BROOKINGS DOHA CENTER

U.S.-GCC RELATIONS AFTER THE ARAB AWAKENING:

THE VIEW FROM WASHINGTON

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P R O C E E D I N G S

MR. SHAIKH: Good afternoon. If you could just take your seats, please. Thank you.

Well, good afternoon, everybody. Ambassadors, ladies and gentlemen, it's wonderful to see you here at what I particularly think is a special event with two of my colleagues from Washington -- one of them happens to be my boss, in fact -- to discuss this particular subject of U.S.-GCC Relations after the Arab Awakening: The Review from Washington.

Ken, on my right, is the director of the Saban Center at the Brookings Institution and an expert on Middle East political military affairs, particularly within Persian Gulf states. He is, of course, known also as a former CIA analyst who played an important role during the Persian Gulf War. He's also served on the National Security Council twice, the first time where he served as director for Near East and South Asian Affairs and then director for the Persian Gulf Affairs. He's, as I'm sure many of you know, written several books on these topics, including

his very well known and esteemed book on the *A Path out of the Desert: A Grand Strategy for America in the Middle East*. And where he encourages gradual reform throughout the Middle East, something I think which is very, very present for today. Ken, of course, is also my boss. It's wonderful to have you here.

Suzanne Maloney, she's a senior fellow of the Saban Center where she focuses on energy, economic reform, and U.S. policy towards the Middle East. She has previously served on the State Department's policy planning staff where she covered Iran and the Gulf States among other Middle Eastern issues. She also directed the 2004 task force of the Council of Foreign Relations on U.S. Policy towards Iran, and recently authored the book, Iran's Long Reach: Iran as a Pivotal State in the Muslim World. It's wonderful to have you here as well, Suzanne.

Ken and Suzanne, of course, bring exceptional expertise to the GCC states and U.S. foreign policy to the region. Again, I'm delighted to

have them here, to hear their very important insightful insights into current U.S. thinking regarding the GCC and in the context of the Arab awakenings.

The Arab Awakening, of course, has been a testing period for the international community. Foreign powers, particularly the United States, have struggled to keep a pace and then the changes that are taking place across the region. This extraordinary season of change has shown that it has no boundaries in the Middle East and beyond. Even the Gulf States one thought immune to popular demonstrations have of course seen protests and violence. I don't need to go through the list with you in terms of the protests in Bahrain, Saudi Arabia, and elsewhere.

The United States, through its longstanding political, commercial, and military ties with the Gulf countries has, of course, unique links within these straits, particularly within the ruling families and their leaderships. But these links have also opened up the U.S. to criticism for its hesitancy or refusal

to use as leverage in key situations. It has also been under the microscope by its key friends and allies, unusually publicly, for its stances and support of the protests and for change.

I'll now turn over first to Ken to examine these issues and I look forward to having a robust debate with you after these guests. Thank you.

MR. POLLACK: Thank you, Salman. I thank all of you for coming out this afternoon. It's wonderful to be back in Doha. It's wonderful to be speaking in front of this group here at the Brookings Doha Center.

What Suzanne and I were going to try to do this afternoon is to describe our perspective on what's going on in Washington today. We will try as best we can to talk about how we believe the Obama administration is looking at the Persian Gulf, the region more broadly, specific relations with specific states. We will also try as best we can to characterize what else is going on in Washington -- the other currents, the views of other important

players in the American political process. The one caveat, the one thing that I would ask you all to keep in mind though is neither of us works for the Obama administration. We do not speak for the Obama administration. The Obama administration clearly does not want us speaking for them. We have no interest in speaking for the Obama administration. So what we're going to give you is our own views and to the extent we can our sense of where the administration, among other players, are.

And I'll start by saying that I think you probably see this on the news and in the newspapers all the time, but for those of you who don't get to live in Washington, D.C. -- and I say that with a great deal of reservations -- for those of you who don't live in Washington, D.C., it may not be clear just how extreme, just how important, just how pervasive the American political debate over foreign policy has become. The economic crisis in the United States is pervading every aspect of America's foreign policy, and generating any degree of support for any

sort of far-reaching foreign policy commitments at this time is exceptionally difficult. Again, I don't think you see it in the news but it may not be apparent simply getting it through the medium of television or the medium of a newspaper, a news magazine, just how powerful the two wings on either side of the two extremes have become in terms of pushing what I would characterize as a neo-isolationist American foreign policy. The liberal wing of the Democratic party and the very conservative, the far right wing of the Republican party have been effectively decided that foreign policy is not something that the United States ought to be caring about. They are wholly focused on America's domestic politics and on the state of the American economy.

In the presidential debates, the Republican presidential debates, some of you may have seen it or at least seen pieces of what is striking is how quickly all of the members of the Republican presidential coterie are trying to push as far away

from foreign policy as they possibly can, with each of them trying to outbid the other in arguing to do less on foreign policy. When someone like Ron Paul can stand up there and make the case that the United States was to blame for 9/11 and have no one else challenge him, that is a remarkable statement about where the American political system has gone to in terms of its foreign policy.

Right now, the administration and all of its allies are fighting a rearguard action when it comes to dealing with the U.S. Congress on issues of foreign aid and foreign commitments. And the administration itself is increasingly focused inward, focused on America's domestic policy as they look to the 2012 American presidential election.

The recent decisions about Iraq, and obviously it was the Iraqis who took the last decision in deciding that American troops would not receive immunities and everyone knew that that would be a deal breaker. But the truth is that those decisions by Iraqis were set up by previous decisions by the United

States, decisions to unilaterally reduce the numbers of troops that the U.S. would offer to retain in Iraq. Originally, the numbers being discussed were in the 18,000 to 25,000 long-range. The administration unilaterally dropped that down to 10,000, and then you probably are aware of the revelation a number of weeks ago, they unilaterally dropped it down to somewhere between 2,900 and 3,500. And in that context of such a tiny force, what was the incentive for any Iraqi to stand up in front of their parliament and say, yes, I am willing to take the political hit because it's important to keep an American presence when it's become so clear that the administration had no interest in prolonging a sustained meaningful American commitment to Iraq.

And again, this was a political decision, a decision taken by the White House because the White House is looking to get out of Iraq as quickly as it can. And part of that goes back to its own campaign rhetoric and wanting to go into the 2012 election being able to say to its own base we lived up to our

promise to you to get out of Iraq. But the truth is that part of that is very much related to America's economic circumstances and our debate over the debt. The Congress has gotten it into its head, the White House has proposed to the Congress, but where is it the United States is going to save a trillion dollars is by ending the wars in Iraq and Afghanistan. And the decisions about Iraq and the president's announcement on Afghanistan need to be seen in that light -- that they are as much, if not more, about finding ways to claim at least that we would be reducing the debt, reducing the deficit, as they are about anything else going on. But again, they play into this general theme of an administration and a people that are turning very much inward and that are increasingly trying to reduce their foreign commitments as fast as they possibly can.

