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Freedom's Unsteady March: America's Role in Building Arab Democracy

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P R O C E E D I N G S

MR. INDYK: Good afternoon, ladies and gentlemen. Please take your seats.

Welcome to the Saban Center for Middle East Policy at the Brookings Institution. I'm very pleased and I'm very proud to have the opportunity to introduce and moderate this session. Launching tomorrow, Cofman Wittes's new book *Freedom's Unsteady March*. So that I don't forget, I want to say upfront that your copy of the book is reserved for you at the bookstore just across the way when you come out, and I'm sure Tammy will be happy to sign it.

MS. WITTES: And there's going to be a reception after.

MR. INDYK: Thank you; that was my second point, which is after we finish our discussion here, we are moving to the Somers Room for a reception, and we hope you'll all stay on for that. And Saban Center staff will guide you there; it's just around the corner after you go to the book shop.

Tammy came to the Saban Center four years ago. We were delighted to have her join our team, and, since then, she has headed up the project on democracy and development and has done some, I think, really important and interesting work monitoring the efforts by the Bush Administration to promote democracy in the Middle East.

This book is a result of much of that in depth research and makes a very provocative argument, I think, at a very critical moment. A critical moment because I think that the Bush Administration's experience in democracy promotion looks like a failed experiment, and if that is the judgment that becomes conventional wisdom in Washington, then it's more than likely that

the next administration will discard it and revert to the policy of exceptionalism for the Middle East that Tamara outlines at the beginning of her book. And Tammy argues here that that would be a big mistake, not just for the effort to promote democracy in the Middle East, but, more importantly, from an American perspective, for American interests in the region.

She's going to expand on that thesis today, but it's argued, I think, very forcefully and very effectively in this book, and it deserves wide readership for that reason.

I'm also very glad to have on the podium here with us Jackson Diehl, the deputy editorial page editor of the *Washington Post*. And, also, of course, an editorial writer, an op-ed writer, columnist on foreign affairs issues, who, along with his colleague, Fred Hyatt, are probably the two greatest exponents in the press and the punditry for the thesis that Tamara is expounding here.

Jackson joined *The Post* in 1978 as a reporter on the Metropolitan staff. From 1981, he was on the front desk working as a correspondent in Buenos Aires, Warsaw, and then Jerusalem, where I had the opportunity to meet him for the first time. And, since then, he's moved into the newsroom management positions at *The Post* before becoming the deputy editorial page editor.

So, I'm very glad that he accepted our invitation to discuss Tammy's book. We'll have an opportunity to get into that conversation after both Tammy has laid out her argument and Jackson has responded, and then, of course, there are many experts in the audience here today and I want to thank you very much for coming and we look forward to a lively discussion.

Tammy, congratulations, and the floor is yours.

MS. WITTES: Well, thank you, Martin, and thank you all so much for coming. And I'm so grateful to Martin and to Ken for bringing me here, and grateful to all of my wonderful colleagues at the Saban Center and at Brookings as a whole. I really can't imagine a more congenial environment in which to work and to work on such difficult issues. And I owe a special, a really tremendous gratitude to my research assistants on this book, Andrew Masloski and Sarah Yerkes. I couldn't have done it without them, or, of course, without the support of my family and friends.

Now, my mentor at Georgetown, Chris Joyner, told me once that writing a book is a lot like having a baby, and if that's the case, then this has been, by far, the longest of my pregnancies.

(Laughter)

So, I'm just delighted finally to send this baby out into the world and I don't even have to live thorough its adolescence. I'll just tell you a little bit about it and what I hope it will accomplish.

When I began writing *Freedom's Unsteady March* four years ago, as Martin said, I set it up as a two-part argument. First, why the United States should promote democracy in the Arab world, and then how.

Now, at the time, I thought the why part of the argument would be pretty uncontroversial, but the how might be very useful. After all, the notion that democratic growth abroad is in America's national interest has been a tenant of bipartisan foreign policy for decades, but implementing democracy promotion as a policy is often much more difficult. It's complicated both by bureaucratic factors and by regular misgivings within the foreign policy community about the impact of a democracy promotion on other U.S. interests. But the fallout from the Iraq War, as Martin has noted, dramatically shifted the

context in which the book now appears. We're in the midst of a full-blown backlash against the notion that the United States should work to advance democracy in other countries. Today's presidential candidates are all running away from President Bush's foreign policy in various ways, and Bush's freedom agenda, in particular, its association in the public mind with the Iraq War, is a big part of what they're running away from. So, today might seem an awkward time in which to argue for a muscular American policy of democracy promotion in the Middle East, and, yet, I believe that embracing and advancing democracy for Arab citizens is not merely desirable for the United States, but imperative.

Now, the case for this policy is not rooted in some radical redefinition of America's interests in the Middle East. I think despite the upheaval caused the September 11 attacks, our interests in the region remain largely the same. And the Middle East, in all its difficult reality, is not going away, and, despite the wishes of some in the foreign policy commentariat in this election season, the United States is not about to walk away from the Middle East either. Not in any fundamental sense. The U.S. has crucial interests in the region and is not going to disengage militarily, politically, and certainly not economically.

So, given that, it seems to me that the social, political, and economic trends in the region that are challenging governance and legitimacy, trends that are driving the threat perceptions of Arab leaders, shaping their attitudes toward regional issues, and constraining their cooperation with the United States, these should remain matters of crucial interest here in Washington.

To my mind, because of what we have at stake, the question is not really whether America will influence the shape of Arab politics, the real

questions are in what manner and to what end?

Changes in the social and economic balance in the region are making it harder and more costly, indeed, I think ultimately untenable for the United States to secure its interests by a policy that merely accepts, uncritically, the domestic behavior of our autocratic allies in the region.

And I think in the last few weeks in Egypt, we've seen a prime example of what I'm talking about. Here's a government that, in 2004, began to implement long-needed structural economic reforms, ones that we had supported, won $11 billion in foreign investment last year, 7 percent growth rate, but, because of stagnant state bureaucracies and corrupt relations between the private sector and the government, it failed to translate those macroeconomic gains into improvements in the lives of Egyptian citizens. Instead, structural reform is producing predictable displacement without enough growth in the private sector to make up the difference. And, unluckily for Egypt, this happened simultaneously with a rise in global food prices, and at a time when Egyptians are anticipating and beginning to prepare for an eventual change at the top.

Now, you've all read the articles over the last couple weeks about violence in the lines for government-subsidized bread, about the strikes at the Mahalla el-Kobra textile factories.

About a month ago, there was a nationwide general strike in sympathy with the Mahalla workers that was organized by a group of about 50,000 young Egyptians on Facebook. On Sunday, Mubarak's 80th birthday, not by a coincidence, those Facebook activists have called for a repeat, and now that the Muslim Brotherhood has agreed to join the strike, we can expect a swift and harsh security crackdown on the demonstrators. The Egyptian government is unable to come up with a coherent response to this problem.

