THE BROOKINGS INSTITUTION

ARAB YOUTH BETWEEN HOPE AND DISILLUSIONMENT: TOWARD A NEW U.S. STRATEGY IN THE MIDDLE EAST

Washington, D.C.

Monday, November 10, 2008

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P R O C E E D I N G S

MR. DHILLON: Well, welcome to Brookings. Thanks for being here. My name is Navtej Dhillon. I'm the Director of the Middle East Youth Initiative.

Today's panel is going to shed light on a very important question, and that's to do with gaining insights on the economic prospects as well as the opportunities available for young men and women across the Arab World. We have a fantastic presentation by Ahmed Younis on Gallup's new data which will shed new insights.

But let me also add that in today's presentation, we hope to situate this discussion in the changing context that's taken place in the last couple of months. The first is that Middle Eastern economies are also facing the turbulent global economic crisis, and we hope to better understand that how the challenges facing young people now shape out in this changed economic environment. Secondly, with the historic election in the U.S., we also ask our panelists what this means for the Middle East as well

as the economic reform agenda.

I think it's fair to say that the U.S. engagement in the Middle East is a three-legged stool and sometimes it's been lopsided. The development leg has not been particularly strong at times, and perhaps it's also been too short. So we ask our panelists whether it is time to revisit that, particularly in this new environment where economic development is going to be central stage.

With that, let me introduce our panelists. We have Ahmed Younis who is a Senior Analyst at Gallup. Next to Ahmed, we have Tamara Wittes, Senior Fellow at the Brookings Saban Center and, finally, Djavad Salehi-Isfahani who is a Guest Scholar at Brookings Wolfensohn Center as well as Professor of Economics at Virginia Tech.

We will request our panelists to speak for about 20 minutes, preferably less, and then open it up for questions and discussion.

So, Ahmed, can I ask you to start with the presentation.

MR. YOUNIS: Thank you very much, Navtej, and thank you to the Brookings family for having us. It's really an honor for me, personally, to be here. For us at the Gallup tribe, we engage with Brookings on a regular basis for many of the projects that they run here, and we find ourselves always edified by the scholarship that they contribute to the data and its analysis, and it's an honor for us to be here as a continuation of that partnership.

What I'd like to do today very quickly is present some anecdotes or some highlights of the opinion of young people in the Middle East and North Africa region, defined broadly to include Iran and Turkey, and I'll just take some snapshots on different behavioral economic measures as to the view of young people to their disposition and their perception of how things can change. I will really limit my analysis of the slides as we go through them to offer you the data, and then I look forward to the analysis of my colleagues and my friends, and I will contribute at that point as well, some analysis.

The Gallup Center for Muslim Studies is a division of the Gallup World Poll which is a poll conducted in 150 countries, the data of which serve as the skeletal structure of a consulting practice that attempts to help world leaders tackle the biggest obstacles at hand, using data that is scientifically valid. That applies here in the United States in our approach to negotiate things like health care and the economy and abroad, whether it's Millennium Development Goals for Sub-Saharan Africans or Muslim-West relations for Muslims globally, et cetera.

The Gallup Center for Muslim Studies is responsible for managing all of the data that comes from Muslim majority countries, all Muslim majority countries in the world and a significant number of Muslim minority communities that have a unique relevance to analysis being done here in Washington -- so Muslims in Western Europe, Muslims in America which is a study that we'll be releasing at the end of January, in sha' Allah, Muslims in China, Muslims in India, et cetera -- so the disposition of the Muslim

and his or her view as to what's happening around them.

The countries that I'll be presenting data from today are, as you can see them, not just limited to MENA countries and not just limited to African countries but allowing us to encompass all of them.

This is an example of how we create primary sampling units. So in every country that Gallup does polling, each one of the red dots that you see on the map of Tanzania represents a place where we've done a poll, where we've asked a survey. As you can see, it's geographically distributed across the country as a whole.

So the Gallup Poll of China is not Guangzhou and Beijing, and we call the Gallup Poll of China. No, it really is geographically representative of a random sample of the country, and it is as well in terms of demographics, et cetera -- so asking an equal number of literate people and illiterate people, asking an equal number of folks that make a lot of money and don't, et cetera.

Let’s start with where we stand, where the young person in these countries believes that we stand as of today. We ask a question: Please imagine a ladder with steps numbered from zero at the bottom to ten at the top. Suppose we say that the top of the ladder represents the best possible life and the bottom of the ladder represents the worst possible life. On which step of the ladder do you sit?

As you can see, the perception of how things have been previously and how things will be in five years, again, this is an assessment of the individual as to their disposition, your personal assessment of you five years ago, in five years and today.

We find that the lowest levels of satisfaction in terms of 5 years ago are Iran at 4.46. Today, in terms of an assessment of today, the lowest levels of satisfaction are Palestine at 4.4. And, in five years, the lowest level of satisfaction is again Palestine at 6.01. That’s for the South.

But for the country, the assessment of young Palestinians as to the disposition of their nation-

state or their community as a whole is lower in the future than their perception of themselves in the future. So a young Palestinian, the medium average of young Palestinians is that for me, myself, I will be at a 6.01 on a 10 scale ladder in 5 years, but my country will only be at a 4.78 -- so the ability of the young person to delineate between their future and the future of the country within which they live and find for themselves some hope for a difference in that margin.

This is life satisfaction and hope based on self and country, and this illustrates the point that I have just made. If we look to the white line, that represents an assessment of self in five years. And, if we look to the green line, it represents an assessment of the country in five years. So, overall, young people in this part of the world assess their chances in five years to be stronger than the chances to which they ascribe to the nation-states that they come from.

It’s interesting that when we look at the

same question by gender, we find that women have a higher assessment of the countries that they come from as they will stand in five years than do men, and this is quite fascinating.

I mean there's constantly a perception in our discourse here in Washington and in the West of levels of hope and optimism being stronger amongst those that have more ability in society. We'll see in the data that there definitely is more inclusion in the public square of young men who are Arabs or who are in the Middle East/North Africa region than there is for women. But despite that, there is a perception amongst women that things will be better in five years for the nation-state than amongst men.

So let's take a check of what I would call the vital signs of a group of young people. The question is: Did you experience a lot of the following emotion yesterday? How about physical pain? How about worry? How about sadness, et cetera?

What we see is although there is a perception that higher levels of anger would sit with

communities within which there is a reality of conflict and violence on a regular basis as opposed to otherwise, but we find is 45 percent of young Turks say they feel a high level of anger whereas only 40 percent of young Iranians say the same. So there is a range, if you will, on this emotional ladder of negative emotions is what I've selected for this slide.

So 78 percent say, no, they have not felt sadness; 78 percent say, no, they have not felt physical pain; but there's a significant amount of boredom amongst young people, a significant amount of worry about the future amongst these young people.

If we look at the question, do you feel your life has an important purpose or meaning, the median average is 91 percent saying yes amongst young people throughout the region, 91 in Lebanon, 80 in Palestine, 92 in Yemen. I've selected these countries because you'll see in later slides that these are the countries within which young people have the most difficulty in being able to be part and parcel of the

economic structure within which the live. But despite all of those challenges on the tangible engagement intervention level in their day to day life, there is still a very strong perception that there is great purpose and meaning to the life of each individual young person.

So how about life satisfaction? In the city or area where you live, are you satisfied or dissatisfied with the ability to obtain good affordable housing? Fifty-one percent say they are satisfied, forty-four percent say no.

Are you satisfied or dissatisfied with your current housing, dwelling or place you live? The median satisfied is 58, but we see in countries like Egypt, 60 percent dissatisfied and Iran, 83 percent dissatisfied.

And, I'm sure Dr. Isfahani will shed some light on this, as he will on other things, that I have in mind that relate to marriage and the early life of young people.

In the city or area where you live, are you

satisfied or dissatisfied with the education system or the schools? We find a median satisfaction of 65 percent but clear dissatisfaction in countries like Egypt, Turkey, Algeria, Yemen, Iran, larger than the median dissatisfaction. Of course, these are countries that have a large component of young people within its electorate and within the discussion that is being had in its public square.

So about jobs and entrepreneurship? We might be moving a little fast, but it's so important to just get a taste of each one of these sections before we have a larger conversation to attempt to analyze what would the next administration do? What would President-Elect Obama like to see happen as a result of understanding these data?

Here's a very straightforward question: Are you satisfied or dissatisfied with the efforts to increase the number and quality of jobs in your country? Sixty-two percent of young people across the region are dissatisfied.

Do you currently have a job, paid or unpaid?

Do you currently have a job or work, either paid or unpaid? Forty-six percent of men say, yes, but only twenty percent of women say, yes. One needs to dig deeper in the analysis to try to understand what percentage of the women that do not have a job are interested in joining the job market and what percentage of women are just not interested in being a part of that process.

Thinking about the situation in the city or area where you live today, would you say that it is now a good time or a bad time to find a job? Here, I think what's most striking is the difference between the different countries within the region. So, in Saudi Arabia and Kuwait, high percentages that say, it's a good time. Iran, Egypt, Lebanon, Turkey and the median of the countries as a whole say, it's a bad time to find a job in the place where I live.

