group of

activism even if the Muslim Brotherhood played a role is the young activists and mostly liberal. They do have some young members of the Muslim Brotherhood. In fact, I would even argue that there is an apparent tension between the established leadership of the Muslim Brotherhood and some of the young activists that's already emerging particularly because the young activists like the liberal young activists have felt that the leadership was moving too closely and cozying up and responding too positively to the military council. They thought they were not being demanding enough particularly about the changes, so early on they were just happy to be part of the transitional government and that created some tension. I'm more confident in what I had believed from the outset that this public empowerment that I call the Great Arab Awakening is with us to stay. This is a new generation empowered by the information revolution, and when I say empowered by that obviously isn't the case of the revolution. We all know about that and we have to reiterate that that we've known the reasons for it, but there is no question that this is a generation that is confident, that wants a voice to be heard, that is very careful in its strategy although it doesn't have unified leadership to coordinate in a way that is much more strategic than I had expected. They are very clear about their messages, to make them simple, to make no more than three demands at a time of the military leadership and whenever there is a responsiveness then to escalate to the next level.

I think the aim is much bigger than just the change in the government and one of the things that we're going to have to be watching in the next few weeks is the ultimate demand for them in the transition which is that they don't want a military-only council, that they want a civilian council with military members being part of it. Whether that's a red line in this game or not remains to be seen, but they seem to be awaiting in terms of escalating their demands as they get more and the military council has known that. It's been amazing actually how careful the military council has been, how peaceful it has remained in its reaction and how responsive it has been particularly in replacing the Shafiq government and appointing Essam Sharaf who is one of the names that was put forward by the young leaders. Leaders is probably a strong term to use because they don't consider themselves leaders, young activists I should say. And in terms of the names that were put on the table today for the Egyptian government, there were people who are far more acceptable across the board including the Foreign Minister Nabil Elaraby who was the Ambassador to the United Nations and then was appointed as a judge in the International Court of Justice, highly respected but also independent minded on matters related to foreign policy.

So they have been responsive but ultimately I think the demands are going to increase and those demands have to do with the makeup of the council itself in the transition because in the end I think

what it's all about is about trust. We keep forgetting that it's not really about what is announced, what steps are announced, what changes are announced, it's about trust. Do people trust the council to make the right decision? Do they trust that even if they announce something is going to be implemented and they can go back home and allow things to go back to normal? There is not trust yet. There is no question in my mind that trust is not there. That's one reason why you here we got to keep breathing down their necks and we got to keep escalating demands and we're going to keep keeping them simple.

That for me means that at some point there could be another confrontation. When that will come I don't know. But it is clear that the demands will escalate not only in the makeup of the council but also what might happen with regard to the constitution. There are a lot of people who are asking for a complete change in the constitution and not just a modification of the constitution. That includes not just some of the young activists but also some of the main players in this with whom I talked such as Mohammed ElBaradei, the former head of the IAEA, who would like to see a complete rewrite of the constitution, maybe even take as long as 2 years.

So there is a lot of excitement. There is a sense of power of the activists. I believe that this is not going to go away no matter how the military reacts to it. But there are a lot of questions that are still

unanswered and the next few weeks are going to be very, very interesting and very important for the consequences of what might happen next.

MR. POLLACK: Thank you, Shibley. Shadi, before we move away from Egypt I wanted you to comment on Shibley's critical central point there about this issue of trust between the military and the opposition groups because some of the reporting and some of the stuff that you were sending us and some of the stuff that you were telling us from Egypt early on I thought was incredibly important along the same lines of exactly what Shibley is talking about. Would you like to talk a little bit about what you were seeing on the ground and your sense of where things are going in terms of the opposition and the transition?

MR. HAMID: When I was in Tahrir Square I was kind of surprised to see a lot of the activists speaking very highly of the military as if it was really the savior of the people and the only hope for the protestors. Some of them told me it was more tactical than truly sincere, but still the general sense that the military was a very good thing. I think we have to remember though that the military was long one of the key pillars of the Mubarak regime. They had been supporting Mubarak and Mubarak of course is one of them for three decades. The military doesn't have democratic credentials, it's not a pro-democracy organization and I think the protestors are increasingly starting to realize that.

I think what was troubling after they took power was in some cases using force against protestors including tear gas, beating protests and people were saying those are the tactics of the old regime, but now the military is using them against us. Also the process hasn't been transparent. There is not a clear sense of what the military wants or how it wants to do it. It's a very ad hoc process. But to be fair, the military has been thrust into a totally new position. It has no training in governance so to expect it to be able to govern right away I think is a little bit unrealistic. That's why I think calls to join the military leadership with civilian leadership makes sense with people who actually are maybe in a better position to run things in the interim period. That said, as I mentioned earlier, the military played a really important step in forcing the Shafiq government to resign and that was a government that had a lot of old Mubarak cronies and they appointed this new opposition prime minister and that has I think gone a long way in satisfying some of the protestors' demands. Of course as Shibley was saying, there is a long list of demands the protestors are seeking so I think we can expect to see more tensions between the military and the protestors in the coming months.

MR. POLLACK: Thank you, Shadi. Let's start moving west and I want to move west to Libya because I think in some ways the contrast is a very useful one. In many ways Egypt as gone as well as you could imagine these revolts going. Egypt right now is the example of how

well things might go, recognizing exactly the points that Shadi and Shibley have made and which all of us keep reiterating which is still the very early days of this revolution and things still could go badly, but so far they've actually gone quite well in Egypt.

Right next door in Libya you have a very different story unfolding. In some ways, this is the revolt that has gone worst so far. The situation seems to be devolving into a civil war, something that was predictable and I think that we did predict up on this stage a number of weeks ago because of the differences in the makeup of Libyan society compared to Egyptian society.

Dan, I want to turn to you. Obviously there is the day to day and obviously if you've got any new updates on what's going on in Zawia, we're glad to hear that. But I thought far more useful would be to ask you to talk a little bit about what you're looking for in terms of the overall dynamics, what do you see out there and in particular what are you looking for that's going to tell you where this thing might be headed.

MR. BYMAN: I think it's fair to say that not only is Libya the most troubling of the revolutions we've seen so far, but it's also the most uncertain at least on this day.