Mubarak announced yesterday that he's raising government salaries by 30 percent, but this will just fuel inflation further. Now, whether or not Mubarak can muddle through this crisis is not a real question. The state's coercive capacity is significant; the security forces haven't even warmed up.

But the question that Americans should be asking themselves in this situation and others around the region is what it costs us and what it costs Mubarak when his regime is compelled to fall back on coercion and the reinsertion of the military apparatus into the daily concerns of Egyptian citizens.

Mubarak is in this awkward position at a moment when U.S.-Egyptian strategic cooperation in the peace process, in combating terrorism, in confronting Iran and stabilizing Iraq is more important and more prominent than ever. And, unfortunately, this necessary U.S.-Arab cooperation plays right into the hands of the Muslim Brotherhood and their more extreme comrades across the region. The narrative of the Brotherhood that Egypt's government doesn't care about the people, that it prostitutes itself to the U.S. and Israel, has more and more resonance to Egyptians, especially given that the regime has shut down every other political alternative.

That narrative puts America squarely at the center of the problem, in Egypt and in the region as a whole because the rhetoric of the Brotherhood is echoed by Islamist opposition movements all over the Arab world, including violent militant groups like Hezbollah and Hamas.

Now, some might argue that, as long as Mubarak or his chosen successor is holding onto the reigns, America need not worry, Egypt will continue to support American objectives in the peace process and will continue to provide logistical support to U.S. military operations in Iraq and Afghanistan, but, in fact, we should worry because the longer Mubarak holds on through the

use of force, the harder it will be for him and for us to sustain that kind of strategic cooperation. If things get bad enough in Egypt, we may lose, even if Mubarak wins.

So, the first half of *Freedom's Unsteady March* focuses on the changed realities of states like Egypt, how regional and global trends affect Arab autocracy and affect the environment within which America will need to continue to pursue its regional interests.

There's been a lot of discussion in the development community in the last five years or so about the breakdown in the social contract between Arab governments and Arab citizens. Trends like the youth bulge in the Arab world, the emergence of globalized capital and labor markets, and freer trade all pose new and urgent challenges to the governments of Arab states. That's true. But what I also see and what I describe at length in the book is the slow erosion of the tools that Arab governments have used, not only to maintain the social contract, but to maintain their basic control over the reigns of government. I explore in the book changes in the three Rs, as I call them, that sustain Arab governments: rent, or income from oil, foreign aid and other non-tax sources, rhetoric, or political ideology, and repression, the coercive power of the state.

I'm not going to go into detail in each of these. I'll just talk a little bit about the most obvious trend that has really constrained Arab governments' ability to use these tools.

The youth explosion. Now, I probably don't have to tell most of you that 37 percent of the Arab world today is under the age of 15. And because you have such a young, childbearing population, the proportion of youth in Arab society is likely to remain high for another generation to come.

Now, having that many young people can be a blessing, it can be an engine for growth if you're able to educate them well, integrate them into society through marriage and housing, and provide them with productive employment. But doing these things is expensive, and the Arab governments are not well situated to do any of them. They already suffer unemployment rates ranging between 10 and 25 percent, government payrolls are shrinking, not growing, as Arab states privatize state industry.

And oil wealth, you might think in an era of more than $100-a-barrel oil that governments could fund massive projects that would employ a lot of young people. But the model of governance that these Arab states have relied on for so long means that, today, power and wealth are very heavily concentrated, new income streams, like those from the last few years, have to be distributed among this coalition of ruling elites and regime supporters.

So, although oil income and economic growth are increasing, demands are increasing, too, and the income can't be distributed as effectively as in the past.

So, as my colleague Steve Heydemann pointed out, income is increasing, but income inequality is increasing much, much faster.

Governments know that they need to reform economically in order to stabilize politically, but the political costs of those reforms are themselves, too, destabilizing. So, some governments remain stuck, and others engage in a repeated start and stop cycle of reforms that don't accomplish much. And the state's capacity to provide benefits to society, to penetrate society in ways that bind citizens to the government and suppress dissent, this capacity is essentially maxed out, and it's beginning to decline.

I won't talk too much about the other two elements of support

for Arab autocracy, rhetoric, and repression, I'll just note one other important thing about the youth factor.

Young people define their aspirations in social and economic, as well as political terms. The ability to buy an apartment, to marry and have children, to try and build a life for your family that's better than the life you had yourself.

Arab regimes' stability is threatened today by a widening gap that young people perceive between their aspirations for themselves and their real prospects, between what the rest of even the developing world is achieving and what they are able to achieve. The lack of economic prospects is combined with the lack of social prospects, a lack of social mobility.

Now, young people are, by nature, impatient, and yet conditions are forcing them to wait longer and longer before they can become full adults and begin trying to realize their dreams and plans.

In Egypt, for example, marriage costs today equate to more than four times the average annual income. Youth unemployment in Egypt is over 30 percent. The wait to save up money to get married gets longer and longer.

In Morocco, where you have similar dynamics, the average age of marriage today for young men is 32. A generation ago, it was 25.

So, this large and growing cohort of unemployed, unmarried, young men who are just waiting to get on with their lives is an additional source of pressure on government and an additional source of instability in society.

So, clearly, the Arab world has changed, and not because of 9/11 and because of the war in Iraq. Domestic pressures, especially demography, have combined with changes in international politics and society

to pose challenges to autocratic, Arab regimes that are difficult for them to overcome.

What's the likely outcome of these pressures?

Now, what I'm not predicting is social revolution. I think these governments still have sufficient residual legitimacy and certainly sufficient coercive resources to prevent mass uprisings and Iranian-style revolutions.

If there were social revolutions in Arab states, they would almost certainly be Islamist, and that would not be an outcome conducive to the protection of U.S. interests.

But revolutions can also come from above, from the military, for example, and their economic interests are also at risk in the current environment. I think the far likelier outcome of the current situation, however, is hesitant, incomplete liberalizing reforms that fail to resolve any of these fundamental problems. These reforms might produce their own problems, as we see in Egypt today.

And, so, the most predictable result of the current challenges in the Arab world is increased repression. Repression will be necessary for these regimes to contain dissent in the face of governance failures and in the face of costs accrued by governments that are trying to implement reforms.

Now, why should America care?

America, as Martin and I have written in another context, is still the major power in the Middle East, but it can no longer get what it wants unilaterally, if, indeed, it ever could. Close cooperation with Arab states is required to solve our urgent problems in the region, and close cooperation with Arab states will continually be required to secure our long-term interests. Likewise, Arab rulers need our cooperation on the same set of issues; they

continue to work with us, despite their frustration at our policies, despite their public's anger at us because they share a basic interest and goals with us in the region. But Arab states are cooperating with America today in a very dangerous environment, in the face of unprecedented high levels of public anti-American sentiment and anger, and this puts them in a real dilemma. Over time, in the absence of domestic change, this U.S.-Arab cooperation will only survive if Arab governments are willing to repress domestic anti-Americanism. It's not a stable foundation for U.S.-Arab relations, and, as I said in the case of Egypt, it's a situation that plays right into the arguments of regional radicals.