Is the city or area where you live a good place or not a good place to live for entrepreneurs forming new businesses? We're attempting to probe this issue of you starting upon your own cognition the

decision to begin a business and the series of criteria that you must meet in order to succeed with that entrepreneurship endeavor. We find in Egypt, 65 percent, in Yemen, a majority, in Iran, 48 percent that say, no, this is not the place to live if you are an entrepreneur trying to form a new business.

So there is a strong perception amongst young people that my ability to create is limited by the structure within which I live and the society with which I am trying to negotiate a space to contribute to the larger society.

Do you believe that the economic conditions in the city or area where you live are good or not? Here, you see the absolute vast difference between a country like Kuwait, 87 percent of young people saying that it's a good place to find a job -- sorry, that the economic conditions of the place where they are, are good. And, you have large percentages of young people saying that it's not, obviously, in Palestine, in Yemen, in Lebanon, in Jordan, in Egypt, et cetera.

So when we attempt to measure the

disposition of a young person in this part of the world -- and we in policy circles refer to them as young Arabs or young people of the Middle East -- or the challenges that young people in this part of the world have vis-à-vis the global conflicts that we're trying to assess, we need to always keep in mind that there's a significant divergence in experience amongst young people based on what nation-state they come from or they live in.

Do you think that the economic conditions in the city or area where you live as a whole are getting better or getting worse? Clearly, there's a correlation between the previous question and this question. So, if you believe that it's not a good place for entrepreneurs to start a business, if you can't find a job, if you believe that this isn't the best place to come to try to find a job, you're likely to also say that the economic conditions in the place where you are, are getting worse and not better.

What about kids? Actually, through the process of engaging the Wolfensohn Center in a

project, a job creation project in the Middle East for young people in 22 Arab States, I learned a lot from Dr. Isfahani about the different stages of life that a young person has and how intervention at different stages of life affect the result in how we engage and the potential for success in engaging young people. So we have two very brief questions that talk about kids:

Do you believe that children in this country are treated with respect and dignity? Eighty percent of young Palestinians say, no. Sixty-seven percent of young Lebanese say, no. Although there is a majority that says, yes, the difference between the countries is quite alarming.

Do most children in this country have the opportunity to learn and grow every day or not? Eighty percent of young Palestinians say, no. Sixty-two percent of young Lebanese say, no.

Again, when you ask a young person, someone that's between the ages of 15 and 29 about the disposition of children in their country, clearly,

you're engaging someone that is thinking about the future and the past and how they relate to each other and that individual's role in trying to catalyze a more successful or more prosperous future for the child that they are assessing in response to the question.

Another category that I think we think about a lot when we talk about young people in this part of the world is to what extent are they engaged in their own societies, in the public squares of their own society, and to what extent are they a part of success. Have you volunteered your time to an organization in the past month? Lebanon is, by far, the highest number at 29 percent, and this speaks volumes to the lack of nonprofit and nongovernmental institutions that can channel the energy of young people into public service.

And, this slide speaks to the proposition that young people want to be engaged in the public square and want to contribute even to strangers and people that they do not know, 65 percent of Egyptians

saying that they have helped a stranger in need.

So would you like to move from where you are? Ideally, if you had the opportunity, would you like to move permanently to another country or would you prefer to continue living in this country? Thirty-nine percent of young people, imagine that, forty percent of young people in this part of the world want to move permanently to another country. I would point out that there are the exact same percentages of young people in Israel and the Palestinian Territories that want to permanent move to another country.

To which country would you like to move? The countries on the chart that you're looking at represent 77 percent of the responses: France, the U.S., with the Netherlands at the bottom.

I'll end with taking us back to a larger scope of analysis. So all of what I've just presented are the opinion of young people vis-à-vis these topics. But I think in order for us to approach this with sobriety, it has to be contextualized within the

larger conversation about Muslims globally and the United States.

Our analysis and the analysis of my colleague, Dalia Mogahed, the Executive Director of Muslim Studies, renders us with three primary buckets within which anti-U.S. sentiment can be bucketed or can be categorized. Number one is cultural disrespect. Number two is political domination, a perception that the United States has a catalytic role to play in the lack of freedoms that Muslims enjoy on a regular basis. And, finally, acute conflicts: the Israeli-Palestinian conflict, the Iraq War, the War in Afghanistan, et cetera.

The reason we put this slide up is to notice the concentricity amongst the circles, that they are fundamentally linked with each other in analysis. So, if I am a young Egyptian, my perception of the Danish cartoon crisis might fall under cultural disrespect, but my perception of the role of the United States' relationship with my country might fall under political domination.

But when you ask Muslims around the world, what do you admire most about the West, they say, freedom, democracy and participatory government. So, if I believe in the ideals that you find inalienable to yourself, but I believe that you're playing a role in denying me those freedoms, then certainly that falls as well under the element of cultural disrespect.

And, why is Egypt getting all of this aid? Well, if I'm on the streets of Egypt as a young person, I think it's because Israel is right next door and we are being paid to make sure that Israel is not.

That is the paradigm of a young person on the street, and it's an illustration of how the concentricity of the circles is very important.

Navtej, I promise I'll take two minutes.

A desire for self-determination: In our analysis, we've divided up Muslims globally into those that believe that 9/11 was completely justified and have the highest registered score of anti-U.S. sentiment and those that do not. Seven percent of

Muslims fall under that category, and we call them political radicals.

So here's a question: The U.S. is serious about supporting democracy in this region? Seventy-two percent of radicals, those that believe that 9/11 was completely justified, disagree. And a majority of moderates, those that do not believe that 9/11 was in any way justified, also disagree.

The U.S. will allow people in this region to fashion their own political future? Here, you don't have the use of the word, democracy, but you have the same genre of question, and you get almost the same exact answer because the beef is not about the concept, democracy. The beef is about the perception or the catalytic role of the United States in denying those democracies.

Here's a question: Below is a list of possible actions that the U.S. could take. For each one, I am interested in knowing to what extent this action might significantly improve your perception or your opinion of the United States. As you see, large

majorities in Egypt, in Lebanon, in Niger, in Mauritania believe that if the United States plays a role in promoting greater job creation, there will be a very significant uptick in perception of the United States.

And, this question is asked with other examples. So, for example, the closure of Guantanamo Bay gets a less score than the creation of jobs in the region for young people.

Here's a list of things that the United States could do. What about closing Gitmo? Closing Gitmo is less significant to young respondents than is job-creating growth and the United States having a catalytic role in job-creating growth.

Here are our last two slides for context: Who would you personally rather see elected President of the United States? The only country within which there is a majority saying Barack Obama -- this, of course, is before the election -- is in Saudi Arabia. I remind you, of course, that this is a poll of public perception, the country as a whole.

Certainly those of us, everybody on this panel that travels frequently throughout the region knows that anecdotally there's a great support or there was a great support for Barack Obama even in the primary season, but here we see that for the most part that support is not recognized or registered at the public level.

Do you think who was elected President of the United States makes a difference to this country or not? I think the number that speaks most to us tonight or, sorry, today is the Palestinian number which is almost 80 percent that say, no.

So what we have is a situation in which young people are very much primed and ready for engagement. They are healthy in terms of the basic building blocks or the basic structure of a healthy identity on those negative and positive emotions.

They see for themselves a role, a participatory role in changing the realities within which they live, but they do not believe. When we ask Muslims around the world, what will most aid Muslims

to realize democratic lifestyles and ways of government, the number one answer is stop relying on the United States for change.

So the third point that I would really underscore is young people in these countries see for themselves the primary role of attempting to bring about change. They have a very mature understanding of what has come, what is and what will be. And, I look forward to the analysis of my colleagues as to how this data speaks to public policy and changing the world.

Thank you.

MR. DHILLON: Thank you, Ahmed.

(Applause)

MR. DHILLON: Tamara, can I please request for you to, certainly, react to Ahmed's presentation? Some of the stuff has been counterintuitive in the sense that young people's struggle is very material in one respect, but they also are very optimistic about their future and how this, really, the implications of this for the way we see the relationship between

economic and political reform as well as what we should be looking for in terms of our own policies in the region.

MS. WITTES: Sure. Should I speak from here?

MR. DHILLON: Certainly, from there.

MS. WITTES: I'd rather just stay put.

Well, thank you all for coming. I have to say that it's incredibly gratifying to see a room full of people with sufficient interest in this issue to show up on a Monday afternoon in the midst of a very exciting transition in Washington. There's a tendency for the big high politics issues to dominate the discussion, and things like this to fall a bit lower on the priority list and, for some people, maybe even to fall off the radar screen entirely.

But I think Ahmed's presentation underscored just how crucial these issues of economic, political and social development will be for the future of the Middle East and for the future of the United States in the Middle East.

And so, what I'd like to try to do in my few minutes worth of comments is try and put this discussion about Middle Eastern youth into the context of broader American policy in the Middle East, how these issues fit into what the United States might want to try and do in the region and what it will take from the American side in terms of policy initiatives to take advantage of some of the opportunities and address some of the challenges posed by the findings of Gallup's work.

