

THE BROOKINGS INSTITUTION

HOW THE FIGHTING STOPS:
ACHIEVING A SUSTAINABLE CEASEFIRE IN LEBANON

Monday, July 31, 2006

10:30 a.m. - 12:00 p.m.

The Brookings Institution
1775 Massachusetts Avenue, N.W.
Washington, D.C. 20036

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PROCEEDINGS

AMB. PASCUAL: I would like to welcome you today to Brookings.

Unfortunately, I am welcoming you in an environment which is a little bit physically hotter than we would like it to be. We have got some problems, as you have already figured out, with our air conditioning system today, and so we are going through a little minor stress here in the building and have actually turned off a lot of the lights throughout the building to try to keep it as cool as we can.

We are being a little bit formal here in starting out with our jackets on. I anticipate, between the nature of the debate and the issues that are at play and the temperature in the room, at some point the jackets will come off and we will take that as a sign of informality and collegiality as opposed to any other sort of statement about the political implications of the nature of the debate.

This is an event that is sponsored by the Saban Center at the Brookings Institution. It is focused on the question of the fighting in Lebanon, how to stop the fighting, and achieving a sustainable ceasefire in Lebanon. We use that term, sustainable ceasefire, with a little bit of a question mark because one of the things that we want to explore is, in fact, what does it actually mean and how achievable is it.

As we go through the discussion today, there a number of questions that we want to be able to address and certainly as results of this morning's headlines, one of the absolute critical issues that we want to look is the human impact that this war is having, especially after the increasing civilian toll that it has had, both in Lebanon and within Israel, and the political implications of that human impact.

We want to understand what the military goals are. What is being proposed by either side? Can those military goals be achieved? What is the cost of actually trying?

We want to explore the nature of an international force. Can an international force make a difference? Can it even be constituted?

It will be important to spend some time thinking about the Lebanese state. Just over a year ago, there was a great deal of hope throughout Lebanon as the state seemed to be a reflection of the democratic interests of the people of Lebanon. What are the risks that that democratic state could actually collapse, and if it does collapse, what are the implications? If there is a void that is left there in the space of a state, how might it be filled and what might the risks be?

There are issues that, of course, need to be thought about in terms of ramifications throughout the Arab World and how all of this is affecting the neighboring countries and states and what the long term and even medium term implications of that might be. There are obviously very immediate questions that need to be thought as well about Iran and the negotiations that had been continuing on trying to deal with Iran's nuclear aspirations and what might be possible on that front. And related to that, of course, is how are the events in Lebanon affecting our allies in Europe and in other parts of the world and in Russia and China? What might be the implications there? Then, of course, one of the issues that I am sure will come out throughout the discussion is the tie-ins with the Palestinian Territories. So, while we start with a focus between Israel and Lebanon, it is inevitable that this issue is going to take us to a much broader set of questions.

We have an extraordinary panel to help us through this discussion and to begin with in helping us to understand the Israeli perspective will be General Michael Herzog. Michael is a Brigadier General in the Israeli Defense Force. He is currently a Visiting Military Fellow at the Washington Institute. He has participated in most of Israel's peace talks with the Palestinians, the Jordanians, the Syrians, and the United States from the period of 1993 to 2001. He has served as a Military Secretary to the Israeli Minister of Defense. He had served as the Head of the Strategic Planning Division, and he has been a soldier, and so thus brings a very wide perspective to this discussion.

Following him will be Hisham Milhem who will help us try to get a better understanding or handle on a Lebanese perspective. Hisham is the Washington-based correspondent for *Al-Nahar*, the leading Lebanese daily; for *Al-Qabas*, the Kuwaiti daily; and he hosts a weekly talk show for Al Arabiya called "Across the Ocean". Many of you have seen him as a commentator on the NewsHour with Jim Lehrer, Nightline, Good Morning America, NPR, and so forth.

To help us get a better sense of some of the repercussions throughout the Arab World and in the international community will be Shibley Telhami. Shibley is the Anwar Sadat Professor for Peace and Development at the University of Maryland. He is also a Nonresident Senior Fellow here at the Brookings Institution. Many of you are familiar with his extensive writing on the Middle East. I, in particular, have been extraordinarily impressed by some of the recent work he has done on polling throughout the Arab World and as a result of that, helping to transform an understanding of public opinion at a grassroots level into what the implications for policy might be. We look forward to hearing from him.

Then finally, Martin Indyk will help us understand how these events are playing out for the United States and for American policy, and of course, Martin is in the best position to help us do that. He has served twice as U.S. Ambassador to Israel. He has served as Special Assistant and Senior Director for the Near East and South Asia at the National Security Council during President Clinton's tenure. Martin is a Senior Fellow here at the Brookings Institution and the Director of the Saban Center. He was also the founding Executive Director of the Washington Institute for Near East Policy and thus brings us an extraordinary perspective on the Near East from his role as a policymaker and as a practitioner as well.

So, without further ado, let me turn to the panel and, Michael, let me ask you to begin, please.

If you want to speak from there, why don't I suggest we actually speak from the chairs? I thought I would just stand up here to introduce you, but let us keep it here and I think it will help us go a little bit more quickly.

BRIG. GEN. HERZOG: Good morning, can you hear me?

AMB. INDYK: I will turn the mic up.

BRIG. GEN. HERZOG: Good morning. I will concentrate on the military campaign and some of the Israeli objectives, but I want to say that in my view in this war, there are three campaigns being fought in parallel. One is a military campaign on the ground; the second is what I call the perception campaign; and the third is the post-ceasefire political campaign, namely, what kind of political arrangements and security arrangements will be established on the ground following the fighting.

Let me begin with the first campaign, the military campaign being fought on the ground. Here, I would say that Israel is very thoroughly and systematically degrading Hezbollah's capabilities, and the picture that I get from everybody in the know with whom I speak in Israel is that until now, Israel has seriously degrading Hezbollah's capabilities, very seriously. So it may not be the picture that is out there in the media, but they are suffering a very severe blow which takes them years back. Israelis believe that they have destroyed the majority of Hezbollah's medium and long-range rockets and their launchers, more than 70 percent, and they are hiding the rest of them. When they tried the other day, when they launched a mid-range rocket on the City of Afula for the first time employing the Iranian FAJR-5 rocket with a payload of 100 kilograms, the launcher was immediately destroyed by the Israeli Air Force. The Israelis destroyed most of the command and control structures, most of their headquarters, a lot of their designated financial assets. In Southern Lebanon where fierce fighting has been taking place along the border, they lost a numerous, sizeable portion of their fighting force including their best units. So Hezbollah is suffering a very serious blow in military terms. In terms of the military campaign, they are very seriously degraded.

The war is a lot of firing of rockets on the City of Haifa, the third largest city in Israel. That has stopped over the last four or five days because Israel concentrated the campaign on the city of Tyre where they launched most of these rockets. So now, it is very difficult for them to launch rockets from that area on Haifa. Yesterday, following the tragic event in Qana where many civilians died, they wanted to launch medium-range rockets, but they were unable to do so. So what they did was just launch many more short-range rockets,

Katyushas, instead for an average of about 100 rockets a day. They fired about 150 rockets on Israeli cities yesterday.

I would say the bottom line of the military campaign is that their capabilities are being very seriously degraded and they have been taken years back.

The second campaign is what I call the perception campaign. How is this war perceived? Who is perceived as being victorious in this war? Who will be perceived ultimately as being victorious in this war? Here, unfortunately, I think the picture is different. The picture out there is that Israel is not succeeding in this war and that Nasrallah may ultimately emerge victorious.

There is a serious gap between the realities of the military campaign on the ground to degrade Hezbollah's capabilities and this perception campaign. I think this gap emanates from three major asymmetries characterizing this war. The first is the nature of the war itself. This is asymmetric warfare where a military is fighting a militia and a terror group that has positioned itself in civilian populated areas. It is firing rockets from these areas and then hiding them. In this kind of war, with Hezbollah, for over a decade, establishing a very impressive array of over 30,000 rockets, hundreds of bunkers all over Lebanon, hundreds of fighting cells over Lebanon, and of course, most of their headquarters in civilian populated areas, it is impossible to score a swift overnight victory. Some people had the expectation -- maybe some Israelis fed this expectation -- that the Israel Defense Forces will score a very fast victory. That was not to be. I don't think it is possible in this kind of war. It has never occurred in any other asymmetric warfare that I know of, and it is not going to happen in Lebanon.