I think countering the ideology, the alternative put forward by these radical voices,requires that the U.S. and Arab governments work together to build a positive alternative vision of the future, one in which moderation, tolerance, and peace provide more benefits and opportunities than resistance and violence.

Now, clearly, this vision should encompass prospects for realizing Palestinian national aspirations, but it must also present the vast majority of Arabs who live outside Palestine with the opportunity to shape their own future, as well.

This promise can only be fulfilled through far-reaching political, economic, and social reforms that create a new relationship between Arab governments and their citizens. In this insecure environment, I think U.S. efforts to persuade at least some Arab leaders of the need for reform should resonate.

For now, most Arab governments believe that the best way to manage the threat from domestic Islamist oppositions is to focus on resolving regional conflicts. While the U.S. should work with them to resolve these

conflicts, I think the next president needs to help them understand that the best insulation against the destabilizing effects of domestic Islamist movements is to repair the frayed social contract between citizens and state.

Now, some would argue that the Arab states don't need to undertake political reforms to address these challenges; they can get away with opening up their economies, creating a little bit more liberty in the public square. Some even argue that the U.S. should just promote economic liberalization and democracy will naturally follow.

I'm skeptical of these claims. I discuss them at length in the book, but I'll just set them aside for now so I can tell you a tiny bit about the how part of promoting democracy in the Middle East.

As I think should be clear from what I've said, I'm not talking about a strategy of regime change. I'm talking about a strategy of engagement. The American role should be to press the case for reform, heighten Arab rulers' discomfort with the status quo, and reduce the risks and costs for them and for us of undertaking these essential long-delayed changes.

That's what Brent Scowcroft, in an interview with *The New Yorker* a few years ago, called democracy promotion the traditional way.

Now, the problem is that, even if you take this view, there are two fundamental concerns that might get in your way, and these concerns got in the way even of the Bush Administration with all of its commitment to the project.

The first is that democracy promotion and then the process of democratization can create tensions and get in the way of Arab cooperation with the U.S. on important strategic issues. And the second is the concern that democracy would bring Islamists who are anti-American and maybe even anti-

democratic to power.

So, let me tackle each of these in turn very briefly.

With regard to the first concern, I think the record speaks plainly to the fact that Arab states cooperate with us on strategic issues mainly because they have their own good reasons to do so, not mainly because we're gentle with them.

In 2004 and 2005, to take a prime example, Egypt's president was the target of constant, very public demands from President Bush and Secretary of State Rice for democratic changes inside Egypt. Egypt did not halt its cooperation with the U.S. on the Middle East peace process, as many feared it would. Indeed, if anything, it accelerated its assistance, enabling a full withdrawal of Israel from the Gaza Strip, mediating a ceasefire between Israel and Hamas.

So, to start, many conflicts of interest that are cited by American policymakers are more apparent than real. Although our Arab partners don't often like to talk in terms of mutual interests, in fact, our relationships do rest on strong mutual interests. We should trust that our strong relationship and our shared interests can sustain some tension and even some disagreement over issues of domestic governance.

Now, there are ways I think we can use our bilateral relations more effectively to support democratic reform while riding out these tensions, and I talk about that in the book. I also talk about the need to set priorities, both in terms of where in the region we should focus our attention and in terms of which reforms are urgent and which are less so.

But, sometimes, there are real tradeoffs, inescapable ones between democracy promotion and other strategic goals, and my guiding

principle in those cases, which I discuss at length in the book, is that the United States should be willing to pay a price on behalf of improvements and basic political freedoms, freedom of speech, association, and assembly.

Putting freedom first offers three distinct benefits.

First, the protection and enhancement of basic political freedom is the surest pathway to further progress in democratization, and it's the best insurance against backsliding. When citizens have access to information and the ability to organize, they can press their own demands against the state.

Second, helping citizens obtain the ability to discuss and organize around domestic politics helps to ensure that external pressure never outstrips internal demands for change. We have a lot of debates here in Washington about whether helping sometimes marginal movements or liberal activists in the Arab world is a support to them or a kiss of death. It's very, very difficult, and we have that debate, by the way, with respect to Iran, where the situation is even more acute, and it's extraordinarily difficult to evaluate that question in the absence of the ability of those activists to speak in their own voice.

Focusing on political freedom I think also will help deal with the other major worry that's often cited about promoting democracy in the Middle East, that Arab democracy will inevitably mean Islamist victory.

The election of Hamas is most frequently cited here as an example.

I'll just make two quick points.

First, Hamas or Hezbollah is not the same thing as the Muslim Brotherhood. The elections in Lebanon and Palestine, or, for that

matter, the elections in Iraq don't really tell us much about the prospects for Islamist success in most of the Arab world.

Why is that? Because these parties, Hamas, Hezbollah, the Shia militias are not notable in democratization terms mainly for their Islamism, but for the fact that they are armed movements in weak states, and when you have elections in weak states that are riven by conflict, militant groups are often able to run in those elections with the support of the people, people tend to vote for them, and it tends to exacerbate social conflict rather than resolve it. It's not a problem unique to the Middle East or unique to Islam.

But most states in the Arab world are not weak states. In fact, if anything, they're too strong, and most Islamist parties are not armed militias, but have rejected violence at least in their local context.

Now, they still have many ambiguous attitudes toward democracy and human rights, and I lay out in the book a framework for assessing not just Islamist parties, but any parties with which the United States might seek to engage in determining whether they are truly committed to democracy.

But there is the inescapable fact the Islamist movements, non-violent ones, are the dominant and political opposition in the Arab world. So, wouldn't they be the real beneficiaries of democratization?

Well, in today's circumstances, yes, of course they would. That's because, for the most part, they've enjoyed a situation in which the domestic political playing field is tilted very much in their favor. Governments have been able to shut down every other forum of political organization, but they've never legitimately been able to fully shut down the mosque and religious institutions.

So, Islamists have had an organizational advantage, and they've used it very effectively. And this is where political freedom, once again, fits in. In the absence of more open politics, these movements remain large, undifferentiated, and vague on the specifics. They can be an empty vessel for everyone's hopes and fears.

But, to go to back to Egypt, a little bit of additional freedom can have a big impact.

Over the past couple of years, one of the bright spots in Egypt has been the improvement in the media environment there, much freer, more independent press, and one consequence has been a lot of public discussion about the Muslim Brotherhood, its attitude toward politics, its commitment to democracy.

The Brotherhood felt pressured by this, and, ultimately, last year released a draft political platform which called, among other things, for the establishment of a clerical body that would review legislation passed by parliament, and made it clear that they would not accept a Copt or a woman as president of Egypt.

Now, I actually think that's good news for democracy. Why? Because it clarifies where the Muslim Brotherhood stands on crucial questions and it allows people to debate those questions and alter their support for the Brotherhood in light of that.

In the absence of this kind of freer environment for discussion of political issues, Islamists are able simply to entrench themselves further and further as the voice of the opposition, and then we and the Mubaraks of the region have created a self-fulfilling prophecy.