Now it might be a new moment for the United States right now, but for young citizens in the Middle East the challenges that they face today, the things that they are describing about their lives, the gaps between their realities and their aspirations are things that were a long time in the making.

As the Middle East Youth Initiative has discussed, I think, so well in some of its other work, young people define their aspirations not only in economic and political but also in social terms. It's not just about jobs or credit or housing. It's also

about social freedom, and it's about social mobility, the ability to decide whom you're going to marry, when you're going to get married, the chances that you have to build a future for yourself and your children that's better than the situation that you were born into.

The economic and political realities that limit those opportunities for Middle Eastern youth today are realities that were a long time in the making, and these are problems that are exacerbated today by this demographic bulge as well as by global forces. So it's just exaggerated the gap that young people feel between their reality and what they would like to build for themselves.

One consequence of this is that there is very widespread skepticism about politics among this population, and I think that that was very, very clear from these results. Young people have more faith in themselves as individuals, clearly, than they have in the future of their own countries.

They are skeptical about the idea that a new

American President will make much difference in their lives just as they are skeptical about the idea that a change in their own government might make much of a difference in their lives. You can see that in, for example, in the low turnout in last year's Moroccan elections where there was just -- and a lot of this was expressed in messages scrawled on spoiled ballots -- skepticism about parties, skepticism about political institutions, skepticism about the ability of the institutions that structure their society to make a difference to their lives.

So people have a tremendous interest in our presidential politics. When I was in Saudi Arabia last February in the midst of the primary campaign, people were waking up at 2:00 in the morning to watch Hillary and Barack Obama duke it out on CNN, but that doesn't necessarily mean that they expect that this new U.S. leader can really make changes in their lives.

In the case of America in the Middle East, you can make an argument that in fact this skepticism

is justified. For this new administration -- and I think this would have been true regardless of the outcome of last Tuesday's election -- regardless of the intentions of the incoming President, the priorities for the United States in the Middle East are quite clear and the resources are quite constrained. Our priorities are stabilizing Iraq to enable a drawdown of American forces there and confronting a strategic challenged posed to America and her allies in the Middle East by Iran and its regional allies.

And, that's a strategic challenge, by the way, that's not just about Iran's nuclear program. It's also about the kind of Middle East, the kind of region that Iran's government is pushing for in its heightened regional activism, whether that's in Iraq, in Lebanon, in the Gulf or in the Gaza Strip.

So we might compose a sort of wish list for the United States in the Middle East in addressing the challenges faced by regional youth, but the fact is that the imperatives for U.S. policy are quite clear.

The question for me then is: What framework will the new administration embed these strategic imperatives in? Will it be simply going urgent crisis by urgent crisis or will we articulate some kind of broader framework? Will we embed these policies in a broader vision for the future of the Middle East?

I think in large part because we're talking about an incredibly young region, we have so much at stake with this generation in the Middle East, that it's crucial for the United States to put its policies in the region into a broader framework, a vision for the region of peace, of prosperity, of progress. That's a vision that's necessary if we are going to compete with the vision being put forward for the region by our regional adversaries, which is one of resistance, confrontation and violence. You can't fight something with nothing. Right now, resistance, confrontation and violence are winning a lot of adherents.

Now how do we embed those policies in such a vision of peace, progress and prosperity? What are

the components of that vision?

I think it's really going to require some things that are in short supply in 2008 -- first off, a commitment to sustaining our investments in this region when many weary Americans would prefer to simply walk away from the table, renewed investments in issues like Arab-Israeli diplomacy and a commitment to the long term even though there's a lot of urgency for quick results.

When I talk about Arab-Israeli peacemaking, by the way, I'm not emphasizing this because the situation in the region between the parties is ripe for resolution but because having an ongoing peace process is part of containing these negative regional forces and especially the recent efforts of the Iranian government to plant both of its feet firmly in the heart of the Levant in Lebanon and the West Bank and Gaza.

A peace process might be useful for public relations purposes for the United States, to help repair America's battered approval rating. But that

is not, to my mind, the main rationale, and it certainly won't solve all the problems of the Middle East even if an agreement could be achieved. More concretely and more importantly, from my perspective, a peace process is important because it will weaken the impact of these negative actors on the region by creating a countervailing initiative and by creating tensions and disagreements among those negative actors.

But I have to say that making real this American vision, presenting a compelling narrative of progress, peace and prosperity that is going to counter this narrative of rejection and resistance requires more than an Arab-Israeli peace process. I think it really requires, and I think Ahmed's numbers show this clearly, it requires us to present the vast majority of Arabs who live well outside Palestine with more opportunities to shape their own future. That, to me, is the story that those Gallup numbers are telling, and this is a promise of greater opportunity that really can only be fulfilled through far-reaching

political, economic and social reforms that will create a new relationship between Arab governments and their citizens.

Now that's a tall order. As I said, it's a long-term thing despite our desire for short-term outcomes. So what can we do more immediately to try and address these issues? I'll just throw out three suggestions.

Number one, it wasn't in the numbers that you discussed today, but in a lot of polling in the region it's very clear, and actually you mentioned this, that one of the best brands the United States has in the Middle East is education. Even when people are angry at our policies and frustrated with our leaders, they admire and wish to emulate and participate in the American educational model. Indeed, there's been an incredible proliferation of American-style universities across the region as well as initiatives by a number of governments in the region to import American campuses into their countries, and those are in very high demand.

So there are many ways to take advantage of this thirst for American-style education, and I think we need to recognize that what's valuable about this is not simply that Harvard is Harvard but that there's a certain style of education here that is about the liberal arts. It has a certain content associated with it, but it also has a certain style associated with it.

That liberal education is education for citizenship, and it is education for self-empowerment. That is what these young people are looking for. They are looking for ways to get the tools they can use to create their own future.

So I think that this liberal educational model is something that can be tremendously powerful, and we should expand opportunities for that by encouraging U.S. universities to locate campuses in the region and by encouraging students from the region to come here.

We know that after 9/11 there was a very sharp decline in the number of students from the Arab

World that came to the U.S., partly weakened demand on their side, partly a huge increase in the barriers on our side. In the years since, there's been a lot of dialogue back and forth between the American government and governments in the region over how to address that, and the numbers have slowly, slowly come back up. I think we need to do more. I think we need to go beyond getting back to where we were pre-9/11 and really figure out how to scale this up.

Secondly and beyond education, I think that we can and should try to give as many young people from the region as possible, exposure to American society and to the United States in a variety of ways, through exchange programs, through scholarships but also as much as possible through opening up opportunities to experience American society and culture in-country.

Again, after 9/11, American cultural centers, American libraries became much more difficult to access, and it also became a lot more sensitive for the United States to try and bring over delegations of

musicians or scholars or what have you. Again, this is something where we need to put renewed emphasis. It's not simply about public diplomacy. It really is about creating greater openness and creating greater opportunity and giving young people a sense of opportunity.

Finally, though, and I think more importantly, and this is going to be ultimately some of the toughest work for the new administration in addressing this set of challenges, we need to make American foreign assistance a more effective instrument for economic and political reform. We're going to be doing this, I think, in different ways in dealing with different countries, and so I'm not speaking here simply about conditioning aid on reform. I'm speaking about how we use our aid to create opportunities for this young generation to make something for themselves. So, it's about transforming aid, and it's about transforming our aid relationships with governments.

If you want to get into the details in

discussion, I'm happy to do that, but I'll just stop for now. Thanks.

MR. DHILLON: Thanks so much, Tamara.

(Applause)

MR. DHILLON: Djavad, can I ask you to both react to Ahmed's presentation but also, I think, provide your own sense of the thought that Tamara has shared with us?

It seems in some ways that 2008 seems a bit like 2000 which is that in 2000 we were again focusing on some of the political, diplomatic and defense priorities in the Middle East. It was then the War on Terrorism, it was about Iraq, and somehow the economic development agenda got lost. Here we are eight years later, and it's now about Arab-Israeli conflict, it's about Iran, it's again about Iraq, and the economic development agenda again is subservient.

So how do we reconcile this constant tension? Everybody agrees it's the most important thing. The bread and butter issues are driving politics, social tension in the region, but yet we

continue to focus on a different game.

MR. SALEHI-ISFAHANI: Do you mind if I stand?

MR. DHILLON: No, please.

MR. SALEHI-ISFAHANI: The job hazard of a teacher, I seem to talk better, hopefully not longer, when I stand.

Thank you very much for this opportunity. I like the way you put it: try to reconcile these two sort of scenarios that came from Ahmed's talk and Tamara's.

As I was listening, I realized that I need to borrow a term that Richards and Waterbury use in their book, *A Political Economy of the Middle East*, which is they juxtapose the Great Game which is the international perspective on Middle East politics. It's the leaders, it's their ambitions and the games they play. They've been playing for a couple of hundred years, and now of course you have the other players like Russia and Afghanistan back into the "Great Game." So it looks very much like what it used

to be, and I think that was very much what I was hearing Tamara speaking about.