Moreover, when you have this kind of asymmetric war, it is inevitable to avoid hitting civilians. It is tragic. It is very tragic what we see, but it is almost impossible to avoid hitting civilians when you have this organization hiding in civilian populated areas. For a military planner, this is a very serious debate. If you don't go after the terrorists, you are granting them impunity because they are hiding behind civilians. If they do, you may hit civilians, and we see serious consequences of that. It happened again in any kind of asymmetric warfare that I know of. The NATO bombing in Serbia, it happened to the Americans in Iraq and Afghanistan, and unfortunately, it is happening to the Israelis in Lebanon. This, of course, accentuates the perception that whereas Hezbollah is not paying the price, the civilians are paying the price. In this case, I think both of them are paying the price.

Of course, when you have a tragic incident like Qana yesterday, it just accentuates this kind of picture and adds to this perception that perhaps things are not going well for Israel but maybe Hezbollah and Nasrallah will emerge victorious.

The second asymmetry in this war that adds to this perception campaign is the fact that there is a media asymmetry. The Israeli side, being an open society is transparent. We immediately hear about casualties, about accidents, about tactical mistakes. On other side, Hezbollah controls the media. They don't tell you how many casualties they suffer. They don't tell you whether or not senior commanders are injured. They don't tell you to what extent their capabilities are degraded. They don't tell you anything about what happens to them, only what happens to civilians on the other side, and I think this is what adds to this perception asymmetry.

Thirdly, there is also asymmetry in the way both parties defined their objectives in this war. Nasrallah defined a very simple objective, a passive objective to survive. He said openly that for him, a victory would be survival. So all he has to do is to lower his head, to hide, to continue firing rockets at Israel every day, to inflict casualties on the Israel, and then when the war ends, he can emerge from the bunker and claim to be victorious.

The Israel side defined much more ambitious objectives, that is, to create a new status quo in Lebanon, not to go to the old status quo which allowed Hezbollah to arm itself, gather thousands of rockets, threaten Israel, and under the shield of rocket deterrence to repeatedly carry out Hezbollah attacks. So this is a more ambitious objective. There is a gap between these objectives which given the low threshold that Nasrallah defined, I think it will make it easier to him to emerge out of the bunker and say, we didn't lose the war; we won the war.

Let me now address the third campaign which is the post-ceasefire political and security arrangements. I think the components of these arrangements are out there. Everybody knows them, but it is going to take a while and it is not going to be easy to agree on all of these components. I would like to address five elements in the picture that are now currently under discussion.

The first is the creation of a buffer zone in Southern Lebanon between Hezbollah and Israel. The idea is and I think it is generally agreed upon that there will be a buffer zone established between the Israeli-Lebanese border and the Litani River. That would be as deep in certain areas up to 20 miles, and in most areas, much less than that. The idea is to deploy Lebanese and international forces in this buffer zone.

Now will this happen and will it be effective? That depends on the structure and the composition of the force, on its mandate, and it depends in my view, first and foremost, on will there be a Lebanese component down there. I think if you only send the Lebanese Army down there, it is not going to happen because the Lebanese are saying that the Army is not strong enough to take on Hezbollah, and they need international assistance and that is understandable. If you only send international forces into that area without the Lebanese Army going down there, I think, for one, you are absolving the Lebanese Government of its responsibility to assert its sovereignty in that area of Lebanon, and secondly, I think if you only have international forces there, in no matter they will be perceived as occupiers and they could be targeted. As a matter of fact, I just read the statement delivered by one of the former Iranian Revolutionary Guard commanders a few days ago, saying if NATO sends forces there, they will be regarded as occupiers, and everybody can understand what that means in terms of possible targeting of such forces.

So I think, first and foremost, there has to be a combined force, both Lebanese and international. The Lebanese will grant legitimacy to this force. The Lebanese component and the international component will augment the actual capabilities of the Lebanese forces. There is talk about 10,000 to 13,000 people will be a strong enough force. But, most of all, I think you need a clear mandate which will grant them enforcement capacity. That was not the case with UNIFIL. There were many monitors. They didn't enforce anything which is why they were useless.

Now will that be effective? I would say I don't have expectation that these forces will directly confront Hezbollah and dismantle their capabilities. What Israel is not doing

currently in South Lebanon in the fighting itself will not be done by any international force. What they can do, though, is to make it much more difficult for Hezbollah to reposition themselves along the Israeli-Lebanese border and make it much more difficult, if not impossible for Hezbollah to carry out cross-border attacks. It doesn't solve the rocket problem but at least the cross-border attacks along the border, kidnapping, and other attacks that have been repeatedly carried out.

I would add another element in the picture which is that currently what Israel is doing in Southern Lebanon with its ground forces is to establish a narrow strip, kind of a narrow buffer zone adjacent to the border itself, as deep as one to two miles, in which it is cleaning up all of Hezbollah's military presence and infrastructure. That is the fighting we have been hearing about in Bent Jbail, and Marjayoun, and many other villages. Israel is pursuing this battle and intends to complete it within days, namely to clean the adjacent, the immediate strip adjacent to the Israeli-Lebanese border of any Hezbollah military presence and infrastructure, and Israel will possibly hold this strip as a first layer in the buffer zone I have just described until such time that the Lebanese and international force go down to the site themselves and they assume control of this area.

The second element in a possible post-ceasefire arrangement is, of course, preventing Hezbollah from rearming itself because it is clear to anybody that with the aid of Iran and Syria, they will try to rebuild their lost capabilities. Here, the talk is of possibly placing some monitors, international monitors, on border crossings between Syria and Lebanon and possibly other border crossings. Will that be enough? I am not sure. You need a lot of

political pressure -- Lebanese, Arab, and international on Hezbollah, on Syria, and on Iran in this regard.

On top of that, it seems to me, I would just assume that if this doesn't work, Israel will assume a much more proactive deterrence posture vis-à-vis such arms shipments. There is a big debate in Israel currently. People are saying: How come this monster grew up in the front of our very eyes? For years, they gathered 30,000 rockets. They have now fired over or about 2,000 rockets on Israeli cities and towns since the beginning of the war. We should prevent it from reoccurring.

So, if no other arrangements are possible in stopping Hezbollah from rearming itself, I would assume that Israel would take a much more proactive deterrence posture vis-à-vis this kind of arms shipments.

The third element is, of course, implementing UN Security Council resolution 1559, disarming Hezbollah. Everybody agrees in principle that this should be done. I don't expect that political pressure in and of itself will disarm Hezbollah, and it is clear that Hezbollah will not disarm voluntarily, but I do think that Lebanese, Arab, and international pressure could certainly restrain Hezbollah and serve as a deterrence, so that when Hezbollah in the future thinks about carrying out attacks of firing rockets, they will think twice and three times.

I also want to mention that part of 1559 is getting all foreign forces out of Lebanon. The Israelis left in 2000. The Syrians were forced to leave in 2005. I think the focus should be on the Iranians to leave Lebanon. There is an Iranian contingent in Lebanon. They have

been guiding Hezbollah, training Hezbollah, aiding them in the fighting, and they should be demanded to leave Lebanon.

There are also other elements like freeing the kidnapped soldiers as part of a possible swap. That depends on the terms. The Lebanese want to add the element of the Shebaa Farms. Maybe in the Q and A, we can discuss that.

The bottom line, what I want to say is, first of all, I don't see that there is synchronization in the military and the political contexts. There may be an agreement about a ceasefire, an immediate ceasefire, but it will take a while until you have a full agreement about all the elements and the terms of the ceasefire, and it will take quite a while until this is implemented. This creates kind of a gray area where both sides continue firing on each other.

Secondly, I think, ultimately, if you ask the question, will these arrangements create a new stable, sustainable as you said, ceasefire for a long time, a better reality, I think the key would be to what extent in the post-ceasefire era, there will be enough Lebanese, first of all, Lebanese and then Arab and international political pressure that will sustain these security arrangements. It is true that what is happening today creates a lot of resentment against Israel in the Arab World, but I would say also that there is a lot of resentment against Hezbollah and Iran being behind Hezbollah. My hope is that in the post-fighting era, these resentments will be translated into proper political and security arrangements.

Thank you.

AMB. PASCUAL: Thank you for laying out so clearly the objectives of each military campaign. We can build on that. Let me ask Hisham Milhem to build on that and continue from the very good explanation that Michael gave us of what the Israeli objectives may be.