So, these two core concerns, that we might harm our strategic

cooperation and that we might enable the election of Islamist governments doomed even, I think, Bush's revolutionary freedom agenda, and I discuss that at length in the book, but what I really try to do is take on these two problems and unpack them and show how America can promote democracy while protecting its other interests.

In the silly season of a presidential election, and, more importantly, when a new administration takes office, my hope is that Freedom's Unsteady March will help keep open a debate which should not be foreclosed about whether, when, and how the United States should seek to advance democracy in the Arab world.

Thank you.

(Applause)

MR. DIEHL: Well, my role here is just to make a few remarks in response to Tammy, and I'm going to do that quickly and raise a couple of questions and then we can get on to the discussion. When Tammy asked me to do this, I wondered if the reason she asked me to do it is because I'm the only person in Washington who agrees with her.

(Laughter)

MR. DIEHL: I mean, I'm sure that's not the case, but it sometimes seems like that as I go around town, as I listen to forums like this, you get the impression that there has, in fact, been an enormous backlash against the Bush Administration's freedom agenda, and that there seems to be a consensus forming, especially in liberal and democratic circles, that democracy promotion is a fool's errand in the Middle East, and I think that is, in fact, a very foolish and dangerous conclusion to come to as we come to a new administration.

And I think Tammy explains very well in this book why that's the case and why, in fact, promoting democracy is, by far, the most hardheaded, realistic policy the next administration can embrace. I would urge everybody to read this. This book is very well written, it's not that long.

(Laughter)

MR. DIEHL: And if there's one really powerful message that comes through it, it is that the current status quo in the Middle East is unsustainable. These Arab regimes that have been, for decades, on authoritarian leaders pursuing state socialism, relying on oil and other non-economic rents, using repression to keep themselves in power and embracing an ideology of Arab socialism are unsustainable. They are crumbling. They were crumbling before the Bush Administration came to power, and they will continue to crumble long after the Bush Administration is gone.

As Tammy points out at this point, change is inevitable. These regimes cannot go on this way. The only question we have before us is in what way are they going to change?

Democracy is one of the ways they can change, but there are other ways they can change that would be much less advantageous to the United States. So, our interest at this point is, as this crumbling takes place, as these regimes transform themselves, to push them in a direction that is favorable to us, which is, of course, democracy.

Now, if you watch Arab regimes now, they recognize what's going on, they know they have to change, and some of what they are hoping to do, many of them, is to transform themselves economically, to modernize, to globalize without changing the fundamental political system.

And, as Tammy was just pointing out in her remarks, they're

finding out that that's not possible, and we have a classic example now in Egypt, which, for the last several years, has been pursuing a policy of economic modernization.

I think the Egyptian leadership imagines themselves today as a latter day Pinochet's Chile, a latter day China, Deng's China, a latter day Mexico that will somehow manage to modernize, join the global economy without fundamentally changing the political structure they have at the top, and they're finding out that they can't do it.

When bread prices go up, they are unable to contain the popular reaction without doing things that sabotage their own policies, such as giving everybody in the country a 30 percent pay raise, as Mubarak did yesterday.

You know, the situation reminds me a lot of the situation I saw in Poland and other countries in Eastern Europe in the late 1980s. There, too, you had a number of governments that had unworkable economic regimes, they were trying to modernize without changing their political systems, and, yet, they found they were unable to implement the necessary economic measures and sustain the public reaction against them because they lacked political legitimacy and they lacked enough repressive strength to do it by sheer force. But that's the situation we find in Egypt today.

So, as Tammy says in her book, political and economic change are going to have to come together; they cannot change economically without also changing politically.

I think, however, there is a distinction to be made between countries such as Egypt, which do not have oil, and countries such as Saudi Arabia and other gulf countries which do have oil. I'm not so sure and I'm not as

sure as Tammy is that you can have -- that Saudi Arabia, for example, is as open to that kind of change and that change of that kind is as needed, is imperative in the short term as it is in Egypt.

There's a fascinating chart in her book which shows the percentage of government spending as a percentage of GDP and how it's changed across the Middle East in the last 20 years, and Egypt Government spending as the percentage of GDP has dropped by half, and Jordan has dropped by half. In Saudi Arabia, it's doubled. And, with oil at $115 a barrel and going up, I'm not as clear that you're going to have the same dynamic operating in there as in the non-oil countries.

So, I think we may see a distinction opening up there that we may have to take into account.

She makes -- as she said in her presentation, she identifies the two central problems we face in pursuing this policy and that the Bush Administration struggled with and was never able to overcome, which is the conflict of interest part of it. By pressing democratization on these countries, do we sabotage the larger, strategic interests, and how do we deal with what she calls the Algerian nightmare, the problem of extreme Islamists taking advantage of this?

I think Tammy analyzes very well both of these problems and how they can be overcome. The first is simply to recognize that Arab regimes act in their own interests, and not because they are our friends, and that even in the midst of great tension with us, the Egyptian regime will still have a powerful interest in containing Hamas in the Gaza Strip and promoting peace between Israel and the Palestinians, and they will do that for their own interests, and not because they are trying to please us. And they'll do it whether or not their

relations with us are good or bad.

I did want to raise -- because I agree with Tammy about most of what she has said -- I did want to raise a couple of questions for her about that. She makes a fascinating distinction in her book between what she calls weak states and strong states.

One of her critiques of the Bush Administration is that it pressed elections and democratization in weak countries, such as the Palestinian Authority and Iraq, as opposed to stronger countries, which she would define as Egypt and Saudi Arabia.

And I think -- and her prescription for the future, for the next administration, as we focus on the strong countries, press hard for an opening of a society there and elections there, and in the weaker countries, we focus more on institution building and not so much on elections.

And I think that's the wrong lesson to take, frankly, from the Bush Administration. It's also, I think, not an entirely fair interpretation of what they did. I think the Bush Administration did focus on Egypt. They said over and over Egypt should lead the way.

Why were they drawn into elections in the Palestinian Authority and in Iraq? I don't think it was because they decided that those were the easiest ones to do; I think it was because, in both cases, they realized that that was the best option they had, elections turned out to be the best possible tool they had to deal with very difficult situations, and I think that's likely also to be true in the future, which is why I think it's worth going over this.

I know Martin will kill me for saying this, but, in the summer of 2005, to endorse elections for the Palestinian Authority was not as dumb of a decision as it looks like now. You had, at that time, Hamas making a bid for

power in the Palestinian Authority, a very logical bid for power after the death of Yasser Arafat. And he made it very clear at the time that there were two ways they were willing to do this. Their first preference was to have an election. Try and gain a share of power in the Palestinian Authority that way. The other alternative was to have a civil war in the streets, which was already beginning in the summer of 2005, and it was clear at the time that the Palestinian leadership had a choice between staging an election and going to war with Hamas.

