THE BROOKINGS INSTITUTION

TURKEY AND IRAN:
ASSESSING THE NEW REGIONAL DIPLOMACY

Washington, D.C.
Tuesday, June 15, 2010

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P R O C E E D I N G S

MS. HILL: Ladies and gentlemen, we're going to get started. I'm hoping that all of you have got coffee and cookies while it still lasts at the back.

We're delighted today to have with us Stephen Kinzer, who many of you may be following on his rather ambitious tour of the United States currently. I was just checking out Stephen's website and it's basically like being in the presence of a rock star, he's playing at every imaginable bookstore and event near to you, and he really has quite the -- today is Washington, D.C., by the way, just in case you're not sure where you are because he's in so many different cities -- Chicago, New York, over on the West Coast, and we're really delighted that we could pull him here for an event today.

I'm Fiona Hill, by the way, the director for the Center for U.S. and Europe, and I'm usurping the role that you might have seen on the initial event announcement of my colleague Ömer Taşpinar, who was going to have to moderate and speak at the same time. We thought that was a little bit unfair. We're always doing this to Ömer, so I volunteered because then I can get a cookie at the end of the event, to sit in.

What we were going to try to do today -- because Stephen is on his book tour and hope that you will, of course, be buying his book and it's already at the number one place in Amazon; I'm convinced of it by the amount of time and effort you've been putting into it so far -- is use Stephen's book as a frame for a discussion on this hot topic that we're right in the middle of, of Iran and Turkey. As Stephen's book title suggests, "reset" is obviously the buzz word at the moment. Now, the question is, who's resetting what? It's certainly a very contentious issue of Iranian and Turkish relations, very much in the news with the issue of the sanctions and the recent efforts by Turkey and Brazil to craft a new deal with Iran on the nuclear program right on the eve of the U.N. sanctions deliberations. And Stephen has not just had the book out there, but also a whole series of articles, as many of

you know, a very distinguished columnist and reporter for the *New York Times* and a number of other publications for many years, so he's certainly been in on the commentary on this.

And then we've asked our Brookings colleagues, Suzanne Maloney from the Saban Center, who's one of our top Iran experts, and Ömer Taşpinar from our Turkey project and also a professor at the National Defense University across the road, to offer some commentary on these issues.

So, we're going to begin with Stephen giving us his spiel pivoting from the book onto this most topical of issues. We've obviously helped to orchestrate these events to assist in your book, but we're delighted that you've had such a timely book out here and we'd be very interested to hear what your thoughts are on this topic. And then we'll ask Suzanne and Ömer to offer a few thoughts, and then open it up to discussion and questions from the audience.

So, Stephen, thank you for joining us.

MR. KINZER: Great. Thank you. It's great to be here. This is a wonderful institution and just from looking out at who's there I really feel privileged to be able to be here.

I did notice that I was in Washington. You know, there's a -- I'm just coming back from Iran. I've just come back from a couple of weeks traveling around Iran and behind the scenes I think there were some similarities between Tehran and Washington. Both cities you have a group of angry ayatollahs inside the government that is interested in confrontation and wants to make sure that it happens, and there's minority groups inside both governments, I think, that are trying to push the idea of conciliation and different approach to each other, but those voices are still pretty weak.

Nonetheless, the big difference, of course, is what you feel on the streets.

The traffic is just crazy in Iranian cities and here it's deceptively calm.

When I was in Yazd, I was with a couple of other Americans and the traffic was absolutely crazy. But nonetheless, being Americans we were trying to cross the street and, of course, we were trying to cross in the middle of the block. And a very nice Iranian guy came over and saw what we were doing and told us don't do this. Here, let me try to stop the cars for you. It's very dangerous to cross the street.

And I said to him, well, thanks very much, but we also have cars in America and we know how to cross streets.

And he looked at me and he said, oh, you have cars, but good drivers. We have cars, bad drives. And then after a pause he said, that's why we don't want the mullahs to get the bomb.

So, it was very interesting to pick up these little tidbits and I did talk to dozens and dozens of people there. A number of them, when asked about the nuclear issue, immediately brought up Pakistan. That's the first reaction. They said, you're afraid of us getting the bomb? We're terrified that you let Pakistan get the bomb. There's no such thing as the Taliban or al Qaeda here, but we're afraid of what's going to happen right next door.