Let me begin with the different dimensions of this uncertainty. Militarily this is really up in the air. You can focus as the papers are doing and appropriately so on individual battles in individual

cities and try to get a sense of where the movement of forces is and so on. But a lot of the military battle is really about defection. It's about trying to convince people on the other side to switch over or to go home or try and convince people who haven't yet made up their minds to stay on one side or the other. So a lot of the battles are really about kind of high-profile efforts at least within Libya to convince people to switch sides or to stay loyal to one side. It's hard to tell if that's had any impact. What we've seen at least for now unfortunately is that Gaddafi and pro-Gaddafi forces have reduced the rate of defection. It seemed for the first 10 to 15 days or so that there was a rapid peace of units turning away from the Libyan leader and that more and more of the country was falling to the opposition, but that stopped and seems to be at least somewhat reversed.

Militarily also there is a lot of uncertainty about the competence of these units. We know that the Libyan Army has a rather poor track record as a conventional military. If you're interested in one of the few pieces on this, see our Director Ken Pollack's "Arabs at War" which looks at the Libyan story. So they have this poor track record. Also you have a lot of units on the opposition side that are kind of citizen militias, untrained and inexperienced. You have the paramilitaries on the Libyan government side. And you have ammunition shortages and fuel shortages, you have all these things that make it very hard to predict exactly how the military struggle is going to go.

The worst case? You would see this turning into a protracted civil war that grinds on with pockets that are not pacified one way or another and goes on for quite some time. It's a little harder in Libya than it would be other places we've seen in the Arab world simply because of geography. It's harder to have a prolonged guerrilla struggle. But this really could drag on for some time. If you want to keep spinning worst-case scenarios, you could see foreigners coming in especially we've already seen al-Qaeda and associated movements talking about Libya and calling for supporting their brothers in the fight. So far this seems to largely be talk, but we've seen this pattern before where civil wars begin in the Muslim world for reasons that have nothing to do with bin Laden and his associates and they insert themselves very effectively first to help the locals and then slowly and gradually trying to take over the struggle. The best case of course would be the opposite which is tomorrow we see some significant defections from the pro-Gaddafi forces and this things ends relatively quickly. That seems unlikely at the moment, but the rapid pace of events should not be underestimated.

Another uncertainty frankly is here in Washington. There has certainly been increased talk that we've seen recently on Capitol Hill and we've also seen in talks here at Brookings by prominent members of Congress calling for intervention, but so far at least this seems a long way off. Secretary Gates has been very skeptical of this quite openly. There is

a question of how welcome American forces would be. Certainly in the broader Arab community there is skepticism but also I think even among a certain number of Libyans. There is a question of the American role concerning who exactly the United States would work with. We've seen a very disorganized Libyan opposition effort and that's no surprise. As Ken mentioned at the start one thing the Gaddafi regime did was deliberately try to disorganize the country, try to keep al opposition weak and off-balance and that plays up in how the revolt has been shaped, but that makes it very hard to pick sides because you're not sure who you'd be working with. And there is also I think a legitimate concern that even small measures like a no-fly zone could quickly escalate and drag the United States or drag other powers involved into something much deeper.

But much of the criticism about intervention kind of boils down to Libyans should do it on their own, it would be better for them, and we can all nod our heads and say that's true, but that of course assumes that the opposition wins. If Gaddafi wins then it's certainly not better for Libyans and we should remember that the killing is not going to end of Gaddafi wins at the military victory. We've already seen in Tripoli and we've seen in other places that Gaddafi enters quite significant bloodshed after the shooting stops, rounding up opposition members and killing them in often quite gruesome ways. Unfortunately this is a trademark of the regime and we should expect that if Gaddafi does regain his footing and

does make advances that we'll see killing both on the battlefield and off of it.

MR. POLLACK: Thank you, Dan. For the next stop on our little Baedeker Guide of the revolts in the Middle East, I want to keep pushing westward and we'll return to all of this and we can take questions on all of this in the questions and answers. But if so far Egypt has been the bright spot, the best case, and Libya is so far the dark spot, the worst case, in some ways to me Tunisia already starts to feel like the forgotten revolution. It's where all of this began and yet Tunisia seems to be rapidly fading from American newspapers, from the media and all attention seems to be fading elsewhere or moving elsewhere. That strikes me as ultimately problematic because Tunisia having started all of this I think plays an important role at least symbolically in where things are going to go and what people believe is possible. Shibley, you were just in Tunisia. Tell us about what's going on there and what we should be looking for and what you think is going to happen.

MR. TELHAMI: It's interesting because the degree of optimism in Tunisia is really very obvious when you go there. With all the concerns about the transition, the Tunisian people are extremely proud of what they've accomplished and everybody I talked to reflected a sense of optimism. I participated in a debate with Tunisian intellectuals about the direction of revolutions in the Arab world. There were over 250 people in

the audience, really some young and some old and they were polled in terms of whether or not they thought that these revolutions are likely to replace one set of dictators with another set of dictators or whether in fact this is unstoppable change. Seventy-four percent said they believed that this is unstoppable change. There was a sense of movement, a sense of momentum in Tunisia.

But I want to say a couple of things about what's happening in fact in their politics and also in some ways what's happening vis-à-vis the U.S. which is an interesting story in and of itself. In terms of their own politics, by the time I left, Ghannouchi had not yet resigned. In fact the shooting in the street that led to three deaths happened 3 days after I departed. I did go into the streets where there were two demonstrations and I talked to people in those demonstrations. One was pro-Libyan people which was a separate demonstration. Then there was the typical demonstration that they'd been holding pretty much every day "to keep heat on the government" because again there was no trust and they were calling for Ghannouchi to resign. They got that when he did resign.

At that time the debate seemed settled in terms of elections. People were expecting that there would be elections in June or July, either parliamentary or presidential or both and the debate was which one is going to be first, which one makes more sense. Since then there has been a very important development in which the president announced

essentially that there will not be parliamentary or presidential elections in July. Instead there will be an election of what was called a constituent council that would instead then write a new constitution so that in a way you would have an elected council. It's not clear how this will work out. It does mean the postponement of parliamentary elections. It does mean the postponement of president elections. It does mean the extension of the life of the current president. It does mean the extension of the life of the current government, although theoretically this new council will be given the power to either appoint an alternative new government for the transition or to ask the existing government to continue.