MR. MILHEM: When Israel began its campaign against Lebanon following Hezbollah's raid, there were a number of scenarios for a ceasefire, potential ceasefire. One of them was, of course, that the Israelis would achieve their stated objective, that is, degrading Hezbollah or defeating Hezbollah, or that the Syrians and the Iranians would sue for peace if they see that the Israelis are destroying the arsenal that Iran spent many years and millions of dollars building in Lebanon. Another scenario was that if the war spread to another front, i.e., Syria, that there would be Russian and European intervention that would force the United States to also push for a ceasefire.

For many of us who are familiar closely with the situation in Lebanon and always try to keep history in mind, I was arguing, for instance, that another Qana would force the Israelis to stop their campaign, the way the first carnage in Qana 10 years ago in which more than 100 civilian Lebanese were killed when the Israelis bombed UN headquarters where those poor people sought refuge. I remember discussing this with Martin, that another Qana will change the whole equation. Now it is possible with yesterday's carnage at Qana. History is very brutal when you revisit those same poor people in the same village 10 years almost to the day, almost. The first one was in April, 1996. Now, at least 60 people, mostly children and women, were killed. I think the outrage that this incident caused - which at least initially undermined Secretary Rice's diplomatic efforts in the region - could build up enough momentum in Europe and the United States and the Security Council that would force the

United States, probably by the end of this week, to force the Israelis or to put pressure on the Israelis, not only to suspend military operations like they asked them to do so yesterday for 48 hours in which the Israelis actually did not suspend any aerial activities in any meaningful way, but to accept the ceasefire without Israel achieving its stated objective which is to, in a qualitative, radical way, undermine or defeat or degrade Hezbollah.

Obviously, Hezbollah is standing in Lebanon, notwithstanding the initial Lebanese anger at Hezbollah that came from other communities and other leaders because of Hezbollah's reckless behavior which led to this onslaught. But definitely today, Hezbollah is projecting itself in Lebanon as the protector of the homeland. Hezbollah is riding high, not only in Lebanon but throughout the Arab World. Sayyid Hassan Nasrallah is lionized as the new Abdal Nasser in the Arab World.

The last time that we met here, I said Hezbollah in the last six years managed to create a dent in Israel's strategic deterrence. Nasrallah now, from where he is sitting in some bunker in Beirut or in the Bekaa -- I don't know where -- he can claim with a great deal of credence that Hezbollah managed to create a hole in Israel's strategic deterrence.

I have never seen in my lifetime Arab commentators and Arab politicians poking fun at the Israelis when they send their Chief of Staff to the hospital in a campaign like this, poking fun at the incompetence of the mighty Israeli Army. This is a war of perceptions; it is true. This is the perception now in the Arab World, but people later probably will feel the pain. Now the Lebanese are feeling the pain. The Arabs in the Arab World who are rallying behind Hezbollah are not feeling the pain, but they feel that this is the first time that somebody in the Arab World, a party in the Arab World, not even a state, a non-state actor, is

standing up to the Israelis. Nasrallah is delivering on his threats and his promises as he calls them, on his surprises as he calls them. He hurt us in Beirut and Haifa and beyond Haifa, he delivered. Although not necessarily in a very effective military way but definitely politically in terms of perception, Hezbollah is standing up to the Israelis and doing relatively well. Hezbollah can claim as Nasrallah did claim that more than a million Israelis are spending their nights in shelters and not only the Lebanese are spending their nights in shelters in Lebanon.

So we have a different perception of how Hezbollah sees itself and how the Lebanese see Hezbollah, including those Lebanese who are very critical of Hezbollah's behavior, Hezbollah's ideology, Hezbollah's political strategy, the fact that Hezbollah created a state within a state, and now we see the extent of that incredibly organized, disciplined state that Hezbollah created in Lebanon. Even those voices are going to be muted in Lebanon now. Either they will be intimidated or they will be so angry at the Israelis that, given the amount of carnage and the amount of destruction that the Israelis have visited on Lebanon in the last three weeks, they are not going to stand up to Hezbollah at any time in the new future.

I would argue that Hezbollah will accept a ceasefire with conditions. Nasrallah cannot ignore the suffering of his constituency in the South. Therefore, he would accept a ceasefire with conditions. He would accept an international force but not necessarily the kind of "robust" international force that the Israelis and the Americans and the Brits are talking about, but he would accept an international force to be deployed along with the Lebanese Army in the South.

Probably, he would ask that the Lebanese Army be at the border, not necessarily the international force. He will accept a partial probably, I mean it is within the realm of the possible, a partial disarmament. By partial disarmament, he would argue that some of our missiles would go to an escrow of some sort, put them in a deep hole under the control of the Lebanese Army. So there would be a partial disarmament but not a full disarmament that the United States and Israel are seeking.

Definitely, Hezbollah command and control and Hezbollah's military structure will be maintained. The units will remain as they are. The reservists will remain as they are from Hezbollah's perspective. The flow of money will continue from Iran. It is going to be very difficult to stop that flow of money which is extremely crucial for Hezbollah to maintain its military, economic, social services structure, if you will. Obviously, it will be difficult now - - I wouldn't say impossible but extremely difficult -- for the Iranians to replenish Hezbollah's arsenals of long-range missiles or medium-range missiles via Syria the way they used to do, but I am not sure whether this will be impossible.

These are the conditions under which I think Hezbollah would accept a partial disarmament. I think Iran and Syria will oppose very strenuously, especially if they are not included in any kind of discussions, any kind of serious full disarmament of Hezbollah. This would be a blow not only to Hezbollah, but a full fledged disarmament of Hezbollah would be a blow for the Syrian influence in Lebanon, and it would be a blow for the Iranian influence in the Eastern Mediterranean and the Levant. As we said the last time, now the Syrian state, a country of 20 million people, depends on a non-state actor like Hezbollah to maintain the little that was left of its regional influence. That is the ironic thing in the

relationship today between Nasrallah, who towers over the young kid in Damascus, and the Iranians who invested incredibly in Hezbollah's military capabilities and Hezbollah's influence in Lebanon. They would oppose any kind of disarmament, especially if they are not included.

I would argue, and I think I argued, but I don't want to repeat myself -- maybe I said it to you on other occasions since we have been talking constantly since the war began -- that the Iranians did not invest heavily financially and militarily in Hezbollah only to see their thousands of missiles being wasted in a war like this which really does not affect Iranian national security interest. The Iranians obviously, when they invested in Hezbollah like that, they were hoping that this arsenal will be used in case the Israelis launch a war against Iran over the nuclear program or the Americans launch the war against Iran because of the nuclear program or other issues in the Gulf or Iraq or whatever. It was in that case where that arsenal or that front will be open to relieve the Iranian State.

The Iranians can talk a lot about Islam. They can talk a lot about ideology, but the Iranians, even when Khomeini was in charge, like the Syrians with Hafez al-Assad was in charge, are always driven by *raison d'état*. They are always driven by its own *raison d'état*. Whomever is the ruler of Iran, whether he is wearing a turban or he is wearing a crown or a pinstriped suit, which is not going to happen anytime soon, unfortunately -- those guys don't like ties -- they will be always driven by *raison d'état*, but they are cultured in Islam and they are cultured in all sorts of things. So the Iranian investment in Hezbollah should be seen in that context.

What will that do to the Lebanese state? The Lebanese state, I mean we have a fragile government and an overall brittle political order, a government that was established after 30 years of Syrian control, Israeli invasions, Syrian meddling, Iranian troops, American troops, you name it. In the last 30 years, practically everybody came and paid a visit to Lebanon, usually by storming the gates of Lebanon and usually, unfortunately, founding a Lebanese party and applauding them. The Iranians were applauded. The Israelis were applauded. The Syrians were applauded. They would throw rice at you and then when things cooled down, they commenced firing at you.

The Lebanese state is very weak. The Lebanese state may not survive in any meaningful way. I see incredible hurdles facing the formation of a credible international force. The Syrians can exercise influence through a number of their allies in Lebanon, not only Hezbollah but other allies. It will take the Lebanese Government a long time to clean up the army, to clean up the internal security services.

The Prime Minister of Lebanon cannot reappoint an ambassador in Washington. He recalled the ambassador. He could not even replace the ambassador in Washington. This is an honorable man. This is a decent man. This is a moderate politician who is trying very hard to save his country from total chaos, but he has very limited means to do so. Inherently, the government is weak because you have people in government who are not necessarily answerable to the man in charge. I mean the Prime Minister cannot even ask his Foreign Minister, who is essentially beholden to Hezbollah, to speak on Lebanon's behalf in the international community, in New York, for instance. So here, you have a very fragile government that is being asked to deliver on some tough conditions.