So, that was kind of an eye opener and it's interesting to see their perspective.

One of the things that I really wanted to do in Iran was ask the question of people, what happened to the reform movement? So, last year we were reading about all these protests and so many people were pouring out onto the streets. Now we're not hearing that anymore. So what happened?

And I can tell you the experience, as some of you may know, of being an American in Iran is really almost unique in the world. There can't be very many countries in

the world where people come up to you when they find out you're American and tell you how much they love America so much. It's really an odd disconnect. I don't think there's any country in the Middle East, and maybe even very few countries in the world, where there's so much pro-American sentiment as in Iran.

I had seen that before, but it's always impressive. This pro-American sentiment in Iran is a huge strategic asset for us over the long-term future, and whatever we do with Iran, we should not do anything to liquidate that asset.

So, I asked probably dozens of Iranians this question about what's happening in the internal political scene, and almost all of them gave me the same answer. What they said was, we tried to do something, but it didn't work. They beat us and they threw us in jail. And actually there is a reason why governments often respond to uprisings with repression, and the reason is repression usually works. It has worked in Iran.

People told me, we don't want to get beaten anymore and we don't want to go to jail, and the situation here is not so bad. I mean, life in Iran is pretty good for most people. Possibly the election was stolen, but that's not enough to start off a whole revolution in which people have to go out and face policemen armed with pistols. So, people told me, we're going to get the result we want here, but it's just not going to happen anytime soon. It's going to unfold in its own time.

One guy said to me, we're very afraid now, but don't forget, we're the people who threw out Alexander, Genghis Kahn, and Tamerlane.

Now, if this is true, as I sense, that the regime as we see it in Iran is going to be there at least more or less as it is now for some time to come, it poses an interesting challenge to the United States. What it means is that if we want to make some kind of an overture, if we want to change our policy, if we want to try to strike some kind of a deal or begin some kind of negotiations with Iran, it's going to have to be with this group that's there

now. It's either that or we're not going to have a negotiation. We can't negotiate with President Shirin Ebadi if we wait until tomorrow. That would be ideal, but that's not going to happen, so we have to deal with the situation as it is.

America's not always good at that. We sometimes like to deal with the world as we imagine it would be, and that's the world in which America has such decisive power that whatever we set out to do, we can accomplish. But that's a dream world, it's the negative side of our can-do mentality. You know, this can-do mentality of America is hugely positive for us, it's what made us who we are. We feel like we're able to face down any challenge. And when it comes to challenges that are posed by nature or by technology or by other countries, we're often able to do that. But some of the challenges we face in the world are posed by cultures that are very deep and countries that are very old, and we can't accomplish everything we want. We do have this idea that in America if you really want something badly enough and you work hard enough, you're going to get it, but this is a very dangerous view to have in diplomacy, particularly as the world changes so quickly.

Now, I don't believe that the United States has managed to respond in its foreign policy and particularly in its policy toward the Middle East, to the reality that the world is changing quickly. Our policy toward the Middle East is a great reflection of that line by Einstein when he defined insanity as doing the same thing over and over, but expecting different results. That's essentially the paradigm of our approach to the Middle East. We're still stuck in the paradigm of the Cold War, but the Middle East has changed so dramatically, the strategic environment is completely different and there are new threats, but also tantalizing and interesting new opportunities if we can identify them. But trying to re-conceive American policy toward a very important region, particularly the Middle East, to try to do it without emotion, and to try to do it thinking about the long term, is something that the American foreign policy establishment is not very good at. And that's, I think, why we're still

stuck in the quicksand of our policies toward the past.

I'm proposing in my book a kind of a new way for the United States to re-imagine the Middle East and our role in it. And I'm willing to concede, as I'm sure many of you in the audience will help me concede, that there might be some holes in this argument and there might be another approach. I'm okay with that, but what I do insist on is that we need some big ideas, we need new thinking, we're caught in this very narrow paradigm.

Today, I suddenly was struck by this line by Dorothy Parker when she said about Katharine Hepburn's acting style, "She runs the gamut of emotion from A to B." That's more or less like our foreign policy paradigms. We're still stuck in a very narrow spectrum and we need to break out of that.