For those of us in center in Washington, whether on the left or the right, those of us still committed to a more internationalist perspective, this of course comes at a very unwelcomed moment. The

events of the last year have demonstrated very clearly how important it is for the United States and its allies to be playing a greater role to be helping the kind of transformations that we're seeing all across the Arab world, incredible transformations, transformations which could wind up producing a much better Middle East or potentially a much worse one. And recognizing that the United States could play a very important role hopefully to help move the region in that better direction and that not having the United States involved at least runs a greater risk of things moving in a worse direction.

And I say it is clear to me from my own conversations, and I think Suzanne will say the same from her conversations with the people in the Obama administration, that they understand this fully. And the secretary of state is fighting as hard as she possibly can to get aid packages for Egypt, for Tunisia, for Morocco, for Jordan, for countries all across the Arab worlds, recognizing that there is an imminent need for these, to help these countries in

this incredibly dangerous transition that they've begun. And much as she has a great deal of clout in certain quarters, she is not all powerful and she has been running into brick wall after brick wall after brick wall in Washington because the simple fact is that the Congress is not interested in increasing the U.S. foreign aid budget. Even the Defense Department is no longer able to increase its own growth and the real question mark now with the defense budget is how much is it going to be cut. And the days where we could sometimes follow little bits here and there in the defense budget as a way of finding aid for this country or that country, well, those are probably going to go away as well because the political role simply isn't there.

Now, that's not to say that the Obama administration and the United States won't do anything for the Arab world. Again, folks at the State Department, folks in the White House, folks in the Pentagon are trying to be as creative as they possibly can in coming up with money, in coming up with

programs, in coming up with ways that they can try to assist these different transitions. But unfortunately, it's not going to be the kind of generous aid that I think all of us recognize could be very helpful, in particular to a country like Egypt which is so important to the region, which is so important because of its size, because of its impact, because of its cultural legacy, because of its military strength, that it will all turn out well.

And I'm afraid that increasingly, if Egypt does end up well, that it's going to be despite America's assistance, not because of it. And again, that's not because the State Department doesn't understand that there is a demand for it and a need and doesn't want to do so; it's simply because Washington and tall American polity, is just no longer in the giving vein.

Now, obviously, American policy toward the region goes beyond the simple provision of aid. And there I can say to you that what you find in Washington is to a certain extent reflected on the

news in terms of a very conflicted American approach to the region. With regard to the Gulf itself, obviously the United States has longstanding ties to all of the governments of this region. The United States feels very close to all of the governments of the region.

That said, I think that the Obama administration, in particular, recognizes something that the Bush administration had begun to understand and the Clinton administration before that, which is that there is a need for change in the region and that the people of the region wish to see change. And I think that the Obama administration has made clear that it understands, sympathizes with, and even to a certain extent wants to encourage the resolve of the people of the region for change.

But of course, then we look at something like Bahrain. And the administration, on the one hand, tried to signal its wishes but was forced to accept an outcome that it clearly was not looking for to begin with. And that, too, of course, complicates

the situation because it makes it possible for the administration's opponents inside Washington to claim that, well, why should we bother providing aid to these countries when you can't figure out your policy toward them anyway. And so the conflict that the administration faces, trying to decide between its enthusiasm for the hopes and aspirations of the people and nevertheless wanting to retain ties to the governments, creates dilemmas for it when dealing with the Congress and the rest of the American political system, most of whom don't understand what's going on here, most of whom take counsel of their fears whenever they watch the nightly news and they see crowds burning things in Tahrir Square, they assume even if they aren't burning American flags that eventually they'll get to burning American flags. And again, that helps Americans simply turn away from the region altogether.

And beyond that, of course, there are concerns about the wider region in terms of where the region is headed and what it may produce. A lot of

Americans have only the faintest inkling of the Middle East. And again, they hear about Islamists, they hear about different groups in Egypt and Tunisia and Jordan pushing for different things that the United States isn't entirely comfortable with, and that tends to make Americans reticent about providing aid and assistance to the region.

And then, of course, you have countries like Syria and Yemen, who are if not in civil war are close to it. And again, it's the kind of thing that Americans look at and say we can't decide who's on the right here, we can't decide who's in the wrong, and we can't really decide whether our aid will actually make any difference at all. And again, it makes it very hard for those in Washington, those within the administration who would very much like to see a good outcome in those places, it makes it very hard for them to push hard in any of these directions.

Now, I'm not going to defend the Obama administration. I think that their decisions on Iraq have been awful. I think that their inattention to

the Middle East peace process, to the Israeli-Palestinian dynamic has been equally as disastrous. What I see these again is brewing of an administration that was never really that enthusiastic about foreign policy to begin with increasingly turning away from that, increasingly turning to the area that it feels most comfortable in, American domestic politics and the area that it believes the American public is most interested in as we move into this election. And as we watch the election and as it focuses increasingly on American domestic politics and the economy and less and less on foreign policy, I think you are going to see reinforcement of what I see as problematic trends within the administration.

Now, there's one thing I've left out and I've done it very purposely, and that's Iran. If there's one area where I think that the United States and the Arab world are still very much in agreement and where there is little conflict in the American psyche of what constitutes and what constitutes wrong, I think that is with Iran. That's not to say that

there aren't still differences over how to handle Iran, but those are very much where the differences remain. I've purposefully left out Iran from this conversation because I'm going to turn things over to my colleague, Suzanne Maloney, and she's going to explain how Iran fits into this entire milieu.

So Suzanne, over to you.

MS. MALONEY: Thank you so much, Ken. And thank you very much to the Brookings Doha Center for hosting us and hosting all of you here today. I'm really honored to be here. I was last here in Doha in this room at the inauguration of the center several years ago. And it's remarkable to me to see and to participate in and benefit from what has gone on here since I can't turn on the television or pick up a newspaper in Washington without seeing one of my colleagues from the Doha Center really teaching us all about what's happening in this part of the world. And so I'm very, very grateful to be here today to be a part of that conversation.

Ken has given you a really amazing tour de

force of the region. And he has very deliberately left me with the luxury of focusing on a state which is not part of the GCC obviously but which looms large in any discussion of U.S. policy toward this part of the world.

And let me just say that I think one of the most important consequences of the Arab spring beyond what has been such a remarkable and extraordinary progress toward a more accountable for of government in this part of the world has been a much more troublesome phenomenon and that is the intensification of the longstanding competition for influence between Saudi Arabia and the Islamic Republic of Iran. And I think that competition, which came very prominently into light last week with the revelations about a conspiracy by Iranian agents operating in the United States to assassinate the Saudi ambassador to the United States in a very public place with the expectation of American casualties suggests that we are in for a very long and difficult ride with respect to Iran's behavior not simply in the region but around

the world.