Then I was looking earlier even at Gallup's results: very interesting stuff. I'm fascinated by some of the things that challenge our notions of the Middle East. When you look at the totality of that, it is the outcome of a different game, what Richards and Waterbury call the "Quiet Game." It's an everyday game of life where families get up in the morning, have plans for themselves, for their children. They go to work. Men and women have to decide on whether they're going to have another child or whether they want to invest more on the education of their existing children.

It is therein where the society is for. It is not so much by the calls to action of, say, Ahmadinejad, that families get up in the morning and say, now what do we do? What order do we follow? But it is with their own instincts, with their own hopes and so on.

What you see here in the outcomes, the

outcomes of the polling, is a lot of optimistic, relatively optimistic young men and women, 15 to 29.

Part of that optimism doesn't surprise me at all because if you look at the Middle East, in some sense, they have had a successful post-colonial period. They have invested in infrastructure. They have taken care of the weaker part of the population. Arab socialism brought education. Hence, you have perhaps an overeducated young population in the Middle East. Education in the Middle East has grown faster than any region in the world, at par with East Asia. I think that is a legacy of a social environment, economic environment that emphasized success.

I am a bit surprised to see that they think they can get ahead with hard work. I wonder if those are the 15 to 20-year-olds who are taking a lot of tests, and they very much every day get positive feedback that if you work hard you get an A or get 20 out of 20. If you look at the maybe 20 to 29-year-olds, they will tell you perhaps a different story.

As someone who works with data, I'm always

fascinated, taking this stuff and parsing it by age, by gender, by region and perhaps get very different stories. I would like to encourage Gallup to engage in decomposing these averages for us or perhaps let the good people at Brookings do it for you.

I'm going to say in a little bit about the working conditions that the young people find themselves. But just taking advantage of that surprising result, that they find if you work hard you get ahead, when you go work for the government you find out, and a lot of young people aspire to work for the government. I can't believe that they think if they go work for the government, then hard work is rewarded or that's their vision of the labor market they are seeing.

There's something that's surprising, and it's interesting, and I think I have an answer for it. I'll try to also bring that up in a moment.

They say that they find the job prospects poor. They are not optimistic. But they are surprisingly thinking that entrepreneurial activities

pay, on average, more, and some of the numbers look as good as Germany or the United States.

Now that's a tragedy because if it is the case that they see an entrepreneurial environment that's conducive to that, they don't have the skills because the education system that led the young 15-year-old to say hard work pays, well, they only got paid in terms of grades, not in terms of skills that they need for jobs. They don't have the confidence to go and form a partnership with their friends in order to set up a new business.

Why don't they have it? Because throughout the Middle Eastern education system, the technology that works is to have tests and make kids afraid of tests. Not to say: You're good. You don't have to study so hard. But you say: You know if you fail, you're destroyed. You have no future.

As a result, this confidence goes down. Test scores go up.

Then you come to this new world, globalized world in which the private sector is more active than

government and there are opportunities for entrepreneurial activities. If you look at Egypt, for example, they've done quite a bit since the year 2000 to allow businesses to grow, and Saudi Arabia is one of the freest countries for setting up businesses. But the young people are not trained to take advantage of those opportunities.

And, I have one quick thing to say about young people wanting to live abroad. I'd like to know how many of them would say the same thing if they were taking their parents with them.

Now let me give you a quick backdrop to where these outcomes, these outcomes what I like to call the Quiet Game come from. This has been a subject of a lot of research in the last couple of years at the Wolfensohn Center in the Middle East Youth Initiative and with our partners in the region, the think tanks who have done work on Middle East youth for us. There are three important themes that come through in these polling data and are also true in everyday life: education, jobs and marriage.

Education, I already talked about. It is the obsession of families, which is a great thing because Tamara's very good point about opening up the U.S. for people to see what's good in here. Well, if you come from a family of eight children where you are raised to become a manual laborer, you don't come here and go to a soccer field and say: Oh, this is wonderful. I like to be here.

But if you are coming from a family of two children where your parents are trying to let you grow, like a soccer mom and so on, and you come to the U.S., then you see a different picture. You have the precondition to understand why the U.S. is successful, why the U.S. is good.

One of the points I'd like to make is that a lot of that has happened in the Middle East already. Throughout North Africa, Iran, Lebanon, you have near replacement fertility. Men and women have plans for two children. Obviously, those plans include educating those children.

These are American families abroad, and if

they come and see here, what they will see here is not that these families are different from them. The environment in which these families operate is so much more free. Kids do sports. They don't have to be constantly afraid of test grades, and they have relatively free engagement with the opposite sex.

And this brings me to one of the tragic situations that we have found. It's waiting for a job after you get educated because you didn't get the right skills. In the Middle East, they wait years rather than months to get a job. Everywhere else in the world, in the OECD and Latin America, on average, they wait several months to get their first job. In the Middle East, they wait several years.

While they are waiting, they cannot get married because a marriage contract in the Middle East is a forward-looking contract. They want to know what the groom, specifically, is good for. The groom's education isn't good enough until it's turned into a job.

What kind of a job? A permanent job, not

just a job working for his uncle but a government job. This is the traditional way people grew up in the Middle East. They study, they got a permanent job, and then they got married because somebody was to spit on their future.

All that now, because of globalization, is in disarray. They marry later than any other region of the world, young men, in societies where relations between sexes before marriage is taboo.

Whereas, in the United States, if they came here, this is what they would see: that a young person in trying to set up a business, in trying to meet the challenges of transition from school to work, they find a partner with whom they discuss, plan, get strength from to go forward.

In the Middle East, you first have to get the job to get the partner who can then give you courage and give you the incentives to go for a career. So things are a little bit backward, and we have a very good term to refer to this status of waiting for everything to fall into place and one

depends on the other. “Waithood” is more like the place youth end up rather than adulthood.

I want to now turn briefly to this last part of the challenge for this panel which is: What can the United States do? I’ve already alluded to some of the good things the United States can do for the Middle East. Unfortunately, these good things are very hard to package and sell.

When the Ottomans first came to look at Europe, they saw military equipment that worked very well -- hot stuff, fire. They bought it without any difficulty. Everything else in Europe that was going on that was behind that military equipment -- the institutions, the labor market, education, business, environment -- they could not see. Even if they saw it, they didn’t know how to package it and take it away.

One of the interesting things Tamara said and I fully agree with is this obsession of Middle Easterners with higher education and the fact that the United States has found a way to package this product

and give it to them. So you go to the Gulf. You see universities. Harvard, Johns Hopkins, everybody is there selling higher education. There's a package there, and there's a demand for it.

I mean it's great stuff to have a medical school in Doha that trains 50 physicians that are the best in the world, and I hope 1 out of the 50 stay there after the boom.

But how would you package the other thing that Tamara pointed to, liberal education? And not just liberal education at the university level. At the high school level, middle school, early childhood education. It's another one of the projects at the Wolfensohn Center.

How do you export that to these countries? I think that's a very difficult task, but I'd like people, the clever people to start thinking about that.

And while you thinking about that, think also about how the Great Game and the Quiet Game coexist, and sometimes the Great Game overtakes the

dialogue, especially since 2001 in Washington, D.C.

Let me tell you a quick story. Do I have a few minutes?

MR. DHILLON: Sure.

MR. SALEHI-ISFAHANI: I want to tell you a little bit about Iran and Afghanistan. The reason why I am fascinated by this is not just because I'm a development economist but because I went to elementary school about 40 miles from the Afghan border on a road that was called Centaur Road and went to Herat. Herat is on the other side. It's a Persian city for all practical purposes. People speak Persian. The town I lived in, Talab-e Beygom , is a Sunni town.

So I have a control experiment here of one observation, admittedly, but Persian-speaking, similar cultural heritage and both Sunni towns.

When I was growing up there, an average woman in Iran lived almost the same life as an average woman in Afghanistan. They grew up to marry and to have many, many, many children and to be obedient to their husbands. That was in the 1950s.

I went back there a year and a half ago to the same place. I had the fortune of meeting this young woman who was actually a servant in the house of a relative which was where we stayed. To my surprise, she had a high school education and was more educated than her husband. I saw, watched. Their relationship together was quite different. This is on the west side of the border, on the Iranian side.

And, they had only one child, a son of about five years old that she constantly tried to make talk to my daughter and draw pictures for her, back and forth.

I was watching this woman. She seemed like a complete transformation. I wish I had been her child.

My mother was educated, from a good family, but we were five and we grew up with a very hard childhood that Gary Becker would have said was not conducive for economic development.

This woman is now living in a very different world. You go to the other side of the world, I don't dare, but I watch CNN and I watched with tears. Young

girls telling CNN reporters, “Yes we do study. There is homework. Unfortunately we have to stay up late for our dad to go to sleep because if he catches us studying these books he might beat us.”

Now these are really worlds apart and to make these worlds apart look really perplexing to you, the president of one of them comes from California. He is a very enlightened guy, friend of the United States. And the president of one of them was born in a rural village in Iran, Ahmadinejad, and is very hostile to Iraq. Based on the geopolitics, based on the Great Game you would have never guessed what is life on the ground. How is the Quiet Game being played on a daily basis?