So there are a lot of uncertainties. This was received with mixed reviews. Some people thought it was wonderful. They were asking for rewriting of the constitution. They didn't want the current government to rewrite the constitution. Others were suspicious that this is an attempt to extend the life of the current government. That's going to be interesting.

The second thing concerns attitudes toward the U.S. This is really a fascinating story in some ways. I may do a public opinion poll in Tunisia in the next few weeks. But I suspect that Tunisian public opinion is very positive about the U.S. today. This is really kind of interesting that in the middle of all of these events and also negative attitudes about the U.S.'s veto of the settlement resolution in the U.N., there are some positive views because the U.S. was seen to have responded very quickly,

very forcefully asking Ben Ali to leave and supporting the will of the Tunisian people. Everybody talked about it. A second thing that helped them was the WikiLeaks report. It's fascinating because they said the Americans are really calling it like we are calling it which is that these guys really are a mafia, that the government is a mafia. That improved actually the view of the U.S. in Tunisia. The third is that the French shot themselves in the foot and that benefited the U.S. so that the contrast helped the United States.

In essence, you do have a remarkable responsiveness, I won't exaggerate it, but something the likes of which I haven't seen in many Arab countries in terms of attitudes toward the U.S. That by the way in some ways had impacted even attitudes toward the possibility of American intervention in Libya. While I was there of course the Libyan situation was escalating. I was talking to people and as you can see watching all of the local Arab media there and it is actually remarkable that Arabs who typically are opposed to foreign intervention across the board are almost calling for an American intervention to stop Gaddafi and even "Al-Jazeera." The pressure is that the Americans are not taking up the responsibilities to do what is right in this particular case. So it's a very strange kind of set of circumstances that has developed out of all of this where there a lot of opportunities and risks for the U.S. to think about in

relation to the developing situation not only in Libya but across the board in the region.

MR. POLLACK: Thank you, Shibley. Fascinating times. On this issue of the Europeans though, we have this strong sense that the Europeans are paying a lot of attention to Libya in part because of the oil, and we have a strong sense that the United States isn't paying as much attention to Tunisia. But are the Europeans continuing to pay attention to Tunisia? Because like Egypt, it's one of these situations where there are certainly positives as you've described, but there is also the potential for this to all come off the rails and it would be I think helpful to have some degree of external support for this moving in the direction. Do you get the feeling that the Europeans are still trying to push this in the right direction?

MR. TELHAMI: I hope so because obviously the French after first mishandling the Tunisia situation in having fired the foreign minister and put in a different foreign minister and they have a different policy in place right now, that's an indication they're paying more attention to it.

I worry about the economy in Tunisia. It's very stalemated. You can feel it and that's one issue that comes up regularly. American aid to Tunisia is minuscule. I believe last year it was like $27 million and this year it's actually slated to be a lot smaller and in this kind of environment of foreign aid, not much is likely to happen. They're going to need a lot of

support particularly in the transition because the transition is going to be long, and tourism obviously has been affected by all of this. So I think that they are going to need a lot of certainly economic support in the transition and since it's unlikely to come from the U.S. given the congressional environment, I think the Europeans are going to have a very central role to play in all of this.

MR. POLLACK: Thank you, Shibley. I'd like to change directions now and let's start heading east, east from Egypt that is. We've heard a great deal about what your Israeli friends think about this situation. They have not been terribly quiet about making their views known. I think we even have some sense of where the Palestinian Authority is. We've seen some very interesting developments there, in particular the embrace of Abu Mazen for Salam Fayyah and his reforms. But one of the dogs that so far is not barking is Hamas in Gaza and the people of Gaza. We're fortunate that Salman Shaikh, the Director of our Brookings Doha Center, was just in Gaza. Salman, I'd love it if you could give a sense for what's going on there and how people there have reacted to this and also your broader sense of what's possible out there in the Israel-Palestinian dynamic.

MR. SHAIKH: Thank you, Ken. It's a pleasure to be with you all. I was in Gaza just before the Egyptian uprising really took root, but I was there while the Tunisian uprising was going on. Subsequently

I've been speaking quite intensively to Gazans, those independents as well as those in Hamas and the ministries as well as in the P.A. and Fattah.

What I would say to you first and foremost is that there is a sense among Hamas of quiet triumphalism that they have managed to survive a number of years now when not many people gave them much credit that they would be able to do so as the effective authority in Gaza. They have 24-odd ministries, they have a budget of something like $25 million a month which they don't always meet in terms of revenues, but by and large they do get pretty close. They are even building infrastructure projects. And through the tunnel economy which I'm sure we've heard a lot about, they are also able to gain revenues. In fact, one thing I would say is that the tunnel economy right now may even be working in reverse. I've heard now that some goods may even be going from Gaza into Egypt and can also be providing a source of revenue.

Hamas in Gaza has been on a trajectory though where it has become more unpopular, both its control and its insecurity in governing the territory, but also sort of the new business, other elite that has come around the tunnel economy, has meant that they have had to I think exert more and more control. One positive aspect of their control has been on the security side by and large. We have seen of course increasing rocket activity in early January but many people attributed that to the anniversary

of Operation -- while I was there they were actually calling the factions together to try and put a hold to that. I think this is a factor which has also been recognized even no other than by Salam Fayyah where he has presented some ideas on Palestinian unity which we can talk about in a minute.

Hamas like the P.A. I think in the first couple of weeks of the Egyptian crisis in particular kept relatively quiet. I think the objective was to do no harm at that point in time. As Mubarak left the stage we can say that there was quite a bit of euphoria not least for Hamas and its situation in Gaza that will miraculously start to see a much more opening up of the border and the practical aspects and even if that hurts the tunnel economy, the prize of gaining more recognition was something that they were willing to forfeit some of that revenue on the tunnel economy side. Also politically they felt that with regard to the Brotherhood and the Brotherhood coming out much more into the light in Egyptian politics that this would have a knock-on effect on them.

I think that hasn't entirely happened at this stage. The border is still very much closed. In fact, most Palestinians if they go through Cairo are deported. They still are not able to move through Egypt in order to be able to get through the border. Politically we still I think and hear out colleagues Shibley, Shadi and others, commenting much more in terms of the recognition of Hamas by the current interim Egyptian

authorities. We have a situation whereby which now we have alternative strategies which are starting to emerge. Of course the point I'd make is that in terms of the peace process, the peace process had effectively gone into deep freeze as the Tunisian uprisings were starting so that we had no peace process while we've been going through the tumult and change in the Middle East. That of course had lent itself to the P.A. and Abu Mazen pursuing alternative strategies himself through the U.N. and the U.N. Security Council and possibly other aspects of the U.N.