Now one word about something that the Secretary of State said recently, the birth pangs of the new Middle East, if you look at the Arab reaction in the streets, which forced even those governments friendly to the United States to retreat a little bit from their initial essentially condemnation of what Hezbollah did, even before this episode, even before Qana, even before the war, anti-Americanism in the Middle East was spreading like wildfire. It is the new religion in the Middle East. It has its own priests. It has its own rituals. It has its own religious texts, if you will. I have never seen the United States being demonized or savaged by Arab commentators, by Arab politicians. People are clinging to Hezbollah, clinging to Hamas because they see them as the remaining voices or forces in the Arab World that are resisting what they see as an ongoing hegemonic American-Israeli plan, whatever, to control the region. For them, these are not the birth pangs of a new Middle East. What is happening maybe are the last gasps of a dying Middle Eastern old order.

When I look at these reactions in the Arab World and when I look at the chaotic conditions created in Iraq, in Lebanon, in Palestine, just give me one minute to say something. The President sees in this, an opportunity to change the Middle East. Some neocons, in this country in the last year or two or three or four, said that through force, we can reshape the societies of the Middle East. We can transform the societies of the Middle East.

But guess what? The Islamists think that way. The Islamists think that way. They believe and they are correct, unfortunately, from my perspective as a secularist that in 1967, it was a disaster, but this was the beginning of the emergence of the Islamist alternative. In 1982, the Israelis got rid of the PLO, and they created Hezbollah. Hezbollah, in many ways,

emerged from the rubble of Beirut in 1982. In the year 2000, Fatah was on the ropes. We had the intifada. Fatah was defeated.

Now what do you have? You have the Islamists. You lose 100. You lose 1,000. You bless them as martyrs, and you continue the struggle. It is almost a mirror image. It is almost a mirror image. What is taking place now in the Middle East is that the Islamists are on the ascendancy all over the world. The most important man in Iran wears a turban. The most important man in Baghdad, Grand Ayatollah Ali al-Sistani, wears a turban. The most important man in Lebanon, Nasrallah, wears a turban. Everybody else, all forces, are in retreat.

These are not the birth pangs of a new Middle East. This is a dying Middle East. We are going through a crazy, chaotic transitional period.

Let me finish by quoting one of my favorite European philosophers. I spent seven years of my life studying philosophy. I used to tell my mother this was a great thing, and my mother used to say: No, son, go study something useful. But once in a while, I feel I have to quote a philosopher to justify wasting so many years of my life.

Antonio Gramsci talked about what happens during crazy, chaotic transitional periods, and the great Gramsci said, and I know quoting a Marxist in Washington is heresy, but the great Antonio Gramsci said: The crisis consists precisely in the fact that the old is dying. The new cannot be born. And in the interregnum, a variety of morbid symptoms appear.

From Iraq to Lebanon to Palestine, throughout the region, they are going through these morbid symptoms, and we are paying a huge price for it because of bad policy decisions in Washington, bad policy decisions in Tel Aviv, bad policy decisions in most Arab capitals.

AMB. PASCUAL: Hisham, thank you. Indeed, I think that is actually an extremely useful quote to put on the table because it underscores a point that both you and Michael have been making, that there is a very unique and complicated combination issue here of issues of capacity -- who has the ability to carry what functions -- and weaknesses as well on the part of the Lebanese state. As a result of that, it underscores the importance of having some international dimension to it. Yet, that international dimension is complicated by questions of legitimacy and politics, and somehow all of these things are going to have to be squared together to come up with some kind of viable solution.

To keep us along the track of trying to figure out what the elements of this might be, let me turn to Shibley Telhami.

MR. TELHAMI: Thank you.

Well, let me begin with the horrible tragedy that we are witnessing, particularly with Qana but also the devastation of civilians, the devastation at all levels, not only in terms of deaths but infrastructure destruction, the civilians killed in Lebanon, the civilians killed in Israel, the people who are made refugees in both places. Fifteen percent of the Lebanese population are internal refugees today.

I start with that because we talked about the issue of perception and in some ways, the American position was originally framed in moral terms. You look at this process in which this is unfolding, and you ask the question where is the moral issue here in this game. I think a lot of our commentators talk about you can't have a moral equivalence between terrorism and something else. There is collateral damage different from intention. Whether or not Israeli attacks were intended to bring about civilian casualties, all of that doesn't matter at all

at the popular level. It doesn't matter at all at the level of public perception. When you are in a war and you are looking at the enemy, you are not going to trust that the enemy means to avoid casualties. It just doesn't happen.

You look at the bottom line. You look at the fact that you have the civilian casualties on the Arab side are roughly 20 to 1. When people ask that and you look at the debates in the Arab World, they say Arab lives don't matter. Many articles were written about Arab lives don't matter. So what you have in the psyche and in the discourse in how this is being framed, Qana will be remembered in the Arab World no matter what the circumstances, no matter what the investigation is. Even if you had an independent investigation that said this was a huge mistake and so forth, in the Arab psyche, it will register as a massacre, as it is being called now. That said, it is part of the historical memory already. You can't take it away from that. The human rights organizations will inevitably call it war crimes as they have already called it, no matter what the actual debate is about the morality.

What that tells me in the end is that you are not going to win the moral argument in this debate. It doesn't matter where you are. The Israelis certainly think they are morally right. They think they were attacked, and they think their enemy is targeting civilians. They are right; their enemy is attacking civilians. Human rights organizations have criticized Hezbollah for packing the kind of explosives that are intended kill civilians, and they are. But the point of it is that whether it is with the Israelis or the Arabs, you are not going to win the moral argument. Each side is going to believe that morality is on their side, and this kind of event clearly is going to weigh in heavily in that discourse.

I am going to come back to this when I end, but I want to move to the more practical issues, and the first issue pertains to the conditions for a ceasefire and the talk about having an international force in South Lebanon as a precondition. Obviously, there is a convergence now on that, and I think any ceasefire is probably going to have an element of that in it. We have to be realistic. This is not a solution, no matter how you posit this. Mike has already correctly argued that an international force cannot simply do what the Israelis couldn't do, disarm Hezbollah. No international force -- no international force, no matter how powerful, is going to be more powerful than the American Army, the single superpower in the world that put into Iraq more resources than any other country has put into another in the history of the world, and it still couldn't kill the insurgency, and yes, it couldn't even kill the resupply - - we are talking about the resupply -- at least of fighters coming from the outside if not equipment. The Israelis were in Lebanon for 18 years from 1982 to 2000 and couldn't finish off Hezbollah. An international army is not going to be able to do it.

The question is: Can they even protect a buffer zone? Well, I don't think Israel can. Why do we think that an international army is going to be able to do it? It might be a good intermediate step politically right now, and I think it is. It might also be a good fig leaf for a solution. It is not, in and of itself, a step that is going to bring about stability, and let us face it, an international force is only helpful and useful and effective if all the parties agree to it, if they already agree to the principles, if Hezbollah buys into it, if Hezbollah is its ally, not its enemy. If Hezbollah is going to be its enemy, it is not going to work. So we have to really think carefully here, not in avoiding that option because I think it is on the table and should

be implemented but on not expecting that to be a source of a solution. That is a transference of a problem to a weaker authority that simply cannot bring about stability in Lebanon.

The second point I want to make is what happens within Lebanon itself. Can Hezbollah be disarmed? Realistically, I don't see that happening, and I don't see that happening anytime soon even if it is the thing to do in terms of no state should allow a militia, an armed militia within its borders.

I say this for the following reason. I say this because whatever happens in this war in the next couple of weeks, the Lebanese state will be weaker than it was before, much weaker than it was before. I don't care whether you have politicians issuing statements as unified. Statements don't matter. You need to have enforcing central authority. As an enforcing central authority, Lebanon is far weaker than it was just a month ago, and it is likely to be weaker in the next decade than it was even in the past decade as a unified central authority, no matter what happens on the ground. In that sense, even with the degrading of Hezbollah's power, their relative power in Lebanon will have expanded even aside from the public opinion on their side in much of the Arab World.