Our relations with the Middle East over the last half-century almost have been based largely on our perception of the interests of Saudi Arabia and the interests of Israel. In Washington, the message has usually been what Saudi Arabia wants, Saudi Arabia gets; what Israel wants, Israel gets. Our relationship with Saudi Arabia is generally thought of as being based on oil, and our relationship with Israel is based on shared history and shared values.

There is truth to both of those clichés, but there's also another factor which I talk about in my book, and that is something that not many Americans are aware of, but probably a larger of percentage of people in this room, and that is that Saudi Arabia and Israel provided us with many covert, unknown services during the Cold War. When we needed money for the Contras in Nicaragua, but we weren't allowed to send them any money, we got Saudi Arabia to write the checks. When we wanted to help the military dictatorship in Guatemala, but that was illegal under U.S. law, we got Israel to arm the Guatemalan military regime and then we repaid them indirectly, and this happens all over the world from Afghanistan to Angola and further afield.

So, you can argue that during the Cold War it may have made sense to base our policies on what Israel told us was in Israel's interest, and what Saudi Arabia told us was in Saudi Arabia's interest, but those days are over now. We can't be trying to deal with the problems of the present and the future through the lens of the past, and that's what we're doing now.

This book in part is an outgrowth of my frustration at how big a gap there is between how fast the world changes and how fast the strategic environment changes on the one hand, and how slowly U.S. policy reacts. That really is the frustration I see when I travel in that part of the world.

Now, what might be a different way of approaching the Middle East from the perspective of Washington? First of all, let's start with Iran. Everybody else in Washington seems to. Iran has emerged as, of course, the new -- sort of the center of our axis of evil. The other two countries almost fell off, partly through military means and one we've just sort of pushed aside because we're so focused on the threats we see coming from Iran.

Now, sometimes people ask, why is it that the path of negotiation that we offered with Iran never materialized? I actually don't believe we made a serious broad offer of negotiation with Iran. We've told Iran we're willing to negotiate with you on the nuclear issue, which is the issue we consider most important. And we have goals we would like to achieve in that negotiation, but I don't believe that's realistic. I don't think that you can expect Iran to essentially give up the highest card in its diplomatic hand just in exchange for the promise of then being allowed to negotiate with us.

I do think that there is a possibility to take some of the tension out of this escalating nuclear program in Iran and the crisis that's growing between Washington and Tehran, but it can only be done with a kind of conceptual breakthrough. I guess one of the

clichés that's emerged to describe this is the grand bargain. I really would like to see the United States do what we did with China.

I've gone back and read the Shanghai communiqué, which was the first document that was the beginning of our breakthrough with China. It actually is a brilliant diplomatic idea. The first part is written by the Chinese, everything that we don't like about what the U.S. does and how the U.S. treats us. The second part was written by us, everything we don't like about what the Chinese do. And the last part was a promise to negotiate all these issues and not to try to resolve them by force. So, essentially it was just an agenda.

I think that's the approach that holds as much potential for dealing with Iran as it did with China. If we allow Iran to enter negotiations with the prospect that they too can walk away from the table with something successful, something maybe even that could lead to a kind of Helsinki Accord for a new security architecture in the Middle East that would also guarantee human rights of ordinary citizens, I think we could see this as a possible win-win. I don't believe that Iran and the United States are fated to be enemies forever. I truly believe that in a way we have more in common with Iran than we do with many of our other so-called allies in the Middle East.

The most obvious thing we have in common with Iran is the nature of our societies. Let's put aside the governments for a while, but Iran has a very vibrant democratic society. It's the only Muslim country in the Middle East other than Turkey where people understand what is an election, what is a political party, what is a parliament, how do you cast your vote. You don't want to vote for a person because they're from your religion or your region or your race, you want to vote for somebody whose ideas are similar to yours.

These are concepts that are a little difficult to grasp, they take a lot of time for people to understand, and Iran has had a lot of time. Iran and Turkey are two countries

in the Middle East that have had a constitution for a hundred years. Now, their progress toward democracy in that last 100 years, which I talk about in great detail in my book, has not been without setbacks. There has been a lot of backsliding, nonetheless Turkey and Iran are two countries whose people decided that democracy was what they wanted. Democracy was not brought to them at the point of a gun by a foreign army, nor was it just introduced yesterday. So, Iranian society is very vibrant. So much so that under the right circumstances, if somehow you could peel off that religious regime, I could even see Iran vaulting over Turkey and becoming the most democratic society in the Muslim Middle East. It doesn't have some of the drags on democratization, like military role and ultranationalist tendencies that you see in Turkey.