In addition to that more recently I think we've had two trends which are emerging. One is a Palestinian focus and even street focus on Palestinian unity. We now have seen young activists, the pro-Intifada generation, even coming to the streets in small numbers but nevertheless in Ramallah and in Gaza and occupying some of the central squares calling for Palestinian unity, that among a number of other demands that they are making which may mean that their process may not be that effective, but still Palestinian unity is definitely a prevalent and pervasive theme throughout the West Bank and Gaza.

The second aspect is on the debate of nonviolent protest and violent protest. Here again I think it is a debate which are seeing play out. Of course we've seen Palestinians trying to protest in nonviolent ways in the West Bank, but this has been given added impetus by the by and large nonviolent protests that have been taking place around the Arab

world. A guy who has cottoned on to all of this is Salam Fayyah. Salam Fayyah has actually tried to incorporate both of those themes in his proposal for a national unity government which is based on two particular security concepts. One, and this is a concession, that Hamas can be in charge of the security apparatus in Gaza while the P.A. is in charge in the West Bank but that both sign up to a nonviolent strategy especially when it comes to operations against Israel. This of course has been a nonstarter for Hamas but what it has forced them to do now is to think very seriously about their own strategy and we're hearing, and we've heard Mashal come up with elements already talking about a reconciliation through a jihad platform. We're likely to see in the next week or so Hamas present its own proposals.

I would add one other thing around these issues of nonviolence and Palestinian unity and resistance and reconciliation. Among Hamas itself there is a raging debate I believe that is going on both within Gaza and in Damascus about what kind of strategy to pursue. Is it learning from the example from the Brotherhood in Egypt which is now coming through the front door of Egyptian politics and the Turkish example? Here Haniyeh himself has talked about this. Or is it pursuing its raison d'être of Palestinian armed resistance? This is a debate I think which are likely to see. Ultimately it also talks to them about whether they choose governance and stability in Gaza and elsewhere or as part of a

unity government or whether they pursue the nonviolent approaches. This is the kind of dynamic that we're in right now. Of course on the peace process itself I see that we're starting now to see some -- and here I would say that a pro-peace path is the kind of path we need to encourage Palestinians and Israelis to urgently get back on so that we can maybe start to see some important progress at a time when the issue itself, and I have no doubt here, can be used by those who would want to provoke alternative strategies and here I'm talking about particularly Iran and perhaps some of its other surrogates in creating a dynamic whereby which there is belligerence and conflict which is filling the changing Middle East environment rather than the pro-peace path I think which we need to urgently work on.

MR. POLLACK: Salman, just on that last point before we move on to the next country, you have been hearing people here in Washington and elsewhere in the region debate whether now is the time for a big American push on the peace process with some people saying that because of the events in the region there is an opportunity here, other people saying that because of the events in the region the opportunity is going to have to wait because of the uncertainty and the fears involved. Obviously I think it comes down to as you pointed out there certainly could be real benefit to a peace process if it starts moving forward. But I'd also like to put the opposite to you which is if the U.S. were to make a big push

on the peace process and it were to go nowhere because the fundamental positions of the two sides have not changed despite everything that's gone on, do you think that that could set back both the cause of peace and create problems elsewhere in the region as a result?

MR. SHAIKH: I would say to you there is no allusion here that it's going to be extremely hard work and the price of failure of course would add to the belligerence and the tone which we don't want to have in these particular times. Though I notice that Prime Minister Netanyahu is likely to come up with his own ideas and proposal which are likely not be accepted by the Palestinian side, but can we still nevertheless find a way for quiet and serious discussion. I don't think we have an alternative to that.

I saw Abu Mazen not that long ago. This is a man under severe pressure and strain. He is either liable to totally disengage and pursue the path of being the popular Palestinian leader and that would be his legacy as the guy who resisted until the end, or he is likely to be part of the solution which I believe he has to be along with Salam Fayyah.

I would also say to you that in this changing Middle East environment Israel is in danger of being isolated like never before and this is dangerous for Israel. This also of course feeds into the delegitimization narrative that many would like to pursue and also in the absence of a peace process. As I said, there are those who would want to provoke a

different kind of environment in the Middle East where the Arab masses again focus on Israel and its intransigence rather than on the change that needs to take place within their own societies. And if there is a serious process and this is what I'm calling for at this point time, a serious process that would help us isolate from that kind of provocation as well. So, yes, it's very hard work. The price of failure is very high. The Palestinians though are determined and they will continue. It's very, very important I think from both parties' sides, Israelis and Palestinians and the region, that we are in a serious process and that's what I would be advocating.

MR. POLLACK: Thank you, Salman. Let's keep heading east. Shadi, after you got done in Egypt you headed on to Jordan and obviously Jordan is another country of tremendous importance. In some ways it's ironic because you had a king who took power who seemed very interested in reform and made some tentative efforts in that direction and then got scared off, who reined everything in only to be forced to open things back up again in the wake of recent developments. Tell us what you found in Jordan. Where do you think things are headed there? To what extent do the Jordanian people actually accept the king's gestures as being sincere? What's your sense of where the government is? Are they sincere? Are they going to follow through? And will happen if they don't?

MR. HAMID: I left from Cairo to Amman 2 days after Mubarak stepped down on February 11 and just to see the contrast in

mood, in Egypt everyone was partying all night after they had the announcement and the streets were packed. It was incredible. In Jordan the mood was not so optimistic and you really got a sense that the opposition was facing a real uphill battle. So over the course of my 4 days there I met with regime officials as well as members of the opposition including the Muslim Brotherhood there. I think it's worth noting in terms of context that this uprising in Jordan, and there have been consistent protests for the last 2 months, didn't start now. This has been building up for a long time. Jordan was one of the most open countries in the early 1990s and had the best Freedom House score in the Arab world in 1992, and then Abdullah came to power even though he has this image of being pro-reform, he oversaw a move to greater authoritarianism so that that's the context that we're talking about here, this kind of building frustration.