What is remarkable and in the comments of President Obama last week you saw a very forceful I think defense of what is a story which elicited some surprise both from Iran experts and even from casual observers in the level of amateurishness to the nature of this plot. The President came out very forcefully in an effort to underscore how seriously Washington was taking this threat but I think it was really also an attempt to set a new mark for where the U.S. is looking toward Iran, and this really represents an administration that has come full circle since its inauguration on U.S. policy toward Iran. The Obama administration actually campaigned, President Obama himself in the earliest phases, on the idea of engagement. It was remarkable and unique for an American president to suggest even during the primary process that a conversation and a direct dialogue could resolve our problems with Iran.

The administration made some efforts during its early months to do just that, but I would argue

that it was more style over substance. There were letters sent. There were broadcasts made to welcome the Iranian New Year, and there was very little in the way of response from Iran, predictably so. My sense is the Obama administration was counting, as it did elsewhere in the region, on a sense of good will simply by virtue of the fact that the Bush administration, which had elicited so much opposition in many parts of the world but in particular in Iran, was no longer representing the United States.

When little was received and when Iran's political conditions took a very dramatic turn for the worse with the upheaval that occurred in the aftermath of the June 2009 presidential election, the Obama administration reversed course and began looking toward ways to pressure Iran to the table. This was, you know, really a continuation of the Bush administration's second term approach to Iran. It was then called "carrot and stick." The Obama administration renamed the policy "the dual track policy" of pressuring and persuading Iran to come to

the negotiating table over its nuclear program. Ironically, this is exactly the same name that the Carter administration gave to its policy toward Iran in the days after the seizure of the U.S. Embassy in 1979. And that was probably the last time that a dual track policy of pressure and persuasion has actually succeeded in bringing the Iranians to the negotiating table in a successful fashion. And that only occurred at that point because of extraordinary events, including the invasion of Iran by Saddam Hussein and the recognition by Iran's leaders at the time that they had -- that the hostage crisis was an issue of declining marginal utility and one in which a solution actually served their interests better than continued standoff.

In the current conditions I think there's absolutely no prospect that the Obama administration will be able to bring the Iranians to the negotiating table in a successful fashion, which leads me to suggest that the policy that we have today is effectively bankrupt. It is working in the sense that

it is politically defensible. It is working in the sense that the sanctions are having a real impact on the Iranian economy, both at a sort of general day-to-day level and the ability for business to be conducted and the ability for Iranians to open bank accounts and the ability of businesses to obtain letters of credit and conduct normal sorts of business. It's working at a strategic level in the sense that it has complicated Iran's relations with a number of its longstanding trade partners. It's made it much more difficult, more time consuming, and more uncertain for Iran to even get paid for its most important commodity, the export of crude oil.

But it is not working in the sense of changing Iran's view of its own nuclear program, of its own security parameters, and in drawing Iranians to the table and leading them to make historic concessions on issues to include the nuclear program but well beyond it as well.

And that is where I think the administration at this stage has come to something of a roadblock.

And that is why you're beginning to see much more forceful language and a much more assertive approach to Iran from Washington. But I don't think it's going to reflect a substantial alteration in the actions. It's going to be a much more forceful rhetoric but effectively much more of the same.

I think it's important to note that where the administration has come in its three years -- the effectiveness of the sanctions, the ability to retain a coalition that includes Europe, that includes Russia and China as well, is no small feat. We've never seen sanctions like this in the history of U.S. policy toward Iran and the history of the Islamic Republic. When Iran took American hostages, when Iran was complicit in tourist incidents from Lebanon to the Gulf and elsewhere, never before did European firms opt to pull their business from Iran, never before did we see a conventional arms ban -- ban on conventional arms sales to Iran as exists per the U.N. Security Council Resolution 1929 passed in June 2010. And so it's certainly important the level of cooperation that

we have today but I think it's insufficient to actually create the sort of change that we're looking to see toward Iran's behavior.

And the tactics are likely to get more complicated. There's really no expectation of a follow-up resolution to U.N. Security Council Resolution 1929. At senior levels of the administration there's a sense that we've gotten as much out of the U.N. Security Council as we're likely to get on Iran, and I think the recent differences between Moscow, Beijing, and Washington over say sanctions in Syria only highlight the unwillingness of some of our allies diplomatically to engage in much more strenuous measures towards adversarial countries.

We're also getting a reasonable level of cooperation from Beijing on investment in Iranian energy interests. They've taken a sort of "go slow approach" where there have been very few new deals signed. There's been a continuation of work on other projects that existed prior to the U.N. -- latest ratcheting of U.N. sanctions, but there hasn't been a

lot of money put in. I think that stance will eventually concede itself. The Iranians will find new ways to try to draw the Chinese into a more substantial arrangement and the Chinese, as well as the Russians, who are really not precluded by U.N. resolution from investing in the Iranian oil sector will likely begin to put more money up and that will create frictions among the alliance, including from European countries and companies who felt themselves excluded by the actions of the European Union to engage in more strenuous sanctions than the rest of the world.

We will also see difficulties when the U.S. Congress gets into the act. As Ken said, domestic politics are playing a very large role in the way that we formulate our foreign policy today. That's always been the case with respect to Iran. The U.S. Congress is eager to see more sanctions on Iran even if it means alienating some of our most important allies and international partners on this issue. Ninety-two senators have already signed a letter advocating

sanctions on the Iranian Central Bank, which would be an unprecedented measure in the history of U.S. sanction policy. I think there's also a sort of low level but growing movement within Washington to find ways to go after Iran's most important economic lifeline. That's oil revenues. That would ultimately put us into direct conflict with China, with India, and with other parts of the world, and I think that would probably create the sort of diplomatic fissures that the Obama administration has very successfully avoided to this day.

I think despite the shift in policy toward Tehran that we've seen over the past several months, the prospect that Washington will use force, which was the question of the week last week around town, I believe and have believed frankly, even during the darkest days of the Bush administration, remains exceptionally slim. But I would say that the revelations about the plot to assassinate the Saudi ambassador to Washington will leave very little tolerance from the president on down. And it has been

up until this point the president who has been the most ardent supporter of engagement and of the prospect for negotiations within the administration. There will be very little tolerance for Iranian shenanigans, whether it's here in the Gulf or elsewhere across the region, or certainly in the American homeland.

For that reason, I would suggest it is no longer outside the realm of possibility that we're going to see a direct engagement between American and Iranian forces or American forces and Iranian proxies, particularly in places like Iraq and Afghanistan as the U.S. withdrawal begins to speed up. The one issue that remains really off the table simply for practical reasons is that of regime change. There's no serious discussion in Washington about how to go about making the sort of political shifts to the Iranian regime that I would argue effectively the only way we're going to see ultimate change in Iran security policy. This regime is far too invested in both the nuclear issue and its own legitimacy as tied to its decisions

to date on the nuclear issue and others to shift. And it's looking at the specter of regional flux. It's looking at the precedent of a Libyan regime which voluntarily gave up its nuclear program and did not survive the process.