I like to think if you were to go with Tamara’s suggestion of bringing families to the United States that the Iranian family would get a lot more out of coming to Blacksburg where I live and watching daily life there. They would say, wow, we are doing the same things, only they do it better here. And I don’t know what would be the reaction of the Afghani

family. I wonder even if she would come and if she did come whether she would take the burqa or not.

And then I ask myself, I ask my students all of the time, what do you think it takes to make the people on West and the East side of the border look the same? That's a big research project and we're looking into that and I hope we'd have some answers looking at family planning. You know, Iran, the government has been going maybe the wrong way. But it hasn't been able to take its people with it. It's obvious because when the regime took over, the Islamic government took over, the average fertility was about seven births per woman, now it's two.

When the regime took over and in fact, when the Shah declared women free, only three percent of rural women could read or write. And when the revolution happened, the average woman had about 40 percent – in rural areas - of the education of men. Now they have 90 percent education. So the family has been completely transformed. Not the way they wanted it, not the way the regime had planned it. But these

things never happen according to plan. These governments never know enough about the dynamics of social change to say we want to be in 30 years there, let's move there.

They thought by changing the textbooks they're going to change people's minds. I don't think they have succeeded.

Now about what to do, I don't really have something, as economists or researchers we don't really try to give very precise ideas or suggestions, but I like to say if you just think about the Quiet Game and if the policymakers were to focus on it, they will find a way. But if they don't find a way, at least they will refrain from some of the things I have been reading lately. And last week I read Tom Friedman, write something that would make most Iranian observers very, very surprised. They find it surprising because he's a very well informed reporter, but he doesn't spend enough time watching the Quiet Game being played.

He said, and I'm quoting even though I don't have the quote here in front of me, so maybe it's paraphrasing. He says as a social enterprise, as a real nation building enterprise the Islamic Republic of Iran has been an abject failure. So the question is, how do you do nation building? Do you do nation building by saying we are with the West, we deny terrorism or we fight terrorism, which you should? Or do you go inside a village, build a house, distribute IUDs, the Pill and tell people how to keep their children healthy. And I'm sure in the United States there is enough energy, there's enough cleverness to be able to find a way not to make a Quiet Game subject or completely secondary to the (inaudible) and requirements of the Great Game.

Thank you very much.

(Applause)

MR. DHILLON: Djavad thank you so much. Before I open this for a discussion, let me ask Tamara and Ahmed to react to this.

Tamara maybe you'd want to speak a little bit about the contrast between the Quiet game and the Great Game. Do you think the Quiet game has been neglected? Yet, it's the game that symbolizes the most important transformations that are happening in Middle Eastern societies. The reduction of fertility, the massive expansion of education, and now also gender parity in education. And if we are to focus on this Quiet game we arrive at a very different view of the Middle East, but also a very different sense of what our own policies should be as opposed to focusing on the Great Game?

MS. WITTES: Well, I would disagree that the Quiet game has been neglected by the United States and the Middle East. And I think in fact the United States has invested quite a bit of its foreign assistance over the years in making some of those developmental advances happen, in Egypt certainly.

The history of U.S. assistance is initially an intense focus on health and human development that has paid real dividends. And the question we face

today is given that the region, that most countries in the region, there are some exceptions that I think we do need to focus on like Yemen, but given that most countries in the region have achieved these basic milestones. What do we do know? How do we revise our assistance strategy? How do we revise our relationship between our governments?

It's not, you know, when your shared goal, the thing that you are investing in is reducing infant mortality that's a very different basis for an aid relationship than the things we are thinking about today in terms of the Quiet game. The Quiet game today for the United States in dealing with these governments and dealing with these societies is more complex. There's a lot more ambivalence on the other side about the things that we might like to do.

And so, you know, it's not as simple as saying well you need to pay attention to it. Yes, I agree, we do need to be paying attention to it and that's why I said at the outset I was so glad to see you all here because at least now we have 100-odd

people who are paying attention in Washington and that's great and we need to build on that. But I think it's more of a question of recognizing that our resources are limited. They are not likely to grow. And so we have to do the best we can with what we've got.

And that means we need to take a very close look at our assistance programs in the region and ask ourselves, whether given where these countries are today in terms of economic and human development, and in terms of political development is our money going to the best purpose? And how can we use it more effectively to get to agreed upon goals? And frankly, the dialogue over what those goals will be and how they become agreed upon goals is in many ways the toughest part. So you know you can't neglect the Great Game because that's where the trade offs happen.

MR. DHILLON: Ahmed.

MR. YOUNIS: Well, and they are fundamentally connected with each other. I am

reminded of our friend Amr Khaled, who for the lack of a better description is a television personality whose character and public image is sourced in the knowledge of Islam, but whose target audience is young people and their inclusion into society as whole. And Amr always speaks of his frustration that when the West comes to Egypt, he's an Egyptian, they speak about religion and religiosity and the divide amongst the religions and the clash of civilizations. But when they go to China they talk about jobs in industry and bringing Fortune 500 companies to contribute to the progress and betterment of the society as a whole.

And so, from the region's perspective there is certainly a shift in mindset that needs to happen. And this I would say Navtej to you response, in my mind what needs to happen is categorized into three buckets. The first is mindset, the paradigmatic inclination of young people in the region to engage this issue and that of the society as a whole to begin to build structures that are conducive to success. They have to do with the Muslim's perception of the

Western perception of Muslims and Islam. So how we articulate what we know.

So what is the primary concern in Muslim societies about the United States? It's the Muslim perception of the Western perception of the Muslim and his or her lifestyle and how their religion catalyzes their actions in the public square. So if America is speaking to a recognition of what is germane to Muslims and Islam and Muslim identity, then we're skipping this part of the obstacle in our conversation with each other.

You know, when we looked at the change from today, where we stand today amongst youth in the region and where we stand five years from now. We find that there is greater change, there is more success in terms of the young Arab's perception of what is to come tomorrow than there is in terms of the young American's perception of what is to come tomorrow or the young European's perception of what is to come tomorrow.

Now the young Arab is starting from a lower point on the ladder, but in terms of measuring the amount of change that is perceived to be reasonable within the next five years, young Arabs have almost an irrational hope and optimism about what is going to happen.

So that's mindset access. Access of young people to capital, access of young people to markets, access for young people to, those tools that are needed in order to build these projects and organizations that Djavad is talking about for success.

And policy. Government policies as it relates to private property. Government policies as it relates to education structures and the critical thinking component of education systems.

So in my mind, you know, mindset, access, and policy are three ways to categorize what needs to happen by the United States in order for us to see the very real, I think, connection between the two worlds

or the two lenses that Djavad has offered us.

MR. DHILLON: Thank you Ahmed.

Well, why don't we open this up for questions and discussion? If you could just put your hand up I'll try and reach out – the gentleman here, if you could introduce yourself.

Please go ahead. We have roving mics.

SPEAKER: Ed Gresser with the Progressive Policy Institute. Thank you for a really interesting and fascinating presentation. I guess two questions. One for Mr. Younis and one for Ms. Wittes.

You sort of answered part of it, but I was wondering how the attitudes among Arab young people compare to attitudes elsewhere in the world. You said a bit about the U.S. and Europe, do you have data for China or for Africa? And how, you know, what is distinctive about the Middle East in this area?

And then for Ms. Wittes, you placed a lot of hope on foreign assistance and reform of our aid

programs. Is that possible given the U.S. foreign assistance is $30 billon for the world? Saudi Arabia makes $30 billion a month in oil sales. Can foreign aid ever have a kind of decisive impact in a world when its scale has shrunk so much in comparison to the size of economies and the size of private trade and capital flows?

MR. YOUNIS: Thank you. I can't answer the question because I don't have the data with me about the distinction between young Arabs, young Africans, and young Chinese although I think that's fascinating Ed and we should write about that, and definitely the data is there.

What I can say is amongst the total population of the world, the people who have the most positive perception of the United States amongst the whole world are Muslims in Sub-Saharan Africa, more than Europeans, more than Asians. Why?

Much of the conversation that we have had the west recently has been about a clash of

civilizations and has been about piety and faith, articulating to Muslims their disagreement with the United States. But when we look at different Muslim communities throughout the world and their, if you will, interest in their relationship vis-à-vis the United States we find that people in Sub-Saharan Africa, their primary concerns in life are the reduction of poverty and the reduction of hunger.

And a strong catalytic role for the United States in challenging those two major obstacles to a sustainable life and to, you know reasonable levels of well-being. And so the perception of the United States amongst those Muslims is not sourced in what's happening in the Israeli-Palestinian conflict, it's not sourced in what's happening in Iraq. It's not sourced it Gitmo, Abu Ghraib. It's sourced in their perception of the United States' role in bringing them to a better future.

And similarly amongst Muslims that have a highly negative perception of the United States there is a corresponding perception of a catalytic role for

America in the negative realities that they are living or the lack of enjoyment of freedoms, et cetera.

So all I can say without data in front of me to your question Ed, is perception of the United States is around the world sourced in what you want from America and what you perceive America to be doing in your part of the world. And so we might actually find more positive perception of the relationship with the United States and the disposition of young people vis-à-vis the future amongst Muslims in some parts, than amongst Chinese and Africans.