The government is serious about reform but reform is different than democratization and there is a ceiling that they have. They don't use the word democracy a lot. They keep about talking about reform, reform. The newly appointed prime minister, and there are so many prime ministers how in the Arab world that it's hard to keep track, but Jordan appointed a new one on February 9 I believe. He is a former military man. He has no democratic credentials that I'm aware of. He oversaw what people consider to be one of the most rigged elections in

Jordanian history in 2007 so that it was a very odd choice and it doesn't really bode well for the monarchy's seriousness about reform.

The problem that the opposition is facing right now is that they don't have a rallying cry. In Egypt and Tunisia, it was fairly simple and straightforward, Ben Ali has to go, Mubarak has to go and everyone could unite around that basic message. The problem in Jordan is they don't have a bumper sticker slogan. And the monarchy is not just in Jordan but throughout the region, in Morocco but also in the Gulf. They all have a degree of religious legitimacy so that that in a sense insulates them from real challenges to their power. No one is calling for regime change in Jordan. They're asking for the king to reduce some of his powers but, again, that's a difficult message to convey to a large audience. What exactly does that mean in practice? How does it happen? Is it gradual or is it quick and so on. Part of the problem too is that it's still illegal in Jordan to criticize the king directly so that the opposition has had to be careful in how they frame their criticism, but they have become more emboldened. Now they're talking about constitutional monarchy. That's the new phrase that we're hearing a lot in Jordan and there is a constitutional monarchy initiative that has been announced that different opposition groups are supporting.

But I think in the end we still have a fundamental problem in Jordan that's a little bit different. There is a sectarian issue. There is

minority rule over the majority and Jordanians or Jordanian origin are largely in control of politics and the military, but the majority is of Palestinian origin which is where we see a lot of tension and divide. The problem is if there were true democracy in Jordan that would mean that the Palestinian population would play a larger role and you would really have a complicated situation at least from the standpoint of the regime. Actually one of Jordan's former prime ministers just told me a couple of months ago before these revolutions started, we were talking about the electoral law, and he said straight up to me we're all for reform but we can't really have true democracy because we have a demographic imbalance and that's a tough one to get around and I'm not really sure what the answer is to that, and Bahrain I think has a similar problem where you have that same demographic imbalance.

Lastly I'll just say if you're thinking about how to reform monarchies, there are very few precedents. If you try to think of examples where a monarchy reformed very quickly from an absolute monarchy to a constitutional monarchy, it hasn't happened I quite a long time. It usually takes a long period. Of course if we go to the 19th century we're talking about decades if not centuries, but there isn't really a model for this. How do make that transition and how do you get monarchs to voluntarily give up power? Why would they do that? And I don't think there is a clear answer for that right now.

MR. POLLACK: Thank you, Shadi. You mentioned Bahrain and the cleavages there and also the call for a constitutional government. Why don't we skip right over to Bahrain and why don't you from your vantage point in the Gulf tell us what's going on in Bahrain right now and in particular where you think that this is headed, what you think the opposition is looking for and what you think the government is willing to give and whether there is some intersection in the great diagram between those two things?

MR. HAMID: Salman will probably jump in about this as well. There is a big gap in Bahrain between what the protestors are asking for and what the government is willing to give. There has been talk about a national dialogue but we've been hearing that for 2 weeks and it hasn't started yet. What the opposition is asking for, and they're led by the major Shia Islamist group called al-Wefaq, they're calling for an effectively constitutional monarchy and in practice that means an elected government. Right now the cabinet in Bahrain is appointed by the king so that that is one major issue of difference. There is a really big gap there because if you did have an elected government in Bahrain, there would be a real possibility that the prime minister would no longer be Sunni but Shia. Shias are about 60 to 70 percent of the population in Bahrain. So the question is again how you close that gap? There is not a clear model for this and there are not a lot of precedents for how to do that. The Sunni

ruling family is probably not going to be willing to give up as much power as the protestors want.

The other issue now is that we're seeing divides in the opposition between those who want to take a harder line and say down with the whole ruling family, and those on the traditional cautious opposition who are saying, guys, cool it down. We have to have a more pragmatic approach and go step by step and focus just on elected government within the existing regime. And that's what we're actually seeing in many of these countries where you have a hard-line opposition that has maximal demands and a more legal traditional opposition that has been part of the system for a long time and they want to play things a bit more cautiously.

MR. SHAIKH: I agree with everything with Shadi just said, but just to build a little bit. If we look at the sort of trajectory of this particular uprising and the government's response, the first week we were on a path to escalation which then led to the killing of six protestors and the government mishandling that particular aspect of how to deal with those protests. We then had I think a very effective involvement and engagement from the United States in putting an end to that. At the second week we were really getting into talk of a national dialogue as Shadi said with various demands. But what is clear is that that gap is so great and as we are going into the end of the third week, we are now

starting to see those talks about talks not really leading anywhere. We have not been able to square the circle which is why I'm afraid we may well now start to see again more of an escalatory trajectory. Just yesterday we had protestors not just in the square, but they were also at the palace. Today they were also in the state-run state television. And they are also by the way protesting around the American Embassy saying why aren't you doing like you're calling for elsewhere, for example, in Egypt and Libya? So this is a situation I think which we have to watch, and of course with Saudi Arabia and others in the region. I was just in the UAE as well where I am very, very concerned. It's a situation which is for them also qualitatively different because it's right on their doorstep.

What I would boldly say though is that Bahrain has changed. The nature of what emerges though is still very, very murky. It has changed in that you have now two very equally standing parties who are going to be pretty much en masse with demands. I cannot see the Khalifa family capitulating to the kind of constitutional monarchy that Shadi was talking about and I don't see the protestors backing down now. So we're going to have to find a way and this is where perhaps also outside mediation or intervention in a national dialogue will become absolutely crucial.

MR. POLLACK: Thank you, Salman. There is at least one more country I'd like to cover before opening it up to questions and that's

Oman. I think Oman is interesting because Bahrain was an obvious candidate. Bahrain has experienced internal unrest for years now even before any of this started, but Oman was a sleepy little sultanate and I think it caught everyone by surprise when they began to have some problems there as well. Salman or Shadi, do you want to give us your thoughts on what's going on in Oman and what we ought to be looking for?