And I think for all those reasons it's going to be even more defensive of its prerogatives and its current stance than it has ever been. And so for that reason it's only going to be a process of political change which ultimately shifts Iran's view of its own security and its policies toward its neighbors and the rest of the world. And yet Washington can't have a serious conversation about that issue. The only discussion about regime change and about promoting democracy in Iran is one which is effectively a sideshow focused on the alienated group, the Mujahedin-e Khalq, which has no credibility anywhere except for the halls of the lobbyists of the U.S. Congress.

There have been, I think, modest measures that the administration has taken which will prolong

dividends in the end, enhancements to U.S. public diplomacy. We now have a Farsi speaking spokesperson for the State Department. We now have a process by which Iranian students can get multi-entry visas. These are all the low level actions. And there's a host of other sorts of actions along these lines which will go a long way to improving the American image in the minds of Iranians. But we're almost incapable of having a significant or meaningful conversation about how it is from the vantage point of Washington. With almost no direct contact with the day-to-day politics of Iran, we might play a positive role in affecting political change.

Let me just say complete with one final word about the changes for the region. You know, clearly it's been a watershed year here in this part of the world, and I think it's equally a watershed for U.S. policy toward the Middle East. And one in which we are still very much feeling our way. Iran will be a major part of that but Iran is, in effect, comfortable territory for U.S. policymakers. It's a useful

political issue and it's an issue that has been long at the top of American policy priorities for this part of the world. And we've seen the same sort of change that we're seeing with the Obama administration. We saw similar transformations in U.S. policy toward Iran over the course of the Clinton administration's eight years in office, as well as over the course of the Bush administration's eight years in office.

What is new, and I think what is still very much unfamiliar territory for U.S. policymakers is a new thinking and recapitulating policy toward the Middle East overall and toward the Arab world, which had long been sort of fixed. We have our allies, we have our enemies, and we're very clear on how we go about supporting our allies and defending against our enemies. Today we're really in unchartered waters. The watershed is similar at least in scope and in terms of its historic nature to the end of Communism and the fall of the Soviet Union. And I don't mean by that analogy to suggest that any of the transitional governments were in any way analogous to the Soviet

Union but simply in the sense that at that time Washington needed to learn how to move from a bipolar foreign policy to a unipolar moment.

We're now needing to learn to move toward a new policy in the Middle East, one in which we are no longer the most important player. We have not simply a budget gap, a budget deficit to deal with, but we have a credibility deficit and we have a knowledge deficit. We're not well experienced in promoting positive change in this part of the world and so we're going to need to look not simply for financial reasons but I think for good policy reasons for help from our allies here, such as Qatar, but also our allies in Europe and around the world for charting a path forward which actually leads to the sort of future for the Middle East that we'd all like to see. Thank you.

(Applause)

MR. SHAIKH: Thank you very much both of you. You put a lot on the table for us to discuss.

Before we start our discussion I just, again, something I forgot to say. If you could turn

off your cell phones and then when we come to the Q&A if you could just clearly introduce yourself it would be helpful both to Ken and Suzanne I know.

I'll start, taking the chairman's prerogative and grill my boss. (Laughter)

Ken, you've, I think, very correctly described, of course, the lack of political will and the economic circumstances in the U.S. right now, especially as we head towards another election. And, you know, talked compellingly about the neo-isolationist trend. Does that really matter? Wouldn't the Middle East be a better place without the U.S. interference at this point in time? Or you clearly, of course, believe that the U.S. has a role to play here. If you could sort of expand on that.

MR. POLLACK: Sure. It's a great question, Salman, because it raises the issue that Suzanne was getting to at the close of her own remarks about what kind of a role the United States can play here. And I would be the first one to say, and I've written about this extensively, that the United States has not

always played a positive role in the region. Very often we played a negative role. Sometimes we played that negative role wittingly. I would argue that more often than not we've played it unwittingly. But I think that we have learned over time, and I think that there is a capacity to do it better the next time around.

Suzanne is absolutely right that that capacity needs to be expanded. It needs to be refined. It needs to be improved in a whole variety of ways. But what I would also say is that this is a moment when the Middle East needs help. It needs help from a variety of different countries, not just the United States of America. The Middle East is going through, as Suzanne suggested, an epical transformation. It is a transformation that is going to take a long time. 2011 is the beginning, not the end, and my guess is that this is a change that will probably take at least a generation, if not two, to fully see through. And during that period of time it's going to need assistance in the form of

resources. It's going to need assistance in the form of know-how. It is going to need assistance in the form of in some cases security.

Just to kind of pull each of those out, you know, you look at a country, again, like Egypt. Eighty million people. They are desperate for cash. The government is about to go under. That's a short-term need for resources. Over the longer term, Egypt, like many other countries in the region, needs to improve its human capital. It needs to improve its educational system. It needs to improve its job space, its labor force. All of that requires resources. It also needs know-how. You know, you can look at other countries, perhaps a country like Tunisia, which is also undergoing a similar one or perhaps Morocco or Jordan. There are countries out there who have made similar transformations.

Now, in some cases the United States helped them. There is some knowledge that we can bring to bear. There are other countries who may have greater knowledge but that's going to be necessary. And

again, it may be that the United States can simply be helpful in brokering these arrangements, another role that the United States has played elsewhere to positive effect.

And then finally I'll mention security. Revolutions have a bad habit of going awry. People hijack them. There are still bad actors out there who will take advantage of states that are dealing with their own pressing internal problems. And in those circumstances the United States and NATO, other alliances, can be very helpful in dealing with the problem of interstate war, which is not a problem that has gone away altogether. And especially what we see historically is that in moments of great internal turmoil, countries which have once sat on the sidelines suddenly believe that they may have an opportunity to make gains at the expense of another. And so revolutions are often a time that provokes interstate wars because of the perception of weakness. And so there, as well, the United States, its allies, can play a helpful role in preventing predatory powers

from taking advantage of states that are going through their own internal transformations. So I think that there are a whole variety of different ways that the United States can be helpful to the Middle East.

What I worry about is not just our capacity to do so and whether we do it right, which Suzanne has already gotten to and I think you're absolutely right to question, at this moment though I'm much more worried about a formal basic proposition which is whether the United States has any interest in doing so.

MR. SHAIKH: Good. You set me up for the next question.

One of the debates, of course, in Washington, has been about values and interests. And let me square in here on the Gulf in particular. As you've mentioned, as we've already mentioned in the introduction, the U.S. has, of course, key friends in the Gulf and key interests, not least, of course, energy security. But at the same time there is a set of values which is being expressed throughout the

region but also in the Gulf. How does the United States, particularly in the Gulf, try as you saw compelling before about gradual reform and change -- how can the United States -- and some would say that perhaps it's better place here than anywhere else to encourage that kind of development?