And I think, even in retrospect, they were right to hold the election. If they had gone to war, we would now have Hamas in charge of both the West Bank and the Gaza Strip instead of just Gaza. And I think, in the future, we're going to have these decisions again if the peace process that the Bush Administration is now pursuing is going to go forward, if they're going to get beyond an agreement that's simply on paper, there's going to have to be another arbitrage of power among the Palestinians.

The best way to accomplish this is going to be by an election and not by a civil war. If there's a civil war, Hamas will win, extremists will win. If there's an election, there's a chance that a peace process could go forward.

I would say the same thing about Iraq. As Tammy notes in her book, we really had no choice but to have elections in Iraq because Ayatollah Sistani told us that that was his (inaudible), he absolutely had to have that. But, even if he had not said that, we had and have the power -- the problem in Iraq of arbitrating between powerful factions, the Sunnis, the Shias, and the Kurds, and among the various Shia factions, again, there's two ways to do this, they can have a civil war to sort out the allocation of power in Iraq, or you can have elections to do it.

We had an election in 2006. That did allocate power. Not very

well, which is why we're continuing to have problems. But I think the reason why you will hear Ryan Crocker, the (inaudible) ambassador in Iraq now say that the most important step the Iraqis have taken this year is scheduling provincial elections for October, is because those elections provide a way for the Shias to sort out power among themselves and the south, and for the Sunnis to create a different kind of leadership that can begin to talk to the Shias at a national level that you otherwise are not going to be able to get without violence.

So, I think it would be a mistake for us in the future to say that we are going to rule out elections in weak states. It may be that we have to rule out full democratization and a full-blown democratization policy in weak states, but elections, I think, are a very valuable tool in both weak and strong states.

MR. INDYK: Thank you, Jackson.

(Applause)

MR. INDYK: Well, let's get into the issue of elections then. I think you make a very good point, and I'll ask Tammy to respond, but I just want to make a slight counter in this way.

In promoting elections, there was a fundamental principle, democratic principle, that was ignored by the Bush Administration, which was that the monopoly of power has to reside in the elected and accountable government, and both in Iraq, in Lebanon, and in the Palestinian arena, parties were allowed to contest the elections with their militias and terrorist (inaudible) intact, and I think that's the point about weak governments unable to deal with the fact that parties with militias are able to move into the political system and paralyze the political system, which is what we see in Lebanon and in Iraq, and, of course, the way Hamas took power by force in Gaza.

So, it's not the elections themselves, it's the way in which the

election rules have been distorted that creates a major problem in the weak states.

So, I don't know how you would answer that, and I would like to hear what Tammy has to say.

MR. DIEHL: Well, I think it's a fascinating point and a really important point right now because, if you look at what's going on in Iraq right now, the fighting that's going on in Baghdad, the fighting that's been going on in Basra, it's about the question of whether the Mahdi Army is going to have to disarm before it participates in the provincial elections in October.

And, in fact, what's happening in Iraq -- and you can look at it in a number of different ways, but one way you can look at it is the Iraqi Government is trying to avoid what happened among the Palestinians in 2006 and trying to avoid what happened in their own elections to have an armed militia participate in an election.

Now, in that sense, it is worth trying to do, it is worth trying to disarm the Mahdi Army before the election takes place, and I think that's why the fighting that goes on -- going on in Basra now, going on in Baghdad now, makes a certain sense, it makes more sense than just a fight among Shia factions precisely for that reason. But, then again, you have to ask yourself the question: What if it's not possible to disarm? What if, as in 2005 in the Palestinian territories, it is simply not possible to disarm Hamas because there's nobody available to do it, and the government does not have the strength to do it? Do you, A, call off the election, in which case, there's a civil war? That's what would have happened there. Do you, secondly, say we'll have an election, but Hamas can't participate unless they disarm?

Again, you have a civil war. You have to face the fact that

your choice is -- and this is the choice that Lebanon has had, as well, -- have an election or have a war. And if the good guys are going to lose the war, I think your interest is in having the election.

MR. INDYK: So that they can gain power.

MR. DIEHL: Well, they don't always gain power.

MR. INDYK: It's a dilemma.

Tammy, what's your take on this?

MS. WITTES: Yes, I guess I would make two points.

Number one is I'm not suggesting, and I certainly don't recommend in the book, that the United States should forbid or attempt to forestall elections in weak states. My central point on this question is that the United States and other external powers usually have very little choice about when elections take place either in weak states or in strong states. Authoritarian governments across the Middle East are having regular elections now. So, the difficulty about elections is that they become a focal point for people.

The problem though with the Bush Administration's policy is that they made the elections a focal point of their democracy promotion, they expected these elections would be some kind of magic bullet for democratization, and, in these environments, elections simply cannot serve that function.

So, yes, you've got to have the election, and, sometimes, as you point out, it's better to have the election than the alternative, but don't expect that election to give you progress towards democracy.

Likewise, in Egypt, you're going to have elections. The question, I think, there is: What's the context within which the election takes place? Can you make elections in authoritarian states take place in a little bit

better context?

So, in Egypt, it wasn't really -- and the Bush Administration made it about international monitors, would they accept international monitors?

I don't think that should have been a central question. I think they missed the boat. There was a huge question about ballot access. What would be the rules to register political parties and allow them to get access to this new, competitive presidential election? The government set incredibly stringent rules, and we had very little to say about it until it was way too late.

So, I think there are always going to be elections. The question is the context, and in weak states, also -- and this is what I would say about the Gaza case -- it's really about the relationship between the process of elections and the process of conflict resolution. Where the U.S. missed the boat in Gaza was with how the Gaza withdraw was going to take place, and if in February, March 2005 the U.S. had said to the Israelis we're so glad you're doing this, but this has to be negotiated to give Abu Mazen the win and tamp down growing support for Hamas, then it's quite possible the election could have been a different story. But we didn't do that.

MR. INDYK: Let's go to the question that I'd like to hear both of you respond to.

Of what the next administration does in terms of using its leverage to proceed with this effort to open the political space -- and we've had in the case of the Bush Administration a hearty effort, and then a backing away from it, which has affected the credibility of the United States, in my view.

But, Tammy, why don't you tell us a little, just a little bit because you didn't have a chance to address it in your --

MS. WITTES: Yes.

MR. INDYK: -- prepared remarks is: What does the next president do in a situation where we need Mubarak to work with us both on Iraq and Iran and on the peace process, and, yet, we want him to open his political space? What leverage do we have, how do we go about getting him to do that now?

MS. WITTES: Right. Well, first, as I said, it's an engagement strategy. It involves pushing, but it involves pushing in the context of a relationship. You're not trying to burn bridges; you're not trying to push somebody out of office. You're trying to get a series of incremental changes that you think will have a cumulative effect.

Now, in the Egyptian case, people often say well, we don't have a lot of leverage because we need them as much as they need us.