So, democratic prospects in Iran are very intriguing. Now, how we get from here to there is, of course, a bigger question.

First of all, I think it's a very legitimate question to ask if you're advocating engagement with Iran. Given the nature of this regime and what we've seen of this regime over the last year, is this a good time for us to be trying to negotiate with them? Probably not, but there's not going to be a good time. This is the regime we have and this is the moment that we're at. Now, there may be political reasons here in Washington why making that kind of an overture is difficult or impossible, but in terms of what's good for the United States, this is almost a no-brainer.

Iran has actually long-term strategic goals that are relatively close to many of America's goals. Iran has great ability to help stabilize Iraq, probably more ability to stabilize Iraq than anybody else, including us, if they have the incentive to do so, which they now don't. Iran also had deep ties in Afghanistan that go back many centuries. As you know, a large part of Afghanistan used to be part of Iran up until fairly recently. Iran is a militant enemy of radical Sunni movements, like the Taliban and al Qaeda. Iran is eager to

secure the safe flow of energy out of the Persian Gulf to the west.

These are interests that don't change as regimes change, and I remember when that National Intelligence estimate came out a couple of years ago about the Iran nuclear program, the piece that I found the most interesting didn't have to do with the nuclear program. It was the one that said something like, we conclude with a high degree of certainty that Iranian leaders carefully measure the pros and cons of their actions in the world and are very acutely aware of what's good for them and what's bad for them, and that they don't behave irrationally. That's been my observation.

Now, the way we reacted to Turkey's effort to deescalate this confrontation with Iran by striking that nuclear deal I thought was very telling. I was actually in Istanbul when that happened and we woke up to the news that, yes, a deal had been struck, and it finally looked like this escalating confrontation with Iran was now going to begin to deescalate or there would at last be a pause. And that euphoria lasted about six hours until people woke up in Washington, and the next thing you know, America was denouncing this and not only rejecting the agreement, but essentially ridiculing Tayyip Erdoğan and Lula as foolish, naïve bumpkins who got snookered by these very clever Iranians, who we know, of course, are not serious about any kind of negotiation. That's something they think about us and it's something we also think about them.

I really think the Turks were kind of taken aback by this. They thought that they were doing the U.S. a favor and I think they had some indication from the U.S. that this was the case. But I think behind the recent friction you've seen between Turkey and the U.S., there's something more serious, longer range, more profound. It doesn't have to do with just the fact that Turkey's taking a different approach toward Iran, nor does it have to do with what happened with this Gaza flotilla, although these are all related. I think there's a larger disconnect growing between these two countries and it has to do with the way the two

countries, U.S. and Turkey, see the 21st century emerging. Turkey sees the rise of the middle powers as the great trend of the 21st century and sees that before long, Turkey is going to be very important along with South Africa and Mexico and India and Russia and a few other growing powers in the world.

You know, Turgut Ozal had a great line in the '80s. He said, "If we don't make any mistakes, the 21st century will be ours." He might have been a little bit exaggerating, but he could be right. Unfortunately, Turkey's, I think, starting to make a couple of mistakes and they've got to watch out now. Turkey is playing, I think, a very positive and very interesting new role in the world. But Turkey's anticipating a new world and essentially saying to the U.S., look, we still share your strategic values, we're still anchored in your project, we're still your military ally, we're still your friend, but we have some advice for you, your tactics in this region are not working. We want you to try to scale down the confrontation and scale down the rhetoric and try to take a more cooperative and diplomatic approach and we're going to try to help you and give you some advice on how you can do this.

But the United States is not at the point yet where we are ready to be taking advice on how to deal with the Middle East from anybody, because we understand the Middle East, everybody else misunderstands it. That's probably our attitude towards most of the rest of the world. The idea that there's any country in the Middle East, even long-time ally Turkey, that might have some good ideas for us about the Middle East that we haven't had, or might have a clearer idea of what's going to bring stability to that region, is something that is very difficult for the U.S. to assimilate.