MR. POLLACK: Thank you. And by the way, I want to encourage Suzanne to jump in if she'd like to.

MR. SHAIKH: I haven't finished with her yet. (Laughter)

MR. POLLACK: Good. This, of course, is the most important question of all. And Salman, I do know this because I've written this and you've heard me say it before, I think that one of the greatest mistakes that the United States has made over the past 30 or 40 years is to believe that there was a division between our values and our interests when it came to the Muslim world, when it came to the Arab world in particular. And that while our values lay in seeing the representative, more pluralist societies, societies which met the needs of their people, that we

believed our interests lay in a different kind of society. I always felt that that was a completely false dichotomy. I always felt that that was a completely mistaken way of seeing the region.

And my own feeling was that the difference was not between our values and our interests but between our short-term interests and our longer term interests. My own sense was looking at the economic and the demographic data, looking at the polling data, looking at all of the information that was available, it was clear to me, it was obvious to me. You mention my book, Path out of the Desert, which I wrote in 2008, which brought all of this together and in which I said "Change is coming to the Arab world. The question is not whether, the question is simply when and how." And in 2011, we began to see that.

And as you have already suggested but I'll make it much more explicit, and as I said, again, back in 2008, if not before then, revolutions are often the worst way for change to occur because revolutions are inherently unpredictable. They're unleashed passions.

They unleash all kinds of elements with a society, some very, very good; some very, very bad. And we've seen evolutions that turned out brilliantly. Our own revolution being a wonderful example and we've seen revolutions that turned out disastrously and turned out in ways that their authors never intended, never even imagined when they first took the actions that brought down the regime.

And so once a revolution has begun, I think that we have to wish it well and try to help it to the best course possible. A much better way is to get there through a process of reform. Reform is a much better way to affect change.

Now, as you point out, the question mark is how you get there. And how you get there in particular at a moment in time when there are a lot of regimes that have become very frightened by the whole idea of change. Regimes, which before 2011 were actually more interested in the idea of change than I think that there are now. And I think that that is one of the greatest challenges for the United States.

And what I would say is what the United States should do -- this isn't necessarily what we will do -- but what we should do is to simply make it clear that we believe that change and transformation must come to the region and we're interested in working with all people, society groups, governments themselves. We're working with all of the relevant players in the region to help bring about this transformation and to see it through. And I think that the biggest change that the United States needs to make -- and this goes back to your question about this conflict, this false dichotomy that the United States has nurtured between values and interests -- is that we have to put change first on our list of priorities.

As someone who has served in the White House twice and served with other administrations and in other parts of the government, what has really struck me is that the United States has always understood the need for change, the need for progress in the Middle East. It's just that we put it about -- I'll be kind -- 78th on our list of priorities when it came to the

Middle East. It was behind Arab-Israeli peace and dealing with Saddam Hussein or after Saddam Hussein, the mess we made in Iraq and Iran, and whatever happened to be going on with the Syrians and Egypt and Yemen. And we always found a thousand other things that took priorities over the need for transformation in the region.

And what I'd most like to see the Obama administration do is simply put transformation first on the list so that every conversation is ultimately about change; is ultimately about transformation. And that doesn't mean that we don't have conversations about Iran, about Iraq, about Yemen, about all of these different other issues, of the peace process in particular. But every single one of them needs to come in the context of the overall need for an overarching transformation in the region and an overarching program that works with the United States, the countries of the region, other countries beyond the region toward that larger goal of transformation. That was the whole point of the book that I wrote in

2008, which was to say if the United States was smart it would have a grand strategy that put transformation first and every other policy which has its own reasons and rationales and importance, every other policy would be geared toward making sure that that overarching policy of transformation was constantly making progress instead of the other way around, where every other policy got priority and transformation was simply what we did in whatever time with whatever resources were left over which were never enough.

MR. SHAIKH: Suzanne, and actually, we're not plugging books here, I promise you. But in a forthcoming Brookings book, which is on the Arab Awakening and U.S. policy, which Ken is editing and which all of us have contributed to, including Suzanne, you write in a very compelling chapter with regards to the Gulf, you talk about the persistent existential fear or insecurity that the Gulf has always felt, whether externally threatened -- primarily from external threats but you also talk about a social contract between the rulers and the

ruled, just taking up that theme of reform. Is there something there that you would particularly stress which is upon the minds of U.S. policymakers with regards to that particular relationship between the rulers and the ruled in the Gulf?

MS. MALONEY: Thank you. You know, I think it's difficult for U.S. policymakers to find the best formula for promoting positive change. It's not simply as Ken suggests that it is low down on their priority list, but it's also that our mechanisms for intervening are often more counterproductive. And it's often that we fail to appreciate the positive nature of change when it often comes with frictions and inconveniences from our many other interests.

With that I would cite the example of the frictions that took place during the Bush administration between Doha and Washington over the issue of Al-Jazeera, which was an extremely sore point for the Bush administration despite the many other extremely positive elements of the bilateral relationships. The frustration with Al-Jazeera often

trumped all of the other issues at stake between the two countries, at least on the agenda of American policymakers. And yet we've seen over the course of the past year how fundamentally important Al-Jazeera was in concert with other forms of media and the Internet and social networking, to having the sort of universality and the sense of broad participation in events that really made the kind of ripple effect I think take place, simply because people could see what was happening. Tunisia experienced it live, participated in a conversation about it. It made it more real for people.

And yet that was clearly an element of the change that was long in the making. The existence of an Arabic satellite station that had a wide viewership across the region, that Washington failed to appreciate in an appropriate fashion. So I think it's not simply in elevating the issue, which as Ken says is vital, but it also improving our own capabilities to recognize what issues matter, how change is best manifested, and what levels we have to influence the

conversation in a useful fashion.

I think the real test case is Bahrain right now, and that has been a work in progress for Washington. I would say that the administration tried very hard to find a compromise solution that did not involve the use of force and the administration worked fully diligently to create conditions for a better outcome than we have seen to date in Bahrain. You know, those efforts probably could have been improved upon as most diplomacy always can be, but you know, much of it came down to the fact that it was a higher priority for local actors than it was for Washington. And so ultimately that's always going to be the case.

In terms of the domestic politics, I think you're going to see Washington more likely to at least come out publicly and risk its relationship with allies. You saw Secretary Clinton, for example, embrace the issue of women drivers in Saudi Arabia, a posture that I suspect no prior secretary of state would have adopted were it not for the recognition that, as Ken has said, the change that we're seeing

has been long in the making and it has a wide impact and is going to impact every part of this region. And so I think it's going to be less of a case of Washington coming and saying you must do this, you must do that, but I think less sensitivity about how it is we comment and we interact with local partners and allies on issues of individual rights and freedoms.

MR. SHAIKH: Thank you. Okay. I'm going to open it up. I'll take about three or four questions. If you could try and keep more or less your comments to questions and then it'll give us more of a chance for our discussion. Sir, please wait for the microphone.