So I think the task, therefore, has to be a patient one and working for a political solution within the Lebanese system. Yes, you can have agreements of principle. You can have ceasefire terms that have to be implemented in the political process, but there is going to need to be extraordinary patience with the Lebanese system to resolve itself and for them to find a way to co-opt Hezbollah into playing a role within a unified state and gradually folding itself into that state. Otherwise, I think we are in a period of nothing but instability in which a weakened Hezbollah will not be a solution because there will be others. The state

will not be able to prevent other groups, whether it is Palestinian groups or outsiders who may come in, from launching attacks and disrupting the status quo.

A third point I want to make is that it is impossible to envision really, once we have a ceasefire, that this ceasefire is going to last unless you create a more comprehensive approach to this issue. We talked about Syria and Iran. They are parties. Syria is a party to this. It is impossible. You might be able through coercion to prevent them from doing certain things, but they will look for opportunities if there are interests are at stake to do otherwise. Unless they have an incentive to enter into some kind of framework, it is not going to work.

So I suggest that in the end, unless we put on the table some kind of a diplomatic initiative that is much more comprehensive, that addresses a process that leads to reopening negotiations between Syria and Israel and reopening negotiations between the Palestinians and Israel, not now, not before we have a ceasefire but as soon as we have a ceasefire, I think we are going to be in trouble because there are linkages and those linkages are strong and cannot be avoided. I think that one of the problems in this over the past few years is that we have really ignored these linkages between the issues.

Let me end on a broader note, and it is a note related to what is a win and what is a loss here. Obviously, I think everybody agrees that in part this is a perception war. I mean certainly there is a real war going on, but in part it is a perception war. Even if you hear the parties, you hear about what they are trying to do, it is an issue of perception.

The Israelis want to reestablish their deterrence. It is not just in terms of what happens in Lebanon, but they see this as something that undermines their entire deterrence. They rely in their deterrence on a powerful army that can respond to attack.

When you look at the Arab side and you hear what Hezbollah is appealing, if you listen to Hassan Nasrallah and you hear his speech, and he is talking about *karama*, dignity or honor, we dismiss it. We say this is just talk of someone who is maybe losing, or this is not a notion that resonates or that is important in propelling Arabs to move. He uses the term, he and Hussein Fadlallah, the spiritual leader of Hezbollah, they use the term [*Arabic*], those who are taken to be weak, referring to the Arabs and the Muslims. [*Arabic*] are those who are taken lightly, those who are not taken seriously into account, those who are dismissed. That is why when you look at all these articles saying Arab lives are not taken seriously. There is a huge sense in the Arab World that they are not taken seriously by the public, that they are dismissed, that their grievances are not plain.

Hisham talked in a very real way about the emerging end of a system that hasn't worked; a system of states. We are seeing this gap that is emerging between publics and governments. The governments took a position against Hezbollah early on. The public, from the beginning, was on Hezbollah's side. You hear the discourse of Egyptian Sunnis saying, they brought me back dignity even if only for on second, and another saying, if Hezbollah is Shiia, if the struggle is Shiia, then we are all Shiia.

This is reflective of a mood, the mood of humiliation. It is not about Lebanon. It is about the broader Middle East because it is generating more reaction from the Arab World. The real question that I have is: Can you have deterrence, effective deterrence without

humiliation? Can you have dominance without a prevalent sense of weakness on the other side? How can you achieve it? How do we achieve a delicate balance between deterrence and *karama*? How do we achieve that balance between deterrence on the one side and dignity on the other? Can you defeat and humiliate in a way that helps your deterrence and doesn't affect the motivation of the other?

Realists like Henry Kissinger back in the 1973 war, those of you who know, Kissinger really didn't take the Egyptian and Syrian threat seriously before the war. He didn't expect the 1973 war that Egyptians and Syrians waged in an attempt to regain their occupied territories. They were not taken seriously. They were taken lightly. They were [*Arabic*]. They were ignored even when they made political demands to the international system. Henry Kissinger said, what I failed to do is understand that people could wage war where they had very little chance to win in order to restore honor.

I think the interesting thing in that war is the restoration of honor that happened perceptually. The war outcome may have been more of a balanced outcome, but the restoration of honor did not lead to more war. It actually enabled Anwar Sadat to say I am now strong enough and I have enough legitimacy to wage peace. *Karama* doesn't have to contradict peacemaking.

I think one of the things that Arabs and Israelis are going to have to come to grips with is Israel has a legitimate security concern. It needs to have deterrence. It needs to feel secure. But can you do it without humiliating the other side? Can you do it without taking the other side very seriously into account? That is something that I think we have reached in the cycle of the Arab-Israeli conflict. It has to be addressed.

I suggest that Arab public opinion matters more than people think. I say in this era of emerging anarchy in the Arab World, if you look at the cycle, we have three states in which we have far more instability than we did a few years ago -- Iraq, Lebanon and Palestine -- and two areas where we have far more instability and non-state groups are far more powerful. Non-state groups rely on public support. Public opinion matters to them.

If you look at the cycles of power in those groups, you start first with the fact that it started off with demonstrations. You had stones. You had suicide bombings. Now we have rockets. The technology is changing dramatically. This cycle is reaching an end. This is a time not for just let us have a ceasefire. It is a time to ask fundamental questions about how do we address this structural problem that we are facing in the Middle East.

AMB. PASCUAL: Shibley, thank you very much. I think your putting the question of can you have deterrence without humiliation is a very important one, and you link it in a sense to another extraordinary complicated question of what deterrence is and if, in fact, you can have Iran and Syria operating in a way with a militia in the kind of asymmetrical environment that Michael started out with. In some ways, what you are trying to deter has become more complicated because of the asymmetries involved because there are different goals that are involved. I think it adds to the complexity of the policy question that needs to be dealt with.

In that light, we will turn to Martin Indyk and have him pull all of this together into a current strategy and policy which can deal with the short term, the long term, the medium term, and assure that everybody's interests are recognized, almost seemingly an impossible task.

Martin?

AMB. INDYK: And to do it in five minutes since we have already gone beyond our time.

AMB. PASCUAL: Exactly.

AMB. INDYK: Thank you, Carlos.

I thought that Shibley's point about the 1973 war analogy was a very important one about honor and dignity, the two things that I would say were present there that are missing today. We do not have an Anwar Sadat on the Lebanese side. Nasrallah is not doing this in order to make peace with Israel. We don't have an active and effective American diplomacy which took that willingness to make peace and turned it into a series of agreements that led to the Israel-Egypt peace treaty.

Like everybody else on this panel, I have been reliving the nightmare of the Israel-Lebanon conflict that has been going on over the last three weeks with the expectation that we would witness another Qana sooner or later in this conflict. I happened to be the American Ambassador in Israel in 1996 when we witnessed the first Qana. As Hisham pointed out, there were 109 Lebanese civilians who gathered in the UN compound to seek shelter, and an Israeli stray artillery shell hit that compound and killed them.

I wanted to start very quickly by drawing some lessons from what happened then because what Qana did and what I expect Qana will do now is that it highlighted in a way that did not happen prior to that, in terms of the fighting that was going on then or the fighting that is going on now, the need to protect civilians. It will bring to the fore, just as it

brought to the fore then, the problem of civilian casualties as something that needs immediate attention.

In those days, Warren Christopher went running off to Damascus to achieve a ceasefire. Of course, people today are saying, well, that is what we should be doing, but I want to remind people of a couple of factors in that regard. First of all, when we ran to Damascus to try to solve this problem, we were humiliated by President Hafez al-Assad who left Christopher waiting for a meeting, and the American press pilloried the effort to try to achieve a ceasefire just as the American press is not criticizing Condoleezza Rice for not going to Damascus. I don't think - that experience, but nevertheless we got an agreement. Nobody can even remember the name of the agreement now. I don't actually remember it. It had a date on it, the June something agreement, but the important point about it was that it was an agreement that protected civilians.

MR. TELHAMI: It was April.

AMB. INDYK: Thank you, the April 1996 Understandings. It did not meet Israel's objectives, but Israel was prepared to accept a lesser arrangement because that arrangement provided that Hezbollah would not operate out of civilian areas in the South, something that they are manifestly doing today, that in return Israel would not attack Hezbollah targets in buildup areas, and Hezbollah would not fire rockets into the villages and towns of Northern Israel. In addition, the Israel-Lebanon monitoring group was set up that had representatives from Israel, Lebanon, Syria, France, and the United States. For the next four years, Israel also had an address to go to when Hezbollah was violating the agreements, so as, again to protect civilian lives on both sides. That monitoring group actually functioned quite

effectively in terms of allowing a conflict to continue between Israel and Hezbollah in Southern Lebanon but protecting civilian lives on both sides.