So it's all about what your interest is in the relationship.

MR. DHILLON: And Tamara the question about aid.

MS. WITTES: No.

MR. DHILLON: Aid as it compares to private flows as well as the growing size of these economies, mixed into which is it really feasible to expand aid in? How effective can it really be in the scale of

these challenges?

MS. WITTES: Look, I mean, I think aid has significance beyond the volume itself, but I think that it is a crucial contributor because private flows are not necessarily going to – well, A they're not necessarily going to come in, but even when they come in. I mean, if you look at these last few, very fat years in the Middle East they don't necessarily produce the right kind of growth. They don't necessarily invest in the kinds of economic changes that we are talking about as necessary to help this younger generation.

Egypt last year had a really impressive rate of growth, largely because of an increased foreign direct investment flow. But that investment did not go into productive or job creating industry. It went largely into real estate speculation so what good does it do for the average Egyptian if they have a seven percent growth rate under those circumstances? It does very little good at all. And in fact, it may well have heightened the perception of incredible

inequalities in Egyptian society.

So foreign aid is important because it can be directed in ways that are targeted to these populations that are neglected by, you know, the market incentives. Number one.

It's also important as a symbol of commitment and that gets to what Ahmed was saying. That it is a symbol of our concern and our commitment and our interest in that part of the world. And in some cases our aid has operated as a negative symbol, as a symbol of our interest in propping up governments that aren't responsive to the needs of their people that are perceived then as being more responsive to a foreign patron.

So we need to look at where our aid has created a negative impression. But I think it can be symbolic of our concerns as well as actively addressing those concerns.

Finally, I would say that I think our assistance can be important to incentivizing the

policy changes that we have been talking about. The policy changes that MEYI and others are working on developing. You know, the kind of interventions that would be necessary to provide these opportunities for young people.

There are political barriers to many of these reforms. There are reasons why these things haven't been done in the past. It's not that people don't know about them. And so sometimes what we do is just provide grease for the wheels of (inaudible) governments or a little bit of a side payment to make up for the costs of change. And I don't think you can under estimate the importance of that in this environment.

MR. DHILLON: Djavad, would you like to react to this?

MR. SALEHI-ISFAHANI: Just a quick point. I really think the gentleman put it very well. In terms of numbers the Middle East is not desperate for cash. So cash cannot be used as an incentive to change

policy and I think in the case of Africa for example, that works very well. You want to get people to do something, say well, this is the only way, we pay money.

The Middle East has money. What it lacks I think is the confidence that what they see in the United States they can borrow and they can implement correctly. So it needs a helpful hand and some caring relationship that lasts for awhile. I think that relationship has existed between several countries, I think with Egypt it has. And I agree there's a lot of good stuff that has been done.

There are projects, I think, USAID has a project. There is a gentleman here who knows more about it. It's summer camp programs in Morocco where you get young people to understand that education is not all about memorizing and testing. You know, I would like to see all of these wonderful summer camps in the U.S. be packaged, just like these university programs and sent to the Middle East.

So people understand that you grow up, you can have fun, and you can build yourself as an optimistic team player, someone with confidence.

There are other specific programs I think that just comes to my mind. We have worked quite a bit on how testing has been borrowed from the West as the objective way to run a meritocracy. And when people come to look at the United States they find out that the university admissions in this country is not just based on SAT and they are flabbergasted and say, “How can you run a system like this? This must be terribly unjust. Everybody is probably paying money to get into Harvard.” Some do.

I would like to see the admission policies with a good grant, either from inside the Middle East or from outside to be reformed so kids realize at age zero, in order to succeed you do basically the same kind of things that United States or kids in Europe do. You don’t just memorize. You play music, you do projects, you write. You write and you write. There is no writing test whatsoever in most of these

countries to get into universities. That's a crime.

In this country you have to be able to write or do math, one of the two things to succeed, right? Why can't we export that technology? What does it take to be able to implement that to convince them?

I think trust is very important to make sure that the United States is seen as a friend. Not as someone who is bringing something temporarily to please angry young men so they can back off. That will never work.

Thank you.

MR. DHILLON: USAID?

SPEAKER: Oliver Wilcox, USAID and I'm not speaking for USAID here, but one interesting observation is that a lot of the conversation has revolved around foreign aid, foreign assistance, but the dates also, 2000 and 2008 were mentioned and I guess I would encourage Brookings sort of as it thinks about the next stage of their research, you need a handle on what has happened between 2000 and 2008.

And Tamara sort of referred to this in one of her comments, but USAID, European donors, the European Union, the World Bank obviously, have all spent billions of dollars in the region working in the educations sector. USAID alone has spent tens of millions of dollars working in Jordan, in Egypt to a lesser extent, in Morocco and Lebanon, in schools and ministries of education, in ministries of health.

And I think a more granular study or appreciation of what donors have done or tried to do in the last five to ten years would be helpful.

The other interesting thing is that there have been a lot of sort of strategic proposals, in a way, put on the table. I've heard exchanges, public diplomacy, education, well, maybe it's not education maybe it's workforce development. And the question really is which one of these or in what combination at a country level are you going to do because you have common challenges across the region, but at the end of the day for all donors it comes down to a country-by-country level and what a Yemen needs is going to be

different from what a Jordan or Morocco need.

MR. DHILLON: Go ahead.

MS. WITTES: Can I say just one quick thing in response to that?

MR. DHILLON: Sure.

MS. WITTES: I would absolutely agree with you that country-by-country the needs are different. But the other thing, getting back to the politics is that what those governments are willing to accept from the United States is going to be quite different. And we have to look not only at needs and what would be effective as an intervention, but also at what we can do in terms of our political relationship.

And as I said before, I think sometimes that’s the harder part.

MR. YOUNIS: And the people are not granular. I mean, I can appreciate that there are all of these projects that are going down and all of the success that’s being had, but the people are not

granular.

And if USAID and the United States government is going to succeed in converting these dollars that are being spent into productive growth for the region and a betterment in the popular perception of the United States, we as a country and as a government need to think less granularly.

So there is a brother in the back that worked for Homeland Security. He's just come back from a two-year stint in Central Asia. I promise you people in Bishkek and Osh in Kyrgyzstan are much more appreciative of life under the Soviet Union than they are of anything that exists today.

And that's not because what the Soviet Union did for them was granular. It's because it was overwhelming in its presence and in its success in terms of contribution. So that hospital that used to be there, it's no longer there. That school use to be there, it's no longer there. I used to have running water, I no longer have running water.

And so I can appreciate the challenge that, you know, it's granular. There's a lot of work going on. Every country is different. But what we need to succeed is more than just what you've articulated, I think.

MR. DHILLON: Why don't we take a couple of questions? The gentlemen here in the third row.

Please start here.

SPEAKER: Thanks. Gary Mitchell from the Mitchell Report and I want to do a comment and a question if I could.

The gentleman from the Progressive Policy Institute asked a question that I have been thinking about, which is what does it look like in other – a distinction here that maybe Sarah Palin would understand, countries and continents. But – and then I thought, suppose you had walked up to the podium and said I'm now going to read some statistics and tell me what I'm talking about. Where am I?

And oddly enough the first thing that came

to my mind, I don't know whether this contributes to or detracts from the conversation, but I just want to make the observation that when you look at 40 percent who want to leave permanently; depression, boredom, even the notions of cultural disrespect and political domination, frankly the first thing I thought about was the Indian reservations in the United States.

And it raises sort of an interesting set of questions to me about what might be called the sort of reservation mentality. That's the comment.

The question Tamara is, you spoke about making aid more strategic and you said you'd give a couple of examples. Could you do that?

MR. YOUNIS: Could I? Forgive me.

MS. WITTES: Yeah, yeah.

MR. YOUNIS: I just want to say that your point is fascinating. If you take a part of North Dakota that is primarily Indian reservations, percentages of anger and depression are identical to those in the Palestinian territories.

MS. WITTES: Wow. All right. Gary always asks me the tough questions. He always wants the details.

But what I would say is this, that there are countries in the region that have been largely aid accounts for a long time and where as I said, the initial strategy for the use of that assistance has been fulfilled and we've met those agreed upon markers. So what's the next phase of the aid relationship?

That's something you don't do unilaterally. That's something you have to do bilaterally. It's something that you have to do in dialogue. And you know, I think that the first step with a country like Egypt, for example, is to put our aid in the context of the strategic relationship because after all that's why we give it in the first place.

You know, what is the U.S. – Egyptian relationship about? It's about strategic cooperation. As I suggested, I think that strategic cooperation has

to have an element of cooperation on domestic, political, and economic reform otherwise it doesn't work for the U.S. in the long run and I don't think it works for Egypt in the long run either.

So if that's what our strategic relationship consists of, regional goals and goals inside Egypt then we need to have a strategic dialogue about what those goals are and what resources we are each willing to commit to get there. So it's much, much, much bigger than targeting programs. And it gets right to the heart of that bilateral relationship. That's what I think we need to do with the big accounts, like Egypt.

Other places and especially places where they've made some interesting investments, and I found the difference in the Jordanian numbers on some of these questions versus the rest of the region, because Jordan has made investments in social development in recent years. So it looks like maybe that is having some impact.