SPEAKER: This is Kemal (inaudible) from Tunisia. I'm president of the Tunisian community here. And my first question is how do you think the United States will deal with emerging moderate estimates in the Arab world? My second is more comment. Just to say that how do you want the Arab world to buy into the idea that the United States is

promoting actually democracy in the Arab world? While we know that this claim has been featured in the Bush administration after 9/11 and then we knew that it has diverted to just the same policy, and really you can tell it's a bit difficult to think that the United States has changed its policy into two nights while we renew its position from the (inaudible).

With regard to the Tunisian government, they stand almost with Zine El Abidine Ben Ali up to the last minute with Mubarak to the last minute and also knowing that they are very reluctant to take any position also for Farsi and Yemen. So these here are a certain dilemma that I'd like you all to think about these. And why do you think from (inaudible) the Arab world would buy into the idea while they know that democracy will lead ultimately to a very strong state in the Arab world, which is now claimed to be the United Arab States (UAS) because democracy will lead to this and it will be from Tehran a strong state which perhaps the western (inaudible) would not like to see it.

MR. SHAIKH: The gentleman at the back there.

MR. STEVENS: Hi, Michael Stevens from (inaudible).

Question for Ken, building on what you've actually just been talking about. Ken, you mentioned that Americans were struggling, particularly with Syria and Yemen, in regards to not seeing who the good guys were and therefore, it being difficult to advocate some type of foreign policy towards both those nations. And perhaps actually to the wider region itself. When I was in (inaudible) at the beginning of this year and we were discussing the merits of intervention in Libya and possibly in other countries, there were many people who would bring up the argument about mortality, that it was a moral duty for us to intervene on the side of the right and on the side of history. My question is given the sort of, I would say, feeling of the more conservative approach in Washington, D.C., what space do you think there is in American for another foreign policy? And

given that there was certain pushback from that, just like Saudi Arabia, how do you best I would say express that model of foreign policy? Or do you even believe that another foreign policy is a good foreign policy?

MR. SHAIKH: I hesitate because I want to go to the lady but we go to the gentleman and then we will go to the lady. Go ahead, please.

MS. BILLINGS: Hi, Susie Billings from the Billings Consultancy based here in Doha.

My question has to do again in regards to the U.S.'s current status and the U.S. current public appetite being very, very small to have any interest in being involved in foreign policy. And I'm curious, what do you think the key triggers would be to change that attitude? Would it be for the current U.S. public and where it stands? And economic focus of saying that U.S. capitalism, of companies not getting opportunities in this market if we are not in the game politically. Would it be focusing on security and chance of terrorism issues that would change the American attitude, or going back to what you could

talk about on the value side of the U.S. as one of the longest running constitutional democracies. You know, we have something to offer and we should be engaged. And how do you play with those triggers? Or which ones do you think would actually try and pull the U.S. out of its malaise and being involved in this part of the world.

MR. SHAIKH: Thank you. We've got a full page. Do you want to start, Suzanne?

MS. MALONEY: I think they were mostly questions for Ken. I am not surprised. (Laughter) I will try to give him a moment. He doesn't need a moment. I think you raise an interesting point. I come from Middle America and I can tell you that I don't think that there are triggers that necessarily will alter the sort of political debate that we have in the United States right now in a way that will engage average Americans in parts of the world that typically they know nothing about, in a very forceful way. Outside of some sort of tragic event along the lines of 9/11, and even now I think today you would

find a level of cynicism and a level of frustration with the world and with our role in the world, it would be much higher than it was in the aftermath of 9/11. So I don't even know that that's where the event would have a sort of positive force.

I certainly believe having been in the private sector they are advocating the need for engagement in the world on the grounds that our business will benefit from it, will not sell, ironically, despite the concern about jobs. Americans do not believe in a kind of mercantile foreign policy. Never have, even in the sense that it has been pursued by Europeans for many generations. It's just not intrinsic to our nature.

The moral argument is one that it appears that I would tell you that today I think that people in the U.S. are frustrated and tired and ready to disengage. And so I don't think that's a positive phenomenon. I think that, you know, there is much that institutions like ours can do to play a positive rule in trying to bridge that divide. But I don't

think that there is sort of a panacea to what has been a problem that has been quite a long time in the works.

MR. POLLACK: Thanks, Suzanne.

I will point out that you are fully qualified to answer all of these questions, although I see that you intelligently just left them all to me. I will see if I can tick off a number of these.

First of all, I completely agree with you about the tardiness of the Obama administration, and I, too, was very unhappy with the way that they (inaudible) over Tunisia and over Egypt and over Syria. And the list goes on and on. I will make no excuses for them. I am not a member of the administration, I do not speak for them, and I criticize them whenever I get the chance to do so.

But your question about modern Islamists is a very important one. And I will tell you that, you know, here I don't think that Americans yet know what to make of them. And again, I think we have to draw a very sharp distinction between the majority of

Americans who don't know what to think of modern Islamists and are deeply suspicious of them but who have the luxury of simply saying, well, I don't care. Whatever they want to do on their part of the world is fine. I just want to deal with my problems over here. The difference between them and the American diplomats and policymakers who do need to deal with them because they recognizes that the United States has equity and interest in this part of the world and those interests will quall to think hard about modern Islamists.

I think that right now, especially with the Obama Administration, it's going to be an approach of we'd like to engage with these people, we'd love to believe the best about them, but it's going to be a lot of worry engagement because they just don't know what to make of modern Islamists. And I think that they are going to wait to see what happens in places like Tunisia and Egypt, and if you get governments with Islamists involved with them and those governments that are pursuing policies that are not decidedly inimical to the United States. If they're

not trying to gratuitously hurt the United States, I think the United States will be fine with that. I think that the United States, especially the Obama administration, will understand if a country is pursuing its own interests and those that are perhaps not helpful to American interests, but doing it because simply that's what they believed their interests to be. It's a part that Suzanne was making earlier, which I think is exactly right, which is that sometimes the United States has tended to not recognize that we need to allow other countries to pursue their interests, recognizing that sometimes it won't necessarily be exactly what we want but that's what diplomacy is all about. For 30 or 40 years the French were more often a hindrance than a help to the United States. That never meant that we saw the French as our adversary; it just meant that they saw pursuing their interests as somewhat difference from ours. And we will had a very good, ultimately, relationship with them.

So I think that the Obama administration in

that sense is going to be at least willing to give Islamists an honest try, a fair try. And assuming that things work out well, I think that things will move well from there. I think that problems will occur if people do things for reasons that the other side doesn't understand. And it's that misunderstanding and that potential for misperception which I think is most potentially dangerous.

The question about newer foreign policy. I think this is a very important question. First, I will tell you that if Americans overwhelming believe that their policy ought to be infused with morality and values. We all notice the foreign policy polls for Americans are a deeply devoutly religious people, which is why I often find it amusing that Americans can't understand why Muslims are also so devoutly religious and believe that there foreign policy should be infused by their values as well. But for the American people it's clear. They want a foreign policy that is infused by their values.