The United States went for that partial deal because it had a broader strategy in mind, and that was a peace deal between Israel and Syria in which Syria, as a result of regaining the Golan Heights and as a result of an Israel-Lebanon peace treaty that it would oversee, would use its 15,000 troops in Lebanon to disarm Hezbollah in the context of a comprehensive peace. That is precisely what we believed we were going to achieve in 2000 when President Clinton met with President Assad and offered him from Prime Minister Barak full withdrawal from the Golan Heights with the exception of 50 meters around the lake. Assad said, and Barak then withdrew unilaterally from Lebanon, and there was no force, no government force, no Lebanese armed force, no Syrian force that moved south to fill the vacuum that Israel left there. The only force that moved south to fill the vacuum, of course, was Hezbollah.

Now I go through that history because I think it is important for us to learn the lesson of the first Qana if we are to honor the deaths of the second Qana. It is difficult, having seen this over the last 20 years, the civilian carnage, not to sympathize with the idea that there needs to be a sustainable ceasefire that deals with Hezbollah's operations as a state within a state. In other words, it is hard not to identify with President Bush's argument that we need to deal with the root causes of this if we are going to, in fact, protect civilian lives on both sides, but we have to admit, and I think you have heard from everybody on the panel today, that we don't have the same capabilities and resources to deal with this problem.

First of all, the United States does now have a wider strategy like the Clinton Administration had, but it is a very different strategy. It is based on democratization and regime change, not on promoting using diplomacy to promote a peace process. And so, because we have that policy, we can't go to Damascus, and we shouldn't go to Damascus because to go to Damascus in this context is to ask the Syrians to come back into Lebanon where the Lebanese people responding to our call for democracy and freedom for Lebanon have demanded that the Syrians leave. Make no mistake. That is what it will mean if we go to Damascus now. We will be asking Damascus to control Hezbollah, and that means inviting Damascus to come back into Lebanon.

To do that, would be requiring complete change in strategy, not just a visit by the Secretary of State. That strategy has been recommended in yesterday's newspaper by Brent Scowcroft and not surprisingly, I don't expect that it is going to be followed -- the same strategy that Shibley also is recommending -- because it would require such a complete turnaround in the Administration's approach and they think their approach is working. So it is not likely that President Bush is going to listen to him. Part of the reason for that is because it didn't work the last time. We used an active diplomacy to try to achieve a comprehensive peace, to try to deal with Hezbollah through the Syrians, and it led willy-nilly to what we face today.

So how to achieve a sustainable ceasefire? The problem with the current strategy that the Administration is pursuing is it depends on the strength of its weakest link, that is, the Lebanese Government. If we are not going to go to Damascus and we are not going to go to Tehran, then it is the Lebanese Government that has to do the job of controlling Hezbollah,

of sending its army to the South to extend its authority to the South, and of, over time, disarming Hezbollah.

The Syrians, as I said, had 15,000 troops and controlled Hezbollah pipeline when it was Lebanon. The Lebanon Government doesn't have 15,000 capable troops to do this job, and it certainly doesn't have legitimacy within Lebanon to take on Hezbollah, representing the largest community in Lebanon, the Shiias, with Hezbollah ministers in the government, as Hisham has explained, and now as a result of Israel's military operations which is the other problem with the strategy. The strategy depends on Israel's military operation to weaken Hezbollah and to clean it out of the South, so the Lebanese Army can come in backed by an international force. But, as we have already heard, Hezbollah is strengthened, even if it is just in perceptions, even if Mike's reporting of the Israeli Military's assessment is accurate. Hezbollah remains today functioning and more powerful, stronger than before in terms of the eyes of the Lebanese people.

And so, we have a situation where the Lebanese Government's ability to do what it would have to do to achieve a sustainable ceasefire is deteriorating every day; Hezbollah is growing stronger every day; and civilians are dying or subject to horrendous situations on both sides of this border.

So the lesson from the Qana experience in my view is, first of all, we have to now go for what is achievable, and that means a ceasefire that protects the civilian population and a package that leads to the Lebanese Army deploying to the South backed by the international force which, by the way if that happens, will give Israel an address in the same way as the Israel-Lebanon monitoring group gave Israel an address in 1996. Since the basic elements of

those three things -- a ceasefire and a movement of the Lebanese Army to the South and an international force to back it up -- are agreed on, as the Secretary of State announced today, I think she needs to be going to the Security Council today and seeking to put that agreement in place, trading America's previous unwillingness to go for an immediate ceasefire for all the other requirements that need to be in this resolution to make it possible to achieve those more objection.

Then we have to go for a longer term solution. As long as the focus is on the Lebanese Government, we need to do everything possible to strengthen it. A ceasefire will help it, especially if it is seen to be one of the parties delivering the ceasefire and protecting the civilian population in Lebanon. Reconstruction done by the Lebanese Government, not by Hezbollah, will be an absolutely essential of this strengthening process of the Lebanese Government. A deal with Israel over the prisoners and the kidnapped soldiers, done by the Lebanese Government and not by Hezbollah, will be essential in that process. Finally, a resolution of the territorial dispute called the Shaba Farms that Hezbollah has been claiming is the reason for retaining its capabilities, its military capabilities, should also be resolved between the Israeli and Lebanese Government. The Lebanese Government has put out a mechanism for doing this. Instead of the Israel-Lebanon monitoring group, it is the Armistice Agreement of 1948. It is no coincidence that the Lebanese Prime Minister has repeatedly referred to that, and that is the mechanism by which Lebanon and Israel can deal directly with their outstanding disputes in a way that will enable the Lebanese Government to show that it can deliver.

Whether this can work or not is today a highly questionable proposition. It is certainly worth pursuing because the alternatives are not available for this Administration, but we should be aware that what may result instead, the unintended consequence is that Hezbollah may, in fact, end up controlling the Lebanese Government on behalf of itself and on behalf of the Syrians. If that happens, two years from now, a new Administration will have the opportunity to try the alternative Telhami-Scowcroft comprehensive solution.

Thank you.

AMB. PASCUAL: Thank you very much. I think you make a very compelling and I think interesting case where you argue to go for what is achievable and to do that now and to buy the political space that then allows you to move toward what is sustainable, recognizing that in trying to get to the sustainable, there are indeed real risks. The tradeoff, and I think this an interesting issue that, in fact, we might want to explore in the discussion, is that if you don't achieve some form of ceasefire soon, it becomes actually impossible to achieve something which is sustainable because both sides have deteriorated so extensively. So I think an interesting proposition put on the table.

We want to open it up now to questions and answers. You have been very patient in the heat, but I think it was important for us to get the wide diversity of views on the table. I am going to take three questions at a time. I will ask you to introduce yourself and then I will turn to the panelists.

QUESTIONER: Thanks, Gary Mitchell.

A question for Shibley, which I hope I put the right way, and that is I want to come back to the sort of model you developed which is that we should not see this as the birth pangs of a new Middle East.

MR. MILHEM: This is not Shibley. I keep reminding you. This is Hisham.

QUESTIONER: All right, Hisham.

MR. MILHEM: I am more dashing.

QUESTIONER: I agree with that.

As I said, I hope I put it right, and of course, I didn't.

Okay, so it is not the birth pangs of a new Middle East. Instead it is the death of the old order, and so we are now in the interregnum. Can you talk a little bit about what the interregnum looks like and whether there was a choice to avoid this point? Was there ever a way to get what we want without having this collision?

AMB. PASCUAL: Another question over here.

QUESTIONER: Thanks, I am Jeff Friedman, Council on Foreign Relations.

Several members of the panel talked about how there is a gap between what is achievable now and what will be sustainable later. It seems to me like a key element of that process will be strengthening the hands of the moderates at all levels of the theatre. Both in civil society and at the state level, it seems like the radicals have really seized the upper hand. I am wondering if any members of the panel could talk about who some of the more moderate stable actors would be and how we can strengthen their hands in this process.

AMB. PASCUAL: One more question over here on this side.

QUESTIONER: Yes, I am Joel Wishengrad of World Media Reports, WMR News.

You have all been talking about the political dynamic, but what about the military dimensions of this? As these weapons come into the region, they are more powerful. Obviously, the Israelis have not been entering into an armed conflict with Syria right now. Aside from the Arabs or the Sunnis that live in Lebanon, you also have a Christian community. Could you talk about those particular aspects?

AMB. PASCUAL: Hisham, do you want to start?