MR. HAMID: Ken as you said, Oman has a reputation of being a sleep sultanate and I think is another reason why we should never again say that an Arab regime is stable or immune form protest because if Oman is having protests, all bets are all and they've been fairly consistent. There has been a sit-in in front of the consultative council that's lasted I think more than a week right now and Sultan Qaboos has come under pressure. He has done not just one cabinet reshuffle, but two cabinet reshuffles replacing nine ministers so it's clear that for the first time in his reign he is feeling pressure.

What's interesting about Oman which is some ways similar to Jordan but perhaps to a lesser extent is that no one is criticizing Qaboos. Everyone is staying away from that and people seem to genuinely like him a lot. So even though they're criticizing the government, they're hailing Qaboos as a great leader and in a sense these are protest movements that are pro-monarchy which is an odd

combination. In a sense it all seems in some ways like a charade because everyone knows who appoints all the government ministers so that if they don't like the ministers, the problem isn't with the ministers, it's with who appoints them. Right? So I think there is that interesting tension there and that's why I think again the challenges that these protestors are going to face in these monarchies are quite large.

The other here is that the way they phrase their demands is they're asking Sultan Qaboos to grant them certain economic privileges or to expand the powers of the parliament so that the monarchy is in a sense reinforced. The monarchy continues to be the focal point of debate and discussion and no one is talking about shifting the power elsewhere.

In terms of what the regime's strategy is, they're doing the whole GCC approach. I'm not sure what you would call it, but I guess bribing their citizens in providing monthly stipends and keeping subsidies and every family gets $1,000 and things of that nature. Oman is trying the same thing. There is talk about GCC countries giving Oman more aid to be able to do that and I think these regimes are getting it wrong. Economic grievances are a part of this, but I think as we've seen elsewhere, economic grievances and political grievances are inextricably intertwined.

MR. SHAIKH: The only thing I'll add is three quick points. One, I agree with Shadi that a lot of what we're seeing in terms of the

economic benefits or raising the minimum wage are Band-Aids and it's debatable as to whether countries like Oman can afford it longer-term, and also with Bahrain there has been a long period of stagnation which affects their commercial activities as a financial, et cetera.

Secondly, we have to ask ourselves the question already based on the experienced that we're seeing whether the nature of the regimes themselves, how they're set up, actually enables them to change. Are there inherent rigidities here and ways of doing things not least a rather centralized system which has meant that it's not their fault if they don't often respond in the right way? I think that's the kind of test that we're seeing them go through right now. In the case of Oman we may well have seen the order coming from one place but it wasn't necessarily something that the political establishment may well have acceded to. But there are rigidities here I believe which I think when put under this kind of stress, some of these are being exposed right now.

The third general point I'll make is that ultimately, and what we're seeing in the Gulf now as well, is a demand for deep political and constitutional change. The question we have to ask ourselves is how far do those changes have to go and to what extent then will they change fundamentally the nature of the regimes that have been established?

MR. POLLACK: Thank you all. I'd like to open things up to questions. Because we're trying to cover so many different countries, I'm

going to ask people first to obviously state your name and your affiliation, but please ask a question and please be brief. What I'm going to try to do is I'm going to take a whole bunch of questions. I'm going to try to take five or six questions at a time. Then I'll go around to all four of the panelists and allow everyone to give brief answers to one or two of the different questions that you particularly want to say something about. This way hopefully we'll get as many questions as possible and be able to cover as many of the countries as possible.

MR. ARAKAT: Thank you. My name is Said Arikat from *Al Quds* daily newspaper. To Shibley, in the last 48 hours there has been a movement by Arab intellectuals and writers who are saying, yes, Gaddafi out, but let's not be too precipitous lest we allow a renewed Western hegemony over Libya. That's one. My question to Shari is the following. How likely is the revolutionary bug infecting places like Qatar and the United Arab Emirates where you have migrant populations from the Indian Subcontinent treated like indentured slaves so that there is a great deal of discontent? Thank you.

MR. POLLACK: Great question.

SPEAKER: I'm -- University of Wisconsin in Washington -- international affairs. I'd like to ask you if it's an oversimplification and perhaps a misleading one to look at what's happening in Egypt as a three-way struggle between on one hand the military which has a certain

amount of legitimacy as the protector of the nation but obviously linked with the old regime. On the second hand, the Muslim Brotherhood and other religious leaders who have a certain amount of legitimacy because of their roots in Islam but perhaps negatively because of their association with extremism. Then you've got on the third hand the instigators of all of this which is the Arab street so to speak, the small businessmen, the student activists, the taxi drivers. If they would like to be in the forefront, do they have to make a decision between who they're going to ally themselves with, the military or the religious group or is it possible for them to make this happen on their own?

MS. SLAVIN: Barbara Slaving with the Atlantic Council. I would be interested in hearing from all of you on the role of U.S. pro-democracy organizations both NGOs and government-sponsored. Do they have a role to play? Are they really necessary? It sounds like the Egyptians are going pretty well on their own.

MR. BUEL: Thank you. Good morning and thank you very much. I'm Meredith Buel with Voice of America just back from several weeks in the Middle East. I would like to ask the panelists especially Mr. Pollack, Telhami and Byman, about the impact that the Arab uprising may have on al-Qaeda. Some analysts appear to be arguing that since they had no direct influence on the uprisings themselves that al-Qaeda has been al-Qaeda has been effectively sidelined. Others are saying that the

very toppling of these regimes plays right into the goals of al-Qaeda and that if there are stronger Islamic groups that begin to emerge in these various countries that again that plays possibly into the hands of al-Qaeda. My question is how is the Arab uprising or the Arab awakening have an impact on al-Qaeda and more broadly on the fight against terrorism?

SPEAKER: I'm -- with -- International. Shibley, I appreciate your touching briefly on the economic situation in Tunisia. I'm wondering if anybody is able to talk about the economic implications or outlook specifically in Egypt or even Oman. That would be very helpful.

MR. MITCHELL: Garry Mitchell from "The Mitchell Report." This is a slightly different version of a question that's been asked and it's to ask the panel to consider a thought experiment. The thought experiment is there has been a lot of discussion in the newspapers and elsewhere about how well Obama has handled this, have we been in early enough, too late, was the tonality right, et cetera. The thought experiment is this. What are bin Laden's strategic options and if you were advising him which of those strategic options would you counsel?