The fact is that that's true and it is a double-edged sword, but there are also things the Egyptians are looking for from us right now in addition to the things that have been the foundation of our relationship for so long. If they're really going to make these economic changes -- right now, they're incurring a lot of debt, and, if they have to maintain subsidies and increase government wages, they're going to incur even more debt. So, debt forgiveness -- and they owe us a huge chunk of money, $200 million a year they're paying in debt servicing right now -- debt forgiveness is one thing that we could put on offer. So, I'm --

MR. INDYK: I thought we forgave all their debts. You mean they built them up again?

MS. WITTES: They're still paying them.

MR. INDYK: Okay.

MS. WITTES: So, that's one thing.

A second thing -- and the Egyptians are coming to Washington regularly asking us to open negotiations toward a free trade agreement, and the last time this was seriously considered by the Bush Administration, it was rejected ultimately on human rights grounds. Well, we're going to punish them because of the imprisonment of Ayman Nour and the way they dealt with the parliamentary elections, and we're not going to open FTA negotiations.

I think that was actually a self-defeating move because all of these governments are resting on coalitions of support, and, in Egypt, that coalition of support includes the private sector, and a private sector that's changed significantly in recent years. It used to be a totally state-dependent private sector, one that fed off of government contracts, and now it's a more trade-oriented private sector, at least a portion of it is. An FTA would bolster that reform-oriented, globally-oriented, western-oriented element of the ruling coalition and strengthen it relative to more conservative elements.

So, those are just a couple of examples.

MR. INDYK: What would you do? Cut aide?

MR. DIEHL: Well, I would condition aide, and I think that's one place where Tammy and I agree, that you do have to connect aide to policy change. Egypt and other Middle Eastern countries are among the few in the world where we do not condition our aide on performance we would like to see from them domestically, as well as regionally, and I think we need to start doing that.

I think one thing I would say is I agree it's counterproductive to attach conditions to things like free trade agreements because that's a liberalization of the economy, that's something that we want in Egypt. It's also a

little bit counterproductive to attach conditions to fundamental economic aide, aide that's providing irrigation systems, that's providing food aide because there's a lot of poor people in Egypt, and, again, it's in our interest to provide that kind of aide.

The kind of conditioning I think we do need to do, that I think Tammy disagrees with me on this, is the military aide, of course. Military aide is a powerful, powerful instrument of leverage that we have with the Egyptian Government that we are not using, and one of the things that I think we've lost sight of here is that the United States does not have a strategic interest in a powerful Egyptian military. It really doesn't matter that much anymore whether or not the Egyptian Army is state of the art, up to date. One way or another, they are not going to help us in the region, and they are not going to pose a threat to Israel no matter what we or they do. So, our military aide to Egypt is just candy to the regime. When we cut it or threaten to cut it, as Congress has done recently, they react in a way they simply do not react when we threaten to pull a free trade agreement.

So, I think there we have a powerful lever available to us with no downside for the United States that we should be pulling.

MS. WITTES: Yes, this is, I think, a very, very difficult issue, and the question of conditioning aide in general, I think, is one of the toughest questions where you face these potential tradeoffs between advocating democracy with teeth and achieving other strategic goals, and the reason I ultimately come down on the opposite side of the question from Jackson in terms of military aide to Egypt, two reasons.

First, because this is a country that is going to be shortly undergoing a leadership transition, and the military is going to play an important

role in how that plays out. If we want them to, more or less, stay in the barracks, then I think we need to sort of hedge our bets there also because, to the extent that there might be real concerns about a change in government in Egypt and how it would affect Egypt's strategic cooperation on Middle East peace or on Suez access, the military is a point of positive leverage because this is a constituency that really well understands the value to Egypt and to the region of that U.S.-Egyptian strategic cooperation.

So, it's not without downsides for us, and I certainly agree with you, and (inaudible) Egypt getting an earful on this that the conditionality last year on Egypt's military aide got their attention in a way nothing else would have done. But I'm not sure whether, in the end, that attention will get us where we want to go.

MR. INDYK: Let's go to the audience. Questions, please. Don't forget to identify yourself and please ask questions.

Yes, please?

MR. LIM: Michael Lim .

I was wondering if you would address the question of the theoretical foundations or underpinnings of democracy in the Middle East. Specifically, in Muslim Arab countries. So, is it based on traditional Arab notions of consultation and consensus? Is it really based on Western notions? And, if it seems based on Anglo-American ideas of democracy, does that reduce the legitimacy of it?

MS. WITTES: I certainly think there was a time when democratic politics had a tinge of being too Western, being too imperialist, and, certainly, some of the ways in which the Bush Administration went about pursuing its freedom agenda and the combination of that with its other policies

in the region created a sense that this was an external agenda being imposed.

But the fact is that, today, democracy is a global norm for governance, and you have not only democratic states, but democratic states that support democracy promotion abroad in every region of the world. You have a U.N. democracy fund today. You have a lot of institutions to support and expand this global norm of democratic governance, so, I don't think, generally speaking, and, certainly, in the discourse in the region, it is immediately disparaged as a Western invention that is not appropriate in a Lee Kuan Yew kind of way, not appropriate for local norms.

That argument is still made, but I don't think it gets you very far anymore. There was a time when it got you a lot farther.

So, today's democracy activists in the Arab world are inevitably labeled as Western agents, yes, they expect that, and they don't let it stop them.

MR. INDYK: Yes, please?

MR. MONSUER: Hi, My name is Sherif Mansour . I work for Freedom House. But, first and foremost, I am an Egyptian human rights activist.

I have to start first by applauding Tammy's work and the Saban Center for this very important study, and I would like this effort to be pushed further. I would like to see all think-tanks here in the Washington, D.C., area and other think-tanks around the U.S. build some sort of a consensus, democracy promotions that can be put forward for the next administration.

I know the last were -- the last time the Washington consensus word was used, it created lots of controversy, but name everything, anything else like democracy promotion, 2.0. I would call this democracy promotion for dummies. But anything that can collect as much consensus

among these groups can help us as much.

Thank you so much.

MR. INDYK: Okay, thank you. That wasn't a question, but we'll accept it anyway.

Down in the back? Yes, you. Yes, please? Yes, go ahead.

Oh, sorry. Okay, you'll be next. Please.

MR. BURN: I'm Jim Burn; I'm a freelance writer that follows these issues very carefully.

How fundamental is the Sunni-Shia split to the whole idea of democratization, and remember that one of the fundamental goals of democratization is to let the losers be at peace. How do you see it? How fundamental is that split to solve this problem?

MS. WITTES: You know, that's an excellent point to raise, and I would put it not only in terms of Sunni-Shia divisions, but in terms of the diversity of the Arab population as a whole.

We, I think, often think of this region as very homogenous, whereas in fact it hosts a great number of ethnic and religious minorities. And democratization, I think, is a key to allowing a lot of those long simmering, not well-acknowledged conflicts within society to be dealt with in a peaceful manner.

I think that in Iraq today you see communities that are organized around religious identity because the previous regime organized them around religious identity, and, because in the absence of a strong government, they revert to those communal identities. But I think if you can, first of all, achieve some basic security, and secondly, build up government institutions, then people can begin to peel away from those a little bit.