If you have a country like that, you know, maybe something like an MCC model where you have a new pot of money and you incentivize certain kinds of behavior, maybe that's a better model. But for the big ticket countries, we have to do it big picture.

MR. DHILLON: Row three.

SPEAKER: Hello. Ahmed for you I would like to know if you any numbers for the percentages, like in Egypt you said 60 percent are asking for this.

Do you have a breakdown by employed and unemployed, city dweller, village dweller, religion and so on? And for Tamara I have a question. You stressed liberal education, which is fine but the majority, at least it was – I am from Egypt. Following with Egyptian, most of them were asking for promoting job creation.

Job creation in my book is not necessarily liberal education. It means factories, business so people can get jobs. The employment rate is so high. And you made a point that to avoid conditionality of

aid to help, aid to reform or progress and reform. How about military aid? I'd like to see this military conditional –- I mean one thing to go to a job promotion.

And number two is to be conditional on promoting democracy and freedoms. Thank you.

MR. DHILLON: Could we just go back and take a couple of more questions and we'll – the lady on the sixth row, right there. At the back, please.

SPEAKER: Elizabeth Campbell and I'm a student at the University of Southern California.

MR. YOUNIS: All right. Sorry, I'm from L.A., sorry.

SPEAKER: Right on. Days prior to the election, Queen Rania of Jordan came out and said the Arab youth unemployment issue is a ticking time bomb. This is not a new phrase or anything, but the fact that a leader or part of the royal family over there was bringing this issue up.

How can we direct the research or bring this issue to the Obama Administration that this is really something we need to deal with and we need to put more resources there? And not just foreign aid but more options and issues?

MR. DHILLON: Okay. Great. Let's take one more question. At the back on the left-hand side. Yep, the hand that is up already.

SPEAKER: hi, I'm Julie Taylor and I had a question about the – first of all I want to thank you for this data. It's fascinating. But I'm interested in what the specific Middle East profile is that we can get from this. Because I noticed that especially on the jobs and education numbers that you had that they were very much pegged to kind of major social economic indicators that we would have.

So I'm wondering what the variance is that's different in the Middle East. So if you ended up controlling for kind of economic and social development levels, then is there something that we

see in the Middle East that is different than what we would see in other regions of the world?

For instance, I was, you know, everyone was very interested in your finding about wanting to leave the country. I would suspect that is much higher in the Middle East and other places, but what other parts of that profile can we take away from this?

MR. DHILLON: let's take one more question. Where are the mics? Okay. The hand in the middle with the red jumper, I think. Yep, right there.

SPEAKER: Hi, my name is Pauline Lewis and I'm with the National Democratic Institute and I'd like to ask Dr. Salehi-Isfahani about his interesting point about the lack of the entrepreneurial spirit. Specifically in Egypt I spent time interviewing a woman who had established an organization which tried to encourage schools and students to think about business and entrepreneurship because so many people are encouraged to look at just being engineers or doctors and therefore there is this massive lacking of

available and educated business and entrepreneurs.

And I wanted to know about the role that NGOs and civic organizations could play in this question. Thank you.

MR. DHILLON: Djavad, why don't we start with you. Let's take the question about Queen Rania's sense of urgency that she's conveying with the imperative of job creation. What's the reasons behind the lagging job creation rate and how does one bring this to the attention of the new administration and their potential role in this?

MR. SALEHI-ISFAHANI: Thank you. If I'm not mistaken she spoke before the global economy started crashing down, right?

MR. DHILLON: I think that's probably right.

MR. SALEHI-ISFAHANI: I think it was a couple of months ago and things have changed quite a bit –

SPEAKER: The statement was November 2, I

believe.

MR. SALEHI-ISFAHANI: okay, because she had another conference a few months back where she was talking about (inaudible).

Part of the unemployment is the result of a youth bulge that was spoken here and in some countries it is getting worse. In some countries like Iran it is getting better because the youth bulge is passing. But a lot of it has to do with the very rigid education and labor market structures.

I don't know that in the short run anything can be done. So if you're thinking in terms of the global economic downturn, I would say the best option is to go for social protection and to try to provide social protection with incentives.

For example, get the young people to learn something while they are receiving money to wait. Part of the problem in the Middle East right now is a lot of people are waiting for permanent jobs. They don't understand or they don't have the incentive to

take jobs that become part of the human capital. They think their human capital is all in that degree they got.

And in a more efficient labor market what would happen is that as they spend time, they account for it by saying well I was doing this, then I learned that. Then I worked here. And there are ideas where you can actually, the government can, go and help employers become, to enable them, to empower them, to provide this kind of documentation of young people. So that if they work for someone for six months, even if they don't learn anything technical like computer skills, the employer can say this person was a lot better than a lot of other kids I've had because he came on time. Left the work place clean, worked with teamwork.

That is really important, we call that soft skills. So you could have in a period of high unemployment young people spend their time very wisely. And there are lots of ideas here for reform at the labor market end and the education market end

that can take advantage of this downturn. Unfortunately there are no short run solutions for it.

MR. DHILLON: Tamara the liberal education promotion versus the need for job creation, how the two might relate to one another?

MS. WITTES: Right. Well, you know we talked a little bit about entrepreneurship and perhaps the unguarded optimism of Middle Eastern youth that they can maybe be entrepreneurs themselves or at least social entrepreneurs if not a business entrepreneurs.

So it seems to me that's the nexus between liberal education and employment prospects is giving people the skill set which is partly soft skills and Djavad's done some wonderful work on soft skills, but it's also the mindset the creativity, seeing opportunities, figuring out how to exploit them. That's part of what a liberal education can provide.

Now there is also question of education for employment. And I'm not saying we shouldn't have those types of programs or that those aren't

important. But I think when you're looking at the bigger picture of young people's aspirations and how to help fulfill them, you have to go beyond technical training or vocational school.

You also mentioned the issue of conditionality and I just wanted to clarify I didn't say we shouldn't condition aid, I was just saying conditionality isn't everything. It's a very blunt instrument actually. And so we shouldn't think of our choices about foreign assistance in a case like Egypt merely is about whether to condition our aid on this, that or that behavior change or not.

And finally, what we haven't talked about in policy terms is trade. And I don't know if Ed is still here, who has done some work on trade, U.S. trade policy in the Middle East. But when it comes to job creation, I think trade is also an important policy tool to keep in mind and there have been some initiatives by this administration over the last few years on trade that might not be the most efficient but that have had some impact on job creation. And I

think, you know, we can talk about how to adjust those trade initiatives to be more effective going forward.

MR. DHILLON: Ahmed could you briefly take the question about the profile of the data?

MR. YOUNIS: Yeah. Well, there are only three things that I can come up with off the top of my head that I am absolutely positive are sourced in data and I'd be happy to engage in the future.

When we hold all other things constant for Middle East youth, it is not about religion. So religion and religiosity is slim and the West, the clash of civilizations that lens of analysis is not what comes to the mind when fill-in the blank questions are offered for young people to talk about what's going on between the West and Muslims.

Number two. There is less hope in the role of the United States than by the young people of other parts of the world. So young people in other parts of the world have a greater hope in the catalytic role of the United States in changing their realities, but

amongst Middle East youth there is less embracing of that.

And then number three, the embracing of democracy and transparency as a way to more forward. There is a strong element of the ideals of democracy, freedom, participatory government, the ability to speak one's mind, the ability to organize. So when you ask Muslims globally if you are to create a constitution for your country would it include the following freedoms: freedom of religion, freedom of speech, freedom of assembly?

There is a higher percentage amongst young Arabs to believe in the inclusion of those freedoms that there is for young people in other parts of the world. Those are the only three that I can come up with now that I know are sourced in data.

I would say on this Jordan issue, you know, Sheikha Mozah of Qatar and those around her have determined that there needs to be a 100 million jobs created in the next 20 years in this part of the world

in order for us to continue to move in the direction that we're moving and I think that's a very formidable task.

MR. DHILLON: Thank you Ahmed. The gentlemen just before the camera, yep.

SPEAKER: Thank you very much. I'm a media consultant from Dubai, from the United Arab Emirates.

Actually, during the Q and A session the issue of cash was mentioned casually and I just would like to put it in a bigger context. When we say that cash is available in the Middle east, that's true. But just let me give you an example.

It's true that Saudi Arabia's revenue from oil is $30 billion a day, but its contribution to the IMF, the World Bank is much, much more than the help it gives to other Arab countries. And put that in mind and remember that a couple of weeks ago, I think or last week, the IMF was calling, asking for help because it bailed out Iceland, Ukraine, and some other countries.

So there are some policy implications about, I mean, the financial policies of cash in the region. And the role of the United States might be measured with the regard because also we know, now in the Middle East there's a controversy about the visit from Brown to the Gulf countries asking them to also contribute to bail out the banks and the financial industry in Europe.

So I just want to look through the complexity of the issue and not look at it only casually. Thank you.

MR. DHILLON: Thank you. Why don't we just take last two questions before we wrap this up. So the lady just before the gentleman.