MR. LEWIS: Sam Lewis. A simple question after Garry's not simple one. There is one big player that hardly has ever been mentioned and slightly only once and you didn't talk about it. What is the Saudi situation and how does it affect the others if at all?

MR. POLLACK: A great round of questions. Let's go around and we'll take a whole bunch of answers. I'm going to again ask our panelists to please keep your remarks brief and please do try to pick up on only one or two of the questions because if everybody tries to answer every question even with only a one-word answer we'll be late for lunch. Shibley, why don't I start with you?

MR. TELHAMI: Let me start with that question about Gaddafi. I think Arab public opinion on this is going to be very fluid and we might welcome it today and not welcome it tomorrow depending on how it changes. I think it has to be handled very carefully. There cannot be a Western intervention. If there is an intervention in the genocide it has to be U.N. mandated and very clear in its mandate.

On Egypt and the Islamists and the liberals, I don't think that those are the choices. I think with the military there was not question that it was part of the regime. In fact, I met with a foreign envoy who had met with Mubarak the day before he resigned where he met with him and with Vice President Omar Suleiman and conveyed that they were still confident that they're going to be able to withstand this the day before and he said that if the security services cannot do it then the military would be able to do it seeing the military as the last line of the defense of the regime. We've seen how the security services though just a few days that they were on the way back with this film of one of their officials that made the

rounds on the web that generated a lot of the anger among the Egyptian people calling for essentially ending the whole institution of state security forces. The military I think is going to give in only as far as it had to go to do. I think they were probably all surprised by how tenacious the movement is and they gave in more and more and more and more and that's why I said at some point it's going to be tested.

The Islamists use a different role I think. I think the question of course is if there is an open election, people think because they're organized in the short term that they will probably do better. Much of the bulk of the movement is not Islamist. Even aside from what Shadi said about their role in the demonstrations, there is no question that the empowerment of this generation is not in the first place about Islamist ideology and that's with us to stay. They're going to put the heat on any government that is going to come into play and I think that they will not tolerate it, that we will see tension no matter who emerges if they're going to try to close down the system.

On U.S. pro-democracy organizations, I met with one of those organizations while I was in Egypt. They called me before I said I'm going to Egypt and I said I'm there too. We met and my advice to them was that people are very proud about them particularly Egypt. They don't want people to come in and say can we teach you how to be democratic? I went into a conference that was all Egyptian to talk about democracy that

was cosponsored by the newspaper "Al Masry Al Youm." It was very intelligent, very smart, a lot of different ideas, high quality. They don't need a lot of outside support. At some point they need some observers or need some help in some other ways, but I think don't deal with a heavy hand right now on this issue and watch it out. The strength of the Tunisian and Egyptian revolutions were indigenous and it was very hard for these regimes even though they tried, this is foreign intervention. That's why they succeeded. As I told you, my own view is that the 2003 Iraq war and the pro-democracy policy of the U.S. under Bush actually delayed the indigenous processes because they implicated them and people said this is the U.S.'s hand and it was a hand they didn't like so that I think let's leave them alone for a while.

On al-Qaeda, on the day Mubarak left I wrote an political article and the title of the article was "Bin Laden's Nightmare in Egypt." I do believe the fact that this is a peaceful nonideological revolution, the empowerment of a new generation, that it is bin Laden's nightmare and this put bin Laden on the defensive. We have a stake in its success because if this fails in my own judgment, if these empowered people who are going to remain in empowered by virtue of the information revolution being with us to stay and only expanding, that if they don't get things done peacefully, their energy is going to be channeled somewhere else and it could become our nightmare. We have a stake in making sure that these

peaceful demonstrations succeed and that is the best weapon against al-Qaeda.

As to economics in Egypt very quickly, that's the worry in the short-term. There is no question. People in Egypt are extremely worried about the economic consequences and I think we have to figure out a way for the international community to do it rather than through foreign aid. Egypt by the way is welcoming a lot of tourism right now even in the middle of this transition and that could be a big help too.

MR. POLLACK: Thank you, Shibley. Dan?

MR. BYMAN: I'll try to tackle a few of the questions. I have a slightly different slant on the al-Qaeda/bin Laden question. These are big events and with big events it's hard to say to me that it's all a good-news story or all a bad-news story. I strongly agree with Shibley's point and I urge you to read the article he wrote, it's superb, that this is a real nightmare from an American point of view. Bin Laden has been trying to portray the Arab world in the certain way and he's been trying to portray the United States in a certain way. He's been trying to say that change only comes through violence. All that is wrong and it's been disproven quite dramatically.

In particular it's been disproven among a demographic he cares tremendously about which is young men, and he cares about them because they are the key recruits so that that is a huge positive. But on a

day-to-day basis there are also negatives or at least potential negatives. An obvious one, and we hate to say this, is the United States has benefited on a day-to-day basis in counterterrorism from tyranny, the Mubarak government, the Gaddafi government, these are partners in counterterrorism or were partners in counterterrorism. They arrested many people who were linked to jihadist causes. They shared intelligence. That doesn't mean that the replacements will not be partners, but for now we don't know so that we have seen a shift and what comes in the future we simply don't know.

We do know however that jails have been opened and many of the people in jail have been falsely accused or were only involved in small things and stayed there for much longer than perhaps they deserved. But some of the people in jail were involved in these movements quite extensively and if you look at these jihadist movements, they are actually quite small so that releasing a relatively small number of hardened individuals has a huge impact on operations.

Beyond that it's easier to transit back and forth to these countries. Getting in and out of Libya is now much more possible than it was 2 months ago so that there is an impact on operations that may be short-term that al-Qaeda may not benefit from, but to me it's quite real that it has to be balanced with the quite real impact on the narrative.

The second point very briefly on Barbara's question as to U.S. organizations, I do think there is a role here. I historically have been very skeptical of U.S. ability to educate to promote demonstration because I think it's so difficult to get these wheels moving. But that's quite different than when it's already happening. To be clear let me Shibley's point, this should not be the United States teaches the world how to do democracy. That never works. But when you talk to these people that's not what they're trying to do. When you talk to people -- they're not claiming we're going to show the world. What it's really about to me is offering resources, offering ideas and in particular what I'm concerned about is in a number of these countries as the months go on, as the enthusiasm wanes from some of the democratic organizers that you're going to see some of the older forces that are at times less pro-American, at times less pro-democratic have the advantage simply due to organization and longevity, that they have a Rolodex and others don't. Here U.S. organizations can help and it would still be marginal. I don't want to exaggerate their role. But I do think there's a real contribution and I think a bigger role in helping implement demonstration than in helping foment it.