MR. MILHEM: Yes, with the interregnum. The interregnum is what you see -- the chaos in Iraq, the violence in Lebanon and in Palestine; the fact that so-called moderate forces in the Arab World, whether in academia, society, and government, are in a defensive mode; the fact that the radical, mostly Islamists, see that this is their moment now. They see that the United States and its friends are mired in Iraq. There is a failed American project to spread democracy. I think this whole notion that democracy is synonymous with elections has been catastrophic.

As someone who sees himself as a moderate, secularist democrat, with a small d, who cares about the region, definitely I want to see democracy in the Middle East. Definitely, I can see the American frustration with that coterie of autocrats that have been running the Arab World down the drain, so to speak, with few exceptions. Obviously, we are not happy with their performance. Obviously, they did not deliver on social development. They did not deliver on the democracy area. They did not deliver on strategic balance with Israel. So they failed miserably.

At the same time, for the United States to approach this region solely through the prism of democracy when it is translated immediately in elections, democracy is not elections. It is

one aspect of elections, instead of working at the same time to strengthen civil societies and growing civil societies with some traditions. Egypt is a case in point where you have an active history of civil society. Lebanon, Jordan, Morocco, Kuwait, I mean there are Arabs that the United States could deal with -- moderates, modern forces that the United States probably ignored.

You are not going to see magic solution. You are not going to see a quick fix, and that is the problem with people in Washington. To them, history is what happened last year or the year before or 10 years ago at most, and that is why the President of the United States talks about dealing with the root causes. You know what the root cause is for me? It is 1948. You know what the root cause is for Martin or Shibley or everybody? It is 1948. I mean that is the whole issue.

Now you are dealing with the symptoms, and you are not dealing with the real issue which is Arab-Israeli peacemaking, so not focusing on democracy in terms of elections only. There is a primitive -- this may be a strong word, primitive -- concept of democracy in the Middle East. Again, with all due respect for the great Grand Ayatollah Ali Al-Sistani, for Ali Al-Sistani means demography. Democracy means demography. We are practically 60 percent of the Iraqi people. Let us have elections, and we will control the damn place.

If you want to know the first things about one to one politics of the Middle East today, the most organized groups in the Arab World today are the Islamists from Morocco to Yemen, from Iraq to Sudan. When you have a minority of Islamists in Palestine -- again, Palestinians are highly politicized, probably the most highly politicized of all Arabs -- a

group like Hamas which does not constitute a majority among the Palestinians, wins. They won in Egypt. They won in Iraq. They won in Lebanon with Hezbollah and others.

So, again, when you talk about democracy and you look around at who is organized and talk to a whole generation of Arabs now, many thoughtful Arabs will tell you we don't want to be condemned. We don't want to be, as has been said, [Arabic] between two fires, the fire of oppressive regimes on the whole or non-democratic, autocratic regimes and the fire of the Islamists with their absolutist double-speak or their absolutist approach. The Administration just fell into this trap.

That is why I said there is a kind of mirror image between those in Washington who are calling for change by force, by coercion, to create a new reality in the Middle East and those Islamists who mastered the art, who mastered the art of resistance. Hassan Nasrallah talks not only about *karama*. He talks about resistance. He talks about a culture of resistance. He talks about a way of life to resist. When he says, we love death more than the Israelis love life, how are you going to deal with this force? This is part of the interregnum. This is part of the chaos. This is part of this crazy, not evolution, transitional period that we are going through.

I agree with Martin. I don't see the Administration changing its policies, in theory. In theory, you have to deal with the Iranians. In theory, you have to deal with the Syrians, who, admittedly in my opinion, the most cynical regime in the Arab World, who are dying to come back to Lebanon and put the Lebanese under their boots as they have done for 30 years. If the Americans go to Damascus today and tell them to come back, they are betraying us, the Lebanese, and they shouldn't do that.

At the same time, in theory, you cannot ignore the Syrians who have a stake in the Golan. The Golan is Syrian territory, and they couldn't regain it by force. They either would regain it by force, but they are not going to fight. They would like to fight the Israelis until the last Lebanese and the last Palestinians. Then the other option would be to negotiate, but you are not going to do it today. There is no framework as Martin and Shibley would tell you. There is no framework like that.

The Iranians, if you start today with the Iranians, you will end up in a long political bizarre that would stretch for decades. I mean this is the most cunning, political, smart regime in the region. They may wear funny turbans, but they are extremely cunning. They know what they want. They have a sense of identity. They have a sense of purpose. If you go to them now to settle Lebanon, it is going to take a long time. So, in the absence of these kinds of frameworks, you are left with a policy, as Martin said, that the President is not going to change.

If you think the Syrians were not as smart as the Iranians, Hafez al-Assad was. He wrote the book on Machiavelli. He could write the sequel to *The Prince*, to Machiavelli's *The Prince*.

AMB. PASCUAL: Let us not get too far out.

[Pascual and Milhem speaking simultaneously.]

MR. MILHEM: If they see the Administration bogged down. They will buy time. Bush is busy trying to put out the fires in Iraq. He is not going to be in a serious position to negotiate in a meaningful way with the folks in Tehran, definitely. That is my last one.

AMB. PASCUAL: Michael, if I can ask you to comment on both moderates and achievability of military strategy.

BRIG. GEN. HERZOG: Yes, first of all, I agree with Hisham. If you read what all the Islamists are saying, they are perceiving this in terms of a clash of civilizations, namely the Islamic Nation on the one hand and the Western liberalized world trying to impose democracy on the Middle East and so and so forth. They feel that the Islamist camp is on the rise. They feel that, if you look at it in a historical perspective, they drove the U.S. and the French out of Lebanon in 1983. They drove the Russians out of Afghanistan in 1989. They drove Israel out of Lebanon 2000 and out of Gaza in 2005. They drove the Spanish out of Iraq, and they believe they will drive the Americans out of Iraq. That is the way they perceive it.

Now I think in the case of Lebanon pursuing authority, it is even more complicated because they are using democratic tools. In both cases you have Islamist parties who are both a political party and an armed militia and a terror group that is using violence in order to build up their political power. Now they are using their political power in order to fend off pressures to disarm and to moderate. That is what is happening with Hezbollah. They have been in Parliament since 1992. This did not moderate them. They are domesticated. They are in the government for a year and they are controlling all the Shiite ministers and are using this power in order to fend off pressures which make it much more complicated to reach ultimately a solution in Lebanon. We are talking about strengthening the moderates. So I think this further complicates the picture here.

We are talking about Islamists in the Arab World. When people go to the ballots today, the choice they have is either vote for parties who are affiliated with the regimes or vote for Islamists. You don't have the kind of third-way parties. I think if you want to really fill the interregnum with positive developments, what you have to do is think about it as a long term proposition of building civil societies, of strengthening moderates. There are reform-minded people, reform-minded parties that are out there, and they are the vulnerabilities of the Islamists.

If you look at Iran, the biggest vulnerability of Iran is public opinion. Public opinion in Iran dislikes the regime. That is the biggest vulnerability. That is where you have to invest.

In terms of what is achievable and what is not, I think Martin made a compelling argument for not reaching something that is achievable right now, but I think ultimately if you do not deal with the element of a state within a state armed with thousands of rockets, you are not going to achieve stability in Lebanon. It is not going to happen. You can have a period of a ceasefire along the border. It may be more difficult for Hezbollah to carry out cross-border attacks. I believe that the Israeli military achievements will also establish a level of deterrence against Hezbollah. They will think twice and three times in the future before they fire rockets. Ultimately, if you don't deal with the issue of the rockets, then it is going to explode sometime in the future.

AMB. PASCUAL: Shibley, do you want to say a word on moderates.

MR. TELHAMI: Just quickly on the moderate issue, I think that it is a nice idea, but really in reality, it is very difficult to do. Right now, the United States is the kiss of death.

When you look at, in fact, those governments that are closer to the U.S. are the weakest right now in this public mood. According to the polling data, when you ask people who are the two biggest threats to you personally, a majority of those polled in the countries that I have polled say Israel and the United States. The U.S. is seen to be a threat. How are they going to trust that a threat, a critical threat, is going to be trying to do the right thing on their behalf? So it has to be an indirect policy.

The policy of trying to put in a third alternative to governments and Islamists, I had said in an earlier article I had written in the *Washington Post*, I think doesn't work because in reality, generally politics, particularly democratic politics, cluster into two. You have got the Islamists who are the most organized, and you have got the ruling elites. So the question is: How do you empower one or the other?