SPEAKER: Hi, my notes are a few pages back. My name is Loubna Skalli Hanna and I'm from American University, I specialize in youth and gender in the Middle East.

And I have a comment and a few questions very quickly. The comment is that I'm very happy to

see that we have a much more complex picture of youth in the Middle East, particularly because they are complicated. In terms of questions, for Wittes I am somewhat concerned about the proposals that you are making particularly proposal one, about liberal education; proposal two, about opening up more American experience. Maybe I'm confused in what you really mean by this given the time constraint of your presentation.

But how is that different from soft power that we've known all along? How is that different from winning the hearts and minds of young people? And I'm saying this because I was teaching in Morocco for 15 years and I've seen programs within the public diplomacy pretty much targeting the same perspective.

A question for Younis is we are talking about a high number of young people wanting to leave the countries in the Middle East and North Africa. And there was a joke about what would happen if we asked them to take their parents. I'm very interested in knowing what would happen.

Was there a question about given the right incentives, how many would like to stay? And again, I'm saying this because I have seen studies. I'm from Morocco and I've seen studies from Moroccan, young entrepreneurs, social economic culture entrepreneurs who've asked precisely this question because we are interested in the reverse brain drain.

And it differs between given the actual context, would you leave? Yes, over 60 percent. Given the conditions that you want, how many would like to leave, it drops tremendously. I guess that's where the opportunity is for aid, whether it's U.S. or European.

Thank you.

MR. DHILLON: Thank you. One last question. Yes, the gentlemen here in the fifth row.

SPEAKER: My name is Frank Dall, I'm with GWU but also an independent consultant. I've just finished a seven emirates wide assessment of education and I'm in the middle of an assessment for Saudi

education.

Much of what we're talking about here is extremely relevant, but I'm not sure the way we've tagged it is actually relevant. First of all the generalization that is being made that the American model is one that is acceptable everywhere doesn't seem to be the case when I look at it very on the ground and talk to people and see what's actually going on, particularly in Saudi Arabia and the Gulf.

Right now there is a tremendous move towards Australia, New Zealand, and Singapore for educational models. And institutions from all of those countries are coming in to set up viable alternatives to the American alternative.

The notion of liberal education and I'm in the middle of the educational reform program in Saudi Arabia is nowhere near, it's not even talked about. They don't want us to touch the curriculum at all. It's highly sensitive. Anything that we would consider to be liberal education and I come from the

U.K. and presumably the model that we're talking about is a U.K.-type liberal education model is not anything that they want. Right now they want ICT, technology, and job related skills, whatever that means.

The problem is of course, that job related skills translate to raw technology and I'm not sure the technology will get then to where they want to go because it's the soft skills already mentioned that we need to emphasize. You have to change attitudes, you have to get people ready for the market, you have to give them entrepreneurial skills, all sorts of things.

MR. DHILLON: Okay.

SPEAKER: The other thing I think that is perhaps a generalization and erroneous here is that we classify the Middle East as one. When in fact those of us and I've just finished working with UNICEF for eight years in the Middle East leading the educational effort in 22 countries.

I could never at any moment classify them Middle East as a whole, as one homogeneous whole,

certainly not educationally. We have the Gulf States that are flush with money that need one set of skills and one set of needs and we have an awful lot of countries that have hardly anything at all that need something quite different.

MR. DHILLON: Thank you.

SPEAKER: The ones that don't have money are driven by aid and by donor priorities. The ones that have money want to drive themselves and I think we have to make that quite clear.

MR. DHILLON: Right, thank you.

SPEAKER: That we're not talking about one, but we're talking about a complex set of countries that all have different needs.

MR. DHILLON: Sure. Tamara why don't we start with this, the question by the lady about –

MS. WITTES: Public diplomacy?

MR. DHILLON: Yeah, opening the U.S. up and promoting American education in the region ends up

becoming about winning the war on ideas and excising soft power.

MS. WITTES: Yeah, well look I don't know why soft power in of itself is a bad thing. But to get specifically to the question of what distinguishes the proposals I'm making from what our public diplomacy efforts already do.

The first and most obvious thing of course, is intent. I'm not talking about setting up programs to get people to like the United States. It's not about teaching them about the United States. It's about giving people the sense of opportunity and access in their own lives and when I talk about a liberal educational model, that's not the importation of an American curriculum. It's about a style of teaching and it's about a style of thinking.

Which actually it takes me to the point that the gentleman made about Saudi Arabia and I had a very interesting set of discussions in Saudi when I was there in the spring on education and some of the

educational initiatives underway. And you know, yes, they say they want ICT. They want high tech, they want basic research. They want people to be able to do basic scientific research.

You know the amazing thing about basic scientific research is that it's empirical. It relies on empiricism. It relies on the idea of the testability of truth. This is a core liberal idea. This is what liberal education is about. It's about the testability of truth.

People across the region, not just in Saudi Arabia, the mantra I hear from education policy people is we want to teach our young people critical thinking skills. What are critical thinking skills, but the same values for acquiring and testing knowledge that are the values of a post-enlightenment liberal education in the West?

So I don't think it's possible actually to separate these things. I think there's a degree of denial about that frankly in the region. And the

closer they get to try to implement models to build up science and technology universities like the one that's being constructed right now in Saudi Arabia, the more they will confront this fact.

So to me these things, just to get back to you finally, are very, very intertwined and it's not about the impression people have of the United States. It's about the way they learn to think about themselves in the world and their role in society. We can, in that sense we might be able to serve as a model if we're fortunate. But it's not about American content.

MR. DHILLON: Thank you. Djavad just a quick reaction to the American education brand in the region versus others, Europe, Australia, and new Zealand.

MR. SALEHI-ISFAHANI: I take you point, this gentleman here, that there is a lot of diversity in the region but there are some similarities. This test-based system you find it in a lot of countries,

the entrance into university. Why is university education valuable and high school education is just a stepping stone really devoid of value. You look at numbers you see that getting just high school at a terminal degree does not get you anywhere, so all the fruit's gone.

The other thing that I want to say, when I use it's just an example. If I wanted to teach people how to drive and you go on one side and traffic comes on the other side, you might say in the U.S. they do it that way but you know, it's not really a United States way of doing this. It's just a logical way of doing it.

You have a global economy that doesn't give a damn what score you got on a multiple choice, it just doesn't. An employer wants you to come to work, be imaginative, find solutions, work with people, don't steal their work. There's a lot of things an employer wants and I've seen employers all over the world, they want the same thing. Money.

They want profits. They want workers who come to work, produce, produce, produce. And them saying, look I was number three in university in terms of examination. Well, good for you. I think this is exactly what you see in the U.S. and that's why I think and a lot of young people understand this is how the U.S. is working. They are not, you know, when you say "they" in Saudi Arabia I didn't know whether you meant the parents, young people or the government.

It's quite possible the government doesn't want it, but if you got parents who are telling their kids to go online and apply for graduate school or college they see what the application says and they tell other people well, they asked about music, about community work. Do we have that?

If the Saudi government said yes, we provide opportunities for high school kids to do community service, these are hospitals. You can go and so, parents would flock. They wouldn't say, no, that's the American way. We don't want to do it. There are logics, there is logic to what's happening here and I

think it's that logic that has to be recovered from what's going on. Not to take it at face value and say Americans do it and it must be good. You must understand what it is that's good. And then try to incorporate that into your own way of doing things.

MR. DHILLON: Ahmed,

MR. YOUNIS: Yeah, I just want to as an Arab Muslim male on this panel, I want to push back a little bit on this proposition that we should run away from things that are defined as American.

Alexander Hamilton said in the first paragraph of the first *Federalist*, "It seems to have been left to the people of this nation by their conduct and example to determine the question whether man is forever destined to live by fear and force or whether we can build a constitution and a way of life that is sourced in reflection and choice."

That might be an American's definition and interpretation of these core concepts, but these concepts are universal. And I as an American speak to

a Muslim I should speak from American history. I should speak from an American identity. And the way for me to ensure that it does not turn into a cultural hegemony is to recognize that these core concepts and core values are embedded and germane and organic to the way of life of the other and have a mode of identifying, a mode of identification that's sourced in the way of life of the other.

So the Prophet Muhammad said, (Arabic), speak to the people on the wavelength of their mind. So there is a balance in my mind between us running away from the fact that some of these very core propositions of how a society should function are sourced in our history and in how we see the world. But it should always be coupled with the proposition that it exists in the other's way of life as well and it is what should bring us together as a opposed to it being something that we're afraid will turn into cultural hegemony. But the point is well taken.

MR. DHILLON: Thank you Ahmed. I'm sorry that we've gone slightly over time, but let me just in

conclusion say thank you for being here and engaging on the Quiet game. As we look forward to the many years ahead, I'm sure that we will focus on Iran, Iraq, and all of the important diplomatic and defense issues in the region.

But we will continue to draw attention and focus on the Quiet game where the lives are really this important generation matters and the opportunities that are afforded to them. We also have one last announcement which is on November 21 we will be having the president of American University of Cairo, David Arnold coming here and speaking about the future of American education in the region.

And certainly please, I look forward to seeing you all back here again.

Thank you for being here and our panelists.

(Applause)

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