But of course, things get a little tricky

when the rubber meets the road, when you start talking about specific issues. And then, in particular, the American elite has tended to focus much more on kind of the realpolitik, machtpolitik , kind of old-fashioned power politics. As I said before, my own belief was that this decision between values and interests in the Middle East was entirely mistaken but it was a misunderstanding of what Americans want and not a division between values and interests.

And then just to kind of bring it for measure, you know, do I think that we are going to see a more moral American foreign policy? I think that if there were a representative with the Obama administration here, he or she would say that is what you have because their intervention in Libya actually was very much driven by morality. And as I understand it, (inaudible) Suzanne has heard differently, but my understanding of what drove the president to intervene was very much the moral dimension in Libya in the sense that a great many officials in the Obama administration, you know, lived through the Clinton

administration, lived through (inaudible) and Rwanda. You know, I was part of that administration as well. And what I brought out and I think that all of those officials brought out, too, is the sense from those events that the United States simply cannot stand idly by when events like that happen.

And as I understand it, that was a critical element in bringing the president around on Libya. And that's why the president structured the Libya intervention that way that he did, which was we were going to deal with the humanitarian issue and after that, that's NATO's business. And if the Europeans want to do more than that we wish them well but that's not really our problem.

Now, beyond that, again, I think that the administration is wrestling what this because again, I think the administration believes that both its values and its long-term interests would be best served by seeing change in the region, but they recognize that many of the governments of the region have become particularly averse to any form of change. And what

they're struggling with, as Suzanne suggested, is how do we go about trying to help them move in this direction, recognizing in particular the points that I made, which is that the American public and the American Congress just aren't interested in putting in the kind of tools in the hand of the administration that other administrations might have been able to count on.

The question about is it the end of the American era in the Middle East? Yes. Of course it is. There is no question that the unipolar moment that we had between the first Gulf War ended, I think, in 2011 with the Arab Spring.

I don't know that that's a bad thing. I would argue actually that the United States did some very good things in the Middle East during that 20 year period. They also did some less good things. But all of those things are going to be much reduced in the future.

I think the question mark outside there is whether the United States can still play a positive

role in the future to the extent that it wants to and to the extent that the region wants it to. And the United States is no longer the world's only superpower but it's still an extraordinarily powerful country. And if the United States wants to exert influence on the region, we will do so. Less so than we did once, but nevertheless, with still some great deal of impact. Other countries will be able to pushback more than they did in the past. In my mind though, again, the question is less about who is going to exert influence and who is going to push back. The question is much more about figuring out what the right path forward is and trying to get all of us on the same sheet of music -- the region, the United States, China, Russia, India, Brazil. All of these other countries, all of whom have a stake in the region as well, to try to work out a common policy to help the countries of the region move in that direction.

And then the last one about changing the U.S. perspective which I think is a terrific question, but I will echo Suzanne's remarks which is where the

American public is today, I think that it is going to be extremely difficult to change the American public's perspective in the short-term. I think the biggest thing that is going to change the American perspective will be the greater health of the American economy. If the American economy is doing well, I think that Americans will be far more interested in thinking about broader interests in the world and thinking more altruistically even than they are right now.

In terms of just specifics, could a terrorist attack like 9/11 trigger an American response? Oh, you betcha. But it's not going to be a good one. Where the American public is right now, I think if you saw a second 9/11, if it were a Democratic president, I think you would see thousands of predators over that country. The response would be hell fire missiles raining down like hell fire. And if it were a Republican administration, it would be massive air strikes. And all of that would come without any effort, any interest in nation building whatsoever. We would look back fondly on the efforts

of the Bush administration because that's where the American people are. If they saw a massive terrorist attack, their answer would be -- well, I won't use the phrase that I think would come to most people's mind, but it would be fine. That's what we have a military for. They can go in and take care of those people and then we will go back to doing what we want to.

The only other thing out there is oil. And if there were massive oil shock, it would be interesting to see how the American public reacted. But I think the one thing in particular that it would do is it would drive people to electric cars faster than you can say Prius.

MR. SHAIKH: Thank you. We have got about 15 minutes. I really want to take just some very brief questions and then get the panelists to respond.

SPEAKER: Thank you very much. I'm Hussan (inaudible). I am a Qatar activist and I am a writer, too.

Like any Gulf (inaudible) I believe that the Iran region is struggling and it worries me too much

and I wrote a letter to our board of newsters and I suggested that our government should make the Americans and French and British to be involved in the beginning of investments like hundreds of billions of dollars. So they have to protect those investments, especially in oil, Petra Chemicals and those industries.

I wrote another letter that I was pleased (inaudible) billion dollars with (inaudible) and that would encourage other American companies to invest more money. And then we can be protected and they cannot walk away with it. And I write also to the (inaudible) and to the director of -- I wrote first letter to the director of (inaudible), which is his daughter. And another letter to (inaudible) parent about having a military -- British military base in Qatar. And I said that the Obama administration can any time say bye-bye and go, and then we are trapped here. And I have respect for our friends, the Arabs, but the Arabs are getting angry with me and I told them I am not an American agent. I am getting my pay

from my government here, but we are a small nation and we are a small number of people. We have the highest per capita income in the world and we need to protect our interests.

And another letter I wrote about the French (inaudible) and they wanted to have joint training and joint military operations, so (inaudible) can have troops and French troops can have access to the American base in Qatar and our land in Qatar. So our troops also under American military can have access to the French base (inaudible). That, for your information, most of my letters (inaudible) here in Qatar. So I don't know what (inaudible) to all of it. Thank you.

MR. SHAIKH: Thank you very much (inaudible).

SPEAKER: My question to Ken and also to Suzanne, as you were saying that Clinton has made the gesture of supporting women to drive, which means that the administration is paying attention to what's going on inside the country by the people of the GCC. So I

was wondering what is the long-term interest in this case? What is the long-term interest for the U.S. to support the current regimes of the GCC?

MR. ROBERTS: Thank you very much. I'm David Roberts, deputy director of the Royal United Services Institute in Doha. Two questions briefly if I may. You talked eloquently about the economic pressures in America. Specifically in terms of the Gulf, and specifically in terms of the U.S. bases here, do you see the economic pressure impinging on the continued viability of the bases? And if not, and I suppose I'm thinking about Bahrain here in particular, the 5th Fleet. And if not economic pressures, what kind of pressures do you see on the continued presence of the Americans there?

And a question on the Iranian plot in Washington. Perhaps you could bring some insight from Washington. But to my mind everything I've read thus far leads me to be incredibly suspicious about anything approach an official Iranian plot or something of this nature. And I get sort of curious

flashbacks about eight or nine years or so to received wisdom. This time it was about -- last time it was Iraq, of course, and the received wisdom of, well, of course, the Iranians are likely to do something like that.