In the current strategy, if you really are trying to empower the ruling elites and nudge them to reform and be more representative, you have to deliver policies that are going to empower. What we see in Lebanon is a policy that is not empowering them. It is widening the gap and people are moving toward the militants. So our policy inadvertently, in fact, is consolidating the very people we are trying to confront.

MR. MILHEM: I told Martin I have to leave at 12:00 sharp, so I am dashing out.

AMB. PASCUAL: Thank you very much for joining us.

[Applause.]

AMB. PASCUAL: Let me just take one final round of questions and turn back to the panelists. In the middle toward the back there?

QUESTIONER: Stephen Morris, Johns Hopkins/SAIS. My question is to Shibley, and others can respond if you like.

You posed the issue of trying to find deterrence consistent with non-humiliation. What you didn't specify is humiliating whom?

Now we are faced in Lebanon as in the general Islamic World in a struggle between moderates and radicals. Surely, part of that struggle should be to humiliate the radicals. After all, we can't liquidate them physically in order to win that war. So, therefore, in the Lebanese context, is it not a wise policy not to humiliate the Arab World but to humiliate Hezbollah?

MR. TELHAMI: Yes, I think in theory, it is lovely, but you have to ask the question: Why is Hezbollah resonating across the Arab World? Why is it resonating across the Muslim World? With majorities, I am not talking about just radicals, including secularists, including Sunni mainstreamists, including part of the elites, why is it resonating?

It is resonating because he is capturing some mood, and that mood isn't about the militancy that he is presenting. In fact, public opinion polls show that most Arabs do not accept the notion of a puritanical Islamic state or transnational Islamic states. Most Arabs don't want it. That is one reason why Al Qaeda has failed to capture the hearts and minds. They may have supported the fact that Al Qaeda was hurting America, which they saw as a threat, and got indirect support, but people haven't bought into Al Qaeda's agenda. That is not where the public is at large.

I think whatever the Hezbollah agenda is, if in fact as Hisham posed, it is an Islamist agenda, that is not going to resonate. That is not the aspect that is resonating with the public.

What is resonating with the public is a sense of resignation, a sense of absence of power, a sense of weakness, and it is dominating the entire region. I am not talking about Lebanon. We have got a problem that is bigger than Lebanon that is revealed in this Lebanon issue. That is not a function of what he is aspiring to achieve in terms of religious. He is a Shia after all.

Who would want a Shia clergy to rule over them in Egypt or Saudi Arabia? Why are these Sunni clergy now going out and denouncing those few in Saudi Arabia who said don't support Hezbollah because it is Shia? He is resonating for a different reason, and that is a political reason, and it is a reason of the absence of empowerment. He is empowering to me. What is this empowerment?

Well, I think what you see in the mood in the past five years and particularly through the Iraq War is that they don't matter, that the public doesn't matter. They strongly were terrified by the notion of the Iraq War. It came despite them. Their governments went along with it. The outcome seems to have confirmed their biggest fears. They don't matter.

I think what we need to do in whatever outcome that we have to formulate, it is not to empower Hezbollah, not to strengthen them. They have to be controlled in the end. Lebanon has to be a state with only one power, one military force, and that is the government force. No state can exist if it has a militia that is independent. The question is: How do you bring an outcome that doesn't also destroy all of the other aspirations of the people of mere dignity and empowerment? That is why I am saying in the end, the outcome cannot just be simply an outcome that is a ceasefire and weakening Hezbollah. It has to be packaged with some

incentives. That is why I put the comprehensive issue to address those grievances that are out there, a lot of grievances out there.

I might add, I am not strongly hopeful that a peace agreement is achievable in any foreseeable future. In fact, I am very pessimistic about that in the meanwhile. I want to say if you look at the history of the Arab-Israeli conflict, this is being called the Sixth War. In the Arab media, it is being called the Sixth War -- 1948, 1956, 1967, 1973, 1982, and now 2006. You have to understand it in terms of historical memory. You have to understand that in terms of what it is doing to people's perception of what is happening out there.

If you look at the outcome, if in the end it doesn't matter what happens to Hezbollah, what you have is a Lebanon that is anarchic, a Lebanon where there is no state. Yes, Hezbollah is destroyed. Let us assume that happens. You have an anarchic Lebanon akin to Iraq or akin to Gaza, and American policy is implicated in that. American policy is implicated in those outcomes that are threatening, destabilizing, and also humiliating to people around the Arab World. That is not what you want to have.

So it is not about defeating Hezbollah. It is about how you deal with these other aspirations. How do you deal with this other notion that is broader beyond Hezbollah? How do you weaken Hezbollah while not humiliating all those people who are empowered by it for reasons that have nothing to do with its religious agenda?

AMB. PASCUAL: Let me, on that very eloquent note, ask our two remaining panelists if there are any final thoughts that they want to offer.

Shibley, your comments also remind me of the 2002 National Security strategy where the President, up front, says that today we are threatened more by weak and failing states

than we are by conquering states. It is indeed the prospect of that void which, in fact, can actually be filled then with elements that can't be controlled. The potential that creates then for destabilizing the region and creating international destabilization has increasingly been recognized as a threat to our national security. It is something that I think you are very right to put on the table, that you have to balance in this equation, because the more time that passes, the greater the prospect for that void and that failure of the Lebanese state. That creates a whole series of other issue then you are going to have to deal with.

Michael, let me ask you first.

BRIG. GEN. HERZOG: Yes, I think it is a bit early to summarize this war and say who is victorious and who is not. It is not over. I think some of us tend to rush to the conclusion that the outcome is very bleak, Hezbollah is winning, and so on. I think the picture is more nuanced in a way. As I said, they are taken years back in their capabilities. I think that creates deterrence, not full deterrence but some measure of deterrence.

Also, I think that there is another very important element. Hezbollah has been pursuing a dual agenda, a domestic Lebanese agenda as a political power in Lebanon and an Islamist Iranian agenda. When this war broke out, I think many people in Lebanon and the Arab World were angry at Hezbollah for pursuing an Iranian agenda at the expense of Lebanon. Unfortunately, what you see over the last few days is this is shifting. Events like Qana help Hezbollah say we are part of a Lebanese agenda and we are pursuing a Lebanese agenda.

But my believe is that once the guns fall silent and the dust settles, this very basic element of understanding that there is an Iranian agenda behind the scenes dominating what

Hezbollah is doing will come to play and could play a major role in political pressure on Hezbollah not to continue as a state within a state. Will that succeed? We will have to wait and see.

AMB. PASCUAL: Martin, final words?

AMB. INDYK: First of all, what Mike said about it not being over is worth pondering. The Israeli Government has called up another three divisions, reserve divisions. It is my understanding that one of those divisions will be put on the Golan Heights because the Syrian Army is on a full state of alert. Therefore, the possibilities of miscalculation go up as time goes on, on both the Syrian and Israeli sides. As Hisham said, the son is not like his father. We should never forget the potential here for escalation to a wider war before this is over, which just underscores my feeling that we need now to be actively trying to achieve a ceasefire. I don't think the Israeli Government wants a war with Syria, and I think that the Israeli Government can achieve many of its more limited objectives through a ceasefire now rather than later.

My final point is that when the dust settles, we will need to come to terms with a reality here that we cannot achieve our purposes, whether they are American purposes or Israeli purposes for that matter, unless there are strong governments on the other side that can fill the vacuum when an Israeli withdrawal takes place or an American withdrawal takes place. That applies to Iraq; that applies to Gaza and the West Bank where the Israeli Government wants to withdraw from; and it certainly applies to Lebanon as well. So one of the things that we need to be far more conscious of is what the requirements are for strengthening moderate governments, governments that want to serve the interests of their

people, like the presidency of Abu Mazin or the government of Fouad Siniora, so that they are capable of being our partners, American partners or, for that matter, Israeli partners. One of the most disturbing things about what is happening in this crisis is that it is the bad guys that are being strengthened. And so, that has got to tell you that something is not working. Even if we are not going to have a complete strategy change, which I would prefer, we should at least have a course correction in terms of how we are trying to strengthen those partners on the other side, rather than weakening them.

AMB. PASCUAL: Martin, thank you very. To all of our panelists, I really appreciate your willingness to take this time. It was an extraordinarily sharp analysis of the issues that are underlying, and I think a very effective use of history in a way that informs policy today.

Thank you very much, a big hand to you.

[Applause.]

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