One of the advantages I see to advancing political freedoms

and putting that at the forefront of our democracy promotion agenda is that it allows some of these issues to be raised even in a context that might still be controlled in other ways so that, rather than waiting and sort of lifting the lid on a bunch of simmering social conflicts, you can start to discuss, well, what is the appropriate relationship for Copts and Muslims in Egypt? How can you envision an Iraqi Government that acknowledges that Shia majority, while protecting the rights of the Sunni and other religious communities?

And, so, I think freedom of speech and freedom of association in which these communities are able to organize peacefully to advocate their interests is absolutely crucial to making that element work out peacefully rather than violently.

MR. DIEHL: I would just add to that that elections in Iraq have played a really useful role in sorting out the balance of power. Before the election was held in 2006, Sunnis still insisted they were the majority in Iraq and that they deserved to rule, and you even used to have debates here in Washington about who was the -- before the war, who was the majority in Iraq, Sunnis or Shias? And once you had an election, it became really clear who was the majority, and it was the beginning of the process of Sunnis beginning to accept that they were going to have to play a different role in the country.

And, similarly, I think there's at least an opportunity that we're still a long way from knowing whether it's going to work. This coming election will play a useful role onto the next level down of beginning to sort out the groups among the Shia and among the Sunni and which one of them really has support from the population.

SPEAKER: (Inaudible)

MR. INDYK: One minute, we'll come back to you.

SPEAKER: Okay.

MR. INDYK: Down the back there, please.

MR. BAGARBY: Good afternoon, my name is Austin Bagarby. First, I'd like to thank you for the presentation. I'm looking very much forward to reading your book.

My question is really about political legitimacy, I guess, of the states, and, more specifically, about political identity in Arab states, and I was wondering if you could address more -- you kind of touched on it a little bit -- if you could address more how the lack of a national identity about what the state is supposed to be, about what the state should pursue. Is it a Muslim state, is it a pan-Arab type state, is it an Egyptian state? Am I an Egyptian, am I an Arab, or am I a Muslim first? If you could address how we can work towards these kind of understandings when that kind of identity, in some sense, needs to come from the ground up? It can't be imposed on people, and I was wondering if you could maybe talk about that a little bit.

MS. WITTES: You know, my colleague Shibley Telhami does a series of polls in six Arab countries, and he just recently -- I think a week or two ago -- briefed people here at Brookings on the results of his latest poll, and one of his findings over the last few years has been a shift in the way people identify themselves, whereas people used to say that they thought of themselves as Arab first, now you see a greater tendency for people to identify themselves as Muslims first.

Now, the question is: What does that mean politically, and I think it depends very much on the context. What you also see not necessarily from Shibley's polls, but from some other polls that have been done in the region, is that identifying yourself as a Muslim first doesn't necessarily translate

into support for an Islamist movement politically. In other words, you may think of yourself as a Muslim, but that doesn't mean that what you want is an Islamist party's vision of an Islamist state. And, in fact, the primary determinant of support for Islamist movements, polls shows, is simply dissatisfaction with the political status quo, and you find equal numbers of people who are religiously observant and religiously secular, supporting Islamist parties simply because they don't like what they've got, and they think the Islamists are the best chance for change.

So, you're right, that identity issue is there, but, politically, I think it can mean a lot of different things depending on what alternatives are on offer.

MR. DIEHL: I just think you raised a very good point, and the one thing I would quickly add is that if there's one country in the region that does have a strong sense of its own identity, it is Egypt, and that's why so many people here think Egypt is the best place to begin a process of democratization.

MR. INDYK: Yes, please? Yes?

MR. MASMUDI: My name is Radwan Masmudi with the CSID. Congratulations, Tammy, on your book, and I look forward to reading it.

Two brief comments and then a question.

The first comment is about the elections; elections are not new in the Arab world, you've had elections for the last 30 years, except that you always had fake elections, and we can't really talk about democracy unless we insist a little bit on more clean elections and more representative elections rather than the fake elections. I mean, if we accept fake elections, then we can't really talk about democracy or democracy promotion, so, I don't really think that we have a choice there. Elections are going to happen whether we like it or not,

and we have to insist on clean elections.

The second comment is that I think the tragedy of this last Bush for Arab democracy is that it happened at the same time as the war on terrorism, and it was seen as almost part of the effort of the war on terrorism, and I think it was discredited because of that.

Furthermore, the Pentagon always had the final word in the relationship with certain Arab regimes, and democracy slowly was put to the background.

The connecting point between the two is how we view Islam and we view the question of secularism and how we are dealing with Islamism and Islamic movements and things like that. I think there is a paranoia in Washington with Islam and Islamism and Islamic movements, and I think it's really, really hurting us because we don't understand the dynamics of what's going on in the region, we tend to lump everything Muslim together. Anybody who talks about Islam is an Islamist and all Islamists are bad and all Islamists are enemies of the United States, and unless we really start to differentiate and understand that the PJD, for example, in Morocco, is not the Brotherhood, is not Hamas, and these are all, yes, Islamists, in the sense that they have a political platform based on Islam, but they are very, very different.

And, yes, we can really come to grasp this issue and start having good relations and build good relations with moderate Islamists and moderate Islamic people and Islamic movements, who, by the way, in my opinion, are the only ones who can challenge the rhetoric of the extremists. I don't think the secular groups can challenge the appeal that's based on religion. But we are stuck because of this paranoia of Islam and Muslim and everything, I think, to do with Islamic movements.

I don't know if you have some comments about how we can overcome this fear.

MR. INDYK: Thank you.

MS. WITTES: Right. Well, this is really one of the two central problems that the book is taking up, and what I do is go back and look at the U.S. policy surrounding the elections and the military coup in Algeria in 1991, 1992. And what you see there is that what happened in Algeria has become a prism not along for the United States in terms of how it looks at Islamist movements.

And, in Algeria, you did have a movement that, while it was peaceful, it did not guarantee that it was going to follow through on future democratic elections, it just said "Islam is the solution" and we're not going to comment on the rest. And then, after the military coup, elements of that Islamist opposition engaged in a civil war against the regimes, so, from an American perspective, it was proof that you can't trust these guys and they're willing to resort to force, scratch beneath the surface, they're all terrorists. For the regimes in the region, it was proof that, when push came to shove, the United States was willing to support them over the Islamist opposition, and, for the Islamists, it became proof that the United States, no matter what it said about democracy, was never going to support it in a case where there might be an Islamist success.

So, this really became a prism for all of the relevant actors, and I agree with you, it has thoroughly distorted our thinking and others' thinking about a very, very diverse set of Islamist phenomenon in the region, and what I do in the book is go through in detail how we can think about different types of Islamist movements, the contexts within which they operate, and make

assessments for the United States from the perspective of American interests. How do we deal with these groups, along what part of the spectrum of engagement, dialogue, partnership, how do we treat these movements, but it's a very complex calculus.

MR. INDYK: Over here.

RITA: Hello, this is Rita from Lebanon. I'm here in the LDF Program. I would like to ask you: How do you perceive the engagement of Hezbollah if the next administration uses it as a strategy in the region?