Please don't misunderstand me. I'm well aware of Iranians -- of Iran's (inaudible) policies here there and everywhere. But specifically in terms of this I would like your thoughts on that if you can say anything. Thank you.

MS. MALONEY: Let me start with the last question on the Iranian plot. I will say that my reaction was very similar to yours. The elements that have been made public about this conspiracy, the involvement of a used car salesman with a very spotty track record of success even in that somewhat unimpressive business, the fact that he, himself, was engaged in recruiting freelance narcoterrorists to carry out the assassination, the sort of language that was reported and then placed in the indictment, all seem quite fantastic to me. And as we know, Iran has

32 years of experience in attempting to destabilize its neighbors and in conducting terrorist activities, both at home and abroad. So the elements of this plot to me see fantastical.

All that said, I am convinced that this administration, with its very strong views on the run up the Iraq war, with the retrospective experience of intelligence failures, would not have placed the president himself in a public situation to defend these charges if there was any real doubt that there was a direct Iranian involvement. It would be malpractice of a level that I think even this administration is not capable of. And so for that reason I'm forced to believe that there is some connection to some element of the Iranian regime in this conspiracy. And again, my skepticism doesn't come from any affection for the Iranian regime but simply a recognition that they have become all too well experienced in carrying out these sorts of activities.

So, on that basis I think we have to take it

very seriously. And frankly, that's equally as worrying as if Hammadi himself endorsed this. The idea that there are elements of the regime who have access to the resources and are willing to engage in the sort of activity that would involve, you know, for what it's worth, a restaurant that is frequented by all of the Washington punditry and political establishment and social establishment. I've never been there. A restaurant which would have, you know, immediate salience for every senior U.S. official because they know they might have been in the room when something like this happened. And an individual who was well liked but also understood not to be a key decision-maker with respect to the Saudi royal family and Saudi decision-making. So I think, you know, those elements of this plot raise a lot of questions but clearly suggest that there is something very different happening in Iran today, something that we haven't seen since the earliest part of the revolution.

My analysis of Iran's domestic politics in

recent months has been that we're in a period that looks like 1988 in Iran, one in which the senior leadership is very much divided, where there's a great deal more opacity than there had been, and where there is an intense repression of dissidence. I'm almost forced to revise that assessment based on these revelations. We may be in a period that looks like 1980-1981 when Iran was in chaos, when there were assassinations taking place and a rivalry for power inside that is spilling out outside. And that is even more frightening I think than in Iran in 1988.

With all that I would argue that, you know, the process of change in Iran is constant. And I think that there is a prospect for this sort of -- both the revelations and the internal competition to produce something more stable and more positive in the short term -- in the medium term.

Let me just say one word on the very important question about whether or not -- how the U.S. is looking at its interests in the Gulf. You know, the Saudi question is the hardest one for U.S.

policymakers because our interests there are so vital and our relationship is so long standing. And the sort of, you know, basic knowledge of every U.S. policymaker and diplomat is that any intervention we might make in internal Saudi Affairs, would be to the detriment of any positive outcome in our country. That is something that I think U.S. policymakers take for granted because there has been no, you know, we had had no positive role to play in the past.

I think the fact that Secretary Clinton came out as she did in support of the women who are driving is important. It's rhetoric, right? It's not a change in U.S. policy, but she must have understood and she must have been advised to understand how seriously that would be viewed within Riyadh, how offensive on some respects it would be. In a set of circumstances in which there's always a great deal of friction between the U.S. and Riyadh over a variety of different issues. This is not limited to Bahrain but certainly that's one of them.

And yet the secretary of state was willing

to come out and make that statement, I think, as a signal that U.S. long-term interests are in support of a process of change. Ideally, a process of change that is participated in, if not led by, central governments in this part of the world and one that is peaceful rather than revolutionary, as Ken said, but that we are not -- Washington does not see a sort of firewall around any particular country, whether it is our ally, whether it engages our vital interests or not. That support for change and that recognition that change is happening and is on the verge of occurring elsewhere I think is something that is and of itself very meaningful. And how it plays out in other parts of the Gulf, whether it's Abu Dhabi, whether it's Qatar, whether it's Crete and Bahrain, there are very different sets of circumstances in all these countries, and I think the most important way that Washington can help is to recognize that there isn't a one-size fits all formula that it can apply but that supporting change and identifying ways in which U.S. policy can be helpful is going to have to

be a top priority.

MR. POLLACK: Let me just pick up on the last question asked because we haven't really dealt with it at all today and that's this question of the American bases in the region. And also they say that I don't believe that the economic pressures are going to drive base closure in the Gulf region. I suspect that they will be okay. The Pentagon is very good at fighting for what it has, especially if we do shut down the war in Iraq, which looks likely and start very quickly shutting down the war in Afghanistan, that ought to be enough in terms of savings.

What could cause bases to shut down, and this brings us back to an issue that we keep going back to over and over again, are the moral dimensions interestingly enough. It is very uncomfortable for the United States to have the Fifth Fleet in Bahrain, given what has happened there. And there are a lot of Americans, both outside and inside the government who have been raising very hard questions about whether it is advisable to retain the Fifth Fleet Headquarters in

Bahrain as a result. And in particular, I know that our leaders -- and we like to say that we are a nation of laws, and I know that a lot of foreigners like to say that we are a nation of lawyers. Both of them are true statements and the lawyers have -- in the U.S government -- have been working overtime to go over our various statutes to determine would and would not be permissible and whether a relationship can continue based on whether a host government treats its citizens in different ways. And what kinds of problems it could create maintaining those bases if a host government began to behave in a fashion that was contrary to our various regulations.

So I think that's in many ways the most interesting issue. And in my mind, that is very useful way of opening a door to some important conversations with our friends in the region as a way of saying, look, if you continue with this perspective, if you continue with the pressure as your principle mode of dealing with the demands for change in your society, you could be putting us in a

situation that neither we or you want us to be in.

And so we've got to find a better way to deal with it.

MR. SHAIKH: Thank you. We've actually reached the end of our time, so I apologize. I know because Ken and Suzanne and a few of us do have to also rush off to another occasion. But first of all let me say thank you very much to Ken, Suzanne -- Suzanne, Ken, for your candid speech and for really, I think, enlightening us in terms of the view from Washington. So often we do way that, you know, the U.S. is not listening to releasing voices or it doesn't understand. Well, it does cut both ways. So thank you very much at least for giving us, I think, a very interesting and insightful view, both in terms of the domestic ordinary Americans as well as the conversation within the beltway.

So with that can we please thank them and please, there are some refreshments afterwards. Thank you.

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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.

Carleton J. Anderson, III

(Signature and Seal on File)

Notary Public in and for the Commonwealth of Virginia

Commission No. 351998

Expires: November 30, 2012