MR. POLLACK: Thank you, Dan. Salman, would you like to add some thoughts on a variety of these different questions?

MR. SHAIKH: Let me speak about Saudi Arabia in particular, and thank you for that question. I do believe that this is a big

one and of course sitting where we are in Qatar, we feel that I think even more clearly. Let me put it this way. If we don't see further progress in reform in Saudi Arabia I believe in the next year or so we may be heading toward a period of quite a lot of instability. Let me base that particularly on the figure of King Abdullah. King Abdullah is the one guy who I think in Saudi Arabia can win the hearts and minds of all constituencies, the reformers as well as the conservatives and religious establishments to push through what we all know are still much-needed reforms on the education side, on the political side as well on the economic side. Here we have seen some reforms under this tutelage, but we've also seen that when he's not around on the scene we get to a level of dysfunction and lack of decision making.

The balancing on the reform-minded constituencies which I think are going to get increasingly louder as well as the religious establishment is going to be a key test for any of the leadership and if King Abdullah were to leave the stage I then fear that we may well be facing certainly a short-term period of instability but maybe longer-term. His brother Naif we all know is not an instinctive reformer. In fact, on the contrary. Then we still don't know who is going to appear at the end of the internal consultative exercise that will take place. We do hear that there are maneuverings going on maybe even for a prime minister who could perhaps take on the role of government. This of course means that if

Saudi Arabia does go into a period of instability that this will not be a local crisis, this will be a world crisis and this is something which is likely to remain for the months and perhaps years to come.

One final thing. Saudi Arabia's youth unemployment rate unofficially is up to 50 percent and those youth are still not finding productive employment in the private sector. Some of them are just not cut out for it at this point and that's why we still need to see real progress through the education system. A lot them are now being again pushed back into the public sector. There is a cadre of youth though who are in the religious seminaries. Here we're talking about maybe 10, 15 to maybe even 20 percent. That figure was higher about a decade ago, maybe higher than 25 percent. In that instability we may well see this particular segment come out and ally with the more conservative elements which drives the change which again is not a very palatable scenario in a more unstable Saudi Arabia.

MR. POLLACK: Thank you, Salman, for those excellent points. Shadi, please.

MR. HAMID: On the issue of the Muslim Brotherhood versus the military and so on I think we have to remember that the Muslim Brotherhood at its core is a pragmatic organization. They know the limits, they know what the red lines are and that's why many of the leaders have said that they would respect a peace treaty with Israel. God knows if

they'll keep that position, but they're saying that and that suggests they have an understanding of the international arena.

I differ a little bit with Shibley on the point of the Brotherhood's strength. I think if were an election in 2 weeks that the Brotherhood could potentially win if they ran a full slate. The thing about Islamist groups is that they don't run a full electoral slate because they don't try to win elections and that's why the Brotherhood has said it won't run a majority of candidates and that way there is no way it could win a majority even if wins every seat it contests. They've already said that publicly. Why is that? Because they know if they win more seats than they should there would be an international outcry like Algeria in 1991 or Hamas in 2006. They have that understanding I think.

I think it's a little bit concerning when we look at the U.S.'s relationship with opposition groups on the ground. The Brotherhood is the most powerful group in Egypt right now and the U.S. doesn't have any real channels with their leadership because we don't engage in dialogue with the Muslim Brotherhood. That strikes me as not being good for American security interests and I think we're really gotten this wrong because sooner or later these groups are going to come to power in some role and we didn't think ahead and now we're in trouble with that. So I think maybe now is the time for U.S. officials to think seriously about sending some people over and starting that dialogue. We're going to have to learn to live

with these groups. We don't have like them but we have to figure out some kind of accommodation.

On the issue of U.S. pro-democracy organizations, the U.S. has gotten this wrong for five decades where we have supported repressive regimes for five decades, but I'm always suspicious of the argument that because we've gotten things wrong for five decades we should assume that we'll keep on getting them wrong. Maybe now we have an opportunity to fundamentally realign our policy in the Middle East and show that we're serious about democracy but in a respectful way that takes into account what people on the ground actually want. I think we have the potential to shift in that direction but whether or not it happens is a different story. The Egyptians are doing a good job but coming up with an electoral system is pretty challenging. Do you pick SNTV first past the post proportional representation? That's difficult even for people who study this stuff. The U.S. can help and provide assistance in that respect, but why not also bring in emerging democracies to provide assistance as well, Indonesia or Brazil, countries that have actually gone through this transition themselves?

Lastly, the U.S. I think has been behind the curve. It's tone is evolving, but it's interesting to see where they've been supportive and less supportive. In Egypt and Tunisia it seems they've evolved, but if you look at Jordan or the GCC countries, Admiral Mullen has been going from

country to country reassuring rule families and leaders that the U.S. is still with them and I think this puts the U.S. in a precarious situation where they're not necessarily realigning themselves with the new mood. No one is asking the U.S. to throw these leaders under the bus, but I think at least being serious about putting pressure on them would be helpful at the current juncture.

MR. POLLACK: Thank you, Shadi. I'm afraid we're running out of time. I'd like to make one remark in response to a question that Said raised which I think is a very important one as we're thinking about where this may go, this issue about the expatriate workers in the Gulf. We've had the first reports of protests in Kuwait among clerical expatriate workers. It has not yet moved to the larger pool of manual laborers, the oilfield workers, the domestics and the other people there, but obviously that's a very disconcerting development. If that catches fire, if that group of people catches fire, that could be extraordinarily problematic for the smaller states of the GCC and even for Saudi Arabia as well.

As all of my colleagues have suggested, there is always opportunity in crisis and the hope will be that the states of the region will recognize that there is another tinder box out there in these expatriate workers, and just as all of my colleagues I think rightfully urged us and urged these states to push much forward much faster on reform programs,

this is another area where reform is needed and where reform could head off explosions down the road.

With that we're going to bring things to a close. Please join me in thanking this superb panel for this tour d'horizon of the region. And thank all of you and we will you again soon when I'm sure we'll have new things to discuss.

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CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

/s/Carleton J. Anderson, III

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