Thank you.

MS. WITTES: Yes, I'd be interested in hearing Jackson's thoughts on this, too, but I'll just say for my part that I'd be very surprised if the next U.S. administration seeks to engage Hezbollah directly. I think that, for the most part, American governments have chosen to try and deal with this issue through Syria and through its diplomacy with Syria and sometimes through the Syrian-Israeli peace process as a lever over Syrian behavior toward Hezbollah, and I think that's a pretty pragmatic approach, given that this is an organization that has targeted Americans and I expect that approach will probably continue.

MR. DIEHL: I would say Hezbollah is one part of what the next administration will face as the central problem it will have in the region. It's a problem that is part Hezbollah, part Hamas, part Mahdi Army, and all Iran, and is a regional strategy to drive the United States out of Iraq, to put Israel on the defensive, and to make Iran the dominant power in the region, and the next president is going to have to find a way to work back to push back against that. And part of that is what to do about Hezbollah, which now has, by Israeli count, what is it, 30,000 rockets and missiles stored in southern Lebanon? It's a very, very difficult problem.

MR. INDYK: do you want to address Hamas since we are getting around to that? Here we have a party that ran an election, was elected freely and fairly, and a lot of people in the region, I think, regard the United States' attitude toward this as a kind of double standard, where we pushed for elections and then wouldn't deal with the party that was legitimately elected. That's in the past, of course, but what do we do now with Hamas?

MS. WITTES: Well, yes, how do we get out of that box? Now, to an extent, Hamas undermined its own position in that rhetorical argument about double standards and hypocrisy by engaging in a military coup in Gaza, so, whatever democratic credibility it gained through the elections, I think it lost and Palestinians also agreed that it lost that credibility by taking over the Gaza Strip.

Now, that said, it still represents the only significant alternative to Fatah, which is a party many Palestinians reject as corrupt and authoritarian. And it has a real constituency. So, how do you deal with that? In principle, you start to sort of tease out this Gordian knot by working more aggressively on Israeli-Palestinian negations and put in a real alternative on offer to the path of resistance that Hamas is marketing. But I think that you need to focus in on the question of how Israel engages with the Gaza Strip and with Hamas in the Gaza Strip, and the fact that the Israelis are dialoging indirectly with Hamas on all these issues, I think, is a good sign. It doesn't mean that the United States needs to dialogue with Hamas.

I do think that those who argue that because they won an election and because they have a constituency, they have to somehow be included in a peace process is foolhardy because this not a movement that has demonstrated any interest in a peace process, and I don't see what's to be

gained by going down that road, but I do think at the more pragmatic level of relationships on the ground there is a lot more that the U.S. can help the Israelis do and the Egyptians can help the Israelis do to improve the dynamic within Gaza so that Hamas is under more pressure.

MR. DIEHL: You know, it's a very difficult problem, but I think we still -- the best, the most effective strategy for Hamas is to let them fail, and, again, here, I think we have an advantage that they came to power originally through an election and they are being judged by the people who voted for them.

To the extent that they are allowed to fail, they become terribly unpopular, and, a few months ago, polls done in the Gaza Strip showed they were far behind Fatah in popularity, and if an election had been held six months ago, they would have lost decisively. The more they have a conflict with Israel, the more they seem to be at war with Israel, the more popular they become.

So, the dilemma is not necessarily whether or not to engage them, but how to find a way to let them fail while allowing Israel to be secure, and that's why it's been my view that Israel probably would benefit overall from some kind of ceasefire with them because it would allow them to negotiate with the other Palestinian government to prevent some kind of alternative at the -- but I think, more importantly, it would end the day to day conflict in Gaza, thereby allowing Gaza to become a place where government fails.

MR. INDYK: Amy, down the back? I'm afraid this will have to be the last question but --

MS. HAWTHORNE: Thanks.

MR. INDYK: We're all going to the reception, and you can ask

your questions to Tammy there. Please?

MS. HAWTHORNE: Amy Hawthorne. I want to congratulate you, Tammy, on this really important achievement, and I want to ask a practical question about the nuts and bolts of democracy promotion.

Were the United States to develop a really genuine democracy promotion and policy for the Middle East, one of the most important elements of that policy would be the development of institutions of democracy in the region. It's very true that there are strong states in the region, but very weak institutions.

So, a focus of the U.S. should be the development of institutions that would later become pillars of democracy were a democratic transition to occur in any of these countries, but it's a very, very difficult thing to do because, if not in a very sophisticated manner, the U.S. could end up strengthening institutions that actually support authoritarianism.

So, how should the United States go about building institutions of democracy or supporting their development in non-democratic settings?

MS. WITTES: Well, I think that's an excellent and very important question, especially when you look at the sort of standard menu of democracy assistance programs that the U.S. implements not just in the Middle East, but in regions around the world that often includes things like parliamentary training and this is in a region where parliaments, for the most part, are incredibly subservient to the executive or controlled by ruling parties, and, therefore, act as tools of the executive.

So, what do we accomplish when we conduct parliamentary strengthening programs in those countries?

The lucky thing though is that political institutions and institutions that help societies develop a political culture that supports democracy are not limited to the state. That some of the most important political institutions you can develop are good political parties, political parties that are open in their membership, that are democratic in their internal governance, and that are open in terms of the debates that they have over their platforms and policies and the way that they're going to deal with the state, and those are great forums where people can participate, they can practice democracy in a way that has a direct affect on an organization that they're invested in, and that organization interacts very directly with the bigger political process.

So, I think party-strengthening programs are a great tool. My only caution on this kind of stuff is that none of these programs, whether you're strengthening parties, judges, parliaments, or anything else, does much good if you don't have the diplomacy to back it up. You can train judges on judicial independence all you want, but if you're sending them after their three-day conference in a four-star hotel back to an authoritarian government environment where they are going to be bribed or coerced into making judgments on behalf of the state, you're not really doing them much good; there's nothing they can do with that training.

So, the most important thing to me is not the specifics of the programming, although, I do think that there are choices to be made there, but that we have an appropriate match-up between the programming that's happening in terms of building democratic institutions and building a civil society and the diplomacy from the U.S. Government that says to governments in the region we are investing our money in your society, and we would like it not to be wasted. Therefore, we want you to help create an environment in which this can

work.

And that was one of the things that the Bush Administration, I'm afraid, was especially bad at, and I think that, partly based on the Eastern European experience, there was sort of an assumption that if you build it, things will happen, that if you build a civil society and you do the programs that magic is going to happen and this grassroots movement will emerge, and if we don't work from the top down and if we don't work on basic political freedoms, all of that programming is for not.

MR. DIEHL: Had to be the last word.

(Laugher)

(Applause)

MR. INDYK: Tammy, congratulations again. Jackson, thank you very much for joining us here and for your contribution.

Ladies and gentlemen, please join us for the reception in the Somers Room, and don't forget to buy your copy of *Freedom's Unsteady March* at the bookshop. Thank you all.

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