We are trying to hold on to the old era when we were so dominant. So, I think Turkey's looking forward to the dawn of a new age that maybe hasn't really begun to dawn. America's trying to say, no, the old day -- the sun is still shining on that day even

though the sun is actually declining on it. So, I think there is this kind of psychological disconnect.

Now, I think that Turkey has actually taken some steps in recent weeks that increased its ability to project influence throughout the Islamic world and particularly in the Middle East. The fact that Turkey is no longer seen as in intimate lockstep with Washington is probably very irritating to some people in Washington, but actually could be good for us. It increases the ability of Turkey to project its influence and to use its example to try to lure other countries in its direction. Now, of course, that's only a good thing if we believe that Turkey's influence is going to be used in ways that are essentially positive for the U.S. I think that still is the case. I don't believe there's a major reorientation of Turkish foreign policy going on, nor do I believe that Turkish society is becoming so Islamicized that it's pretty soon going to be the next Iran.

Nonetheless, I don't think Prime Minister Erdoğan has done enough to reassure people about either one of those facts. I don't think he has a secret plan to transform Turkey into an Islamic republic, but there are many Turks who fear that and Erdoğan has not done enough to reassure them. I don't believe that Turkey has abandoned the coalition of the virtuous and is going off to be an ally of Iran and Syria, but he hasn't managed to reassure people who fear that that's the case.

Now, after the confrontation on the Mediterranean, which I think was a huge fiasco for all sides, it was a confrontation that never should have happened and I really blame both sides for letting it get this far. What I would now like to see Turkey do is start ratcheting down the rhetoric. They made their point, everybody understands the situation there now, people understand that Turkey is very angry, not so much against Israel, but against the Gaza occupation, but Turkey's relation with Israel is very important for the future of Middle East peace. Israel needs a bridge out of its isolation and when it's ready to use

that bridge, Turkey has to be it. There's no other Muslim country that can play that role.

In an odd way, Iran and Israel are in one sense in comparable positions right now. They're the two countries that lots of their neighbors don't like, and they're the two countries that lots of countries in the world don't like. There's a lot of anti-Iran emotion coursing around the world now and a lot of anti-Israel emotion. It's very dangerous to shape your policies just like it's dangerous to shape your personal lives, according to emotion. It is not a good idea to treat Iran and/or Israel as a pariah and denounce it and punish it and sanction it and push it into a corner and make it feel all alone and friendless.

These are two very powerful military and political forces. No peace plan, no new security architecture in the Middle East can work without them. Our greatest long-term strategic interest in the Middle East is stability, and actually, that is the long-term guarantee for Israel's survival. Israel will not be able to protect itself forever in that neighborhood by military means alone.

Israel's long-term security lies in more stability in the neighborhood and Israel needs to start thinking more clearly about this. Even when I was in Israel I sensed that there are many Israelis who are starting to think that the Israeli leadership is acting sometimes like the U.S. does, very short-term oriented, and not thinking about what's good for them in the long run.

So, I would like to see both of these countries treated in some kind of a comparable way, and I think that goes for America, but it also goes for Turkey. Turkey is telling the United States, don't punish Iran, don't yell at Iran, don't sanction Iran. Try to see the world as Iran sees it, and come to the table with that understanding. Well, if Turkey is advocating that approach to Iran, which I think is a good one, it should also take that same approach to Israel.

Don't allow your emotions -- and of course, anti-Israeli emotion is very high

in Turkey right now as a result of what's recently happened -- to dictate your foreign policy. In the long run, the Turkish-Israel relationship is good for Turkey because it helps guarantee the stable Middle East that Turkey also needs for its economy and for its future of being able to project political influence.

So, I believe that these are the two countries that over the long run could be good partners for the U.S. because they have the two things that we should be looking for in a partner. One is long-term strategic goals that are relatively congruent, and second, societies that look like ours. So, I do believe that this should be our long-term goal in the Middle East.

Now, you have to walk the cat back from there, as my company friends say, and try to figure out how we get there. I would like to see an effort, maybe starting with Turkey, to try to repair what it sees as some of the -- what I see as some of the damage that's been done to its relationship with Washington and Israel, but Turkey's also in a little bit of a triumphilist mood now. I think they feel like they're finally at the point where they can start throwing their weight around the world. This was positive up to a point, but Turkey also needs to remain anchored in its traditional ambiance. If the European Union had not slammed the door in Turkey's face, as it has, more or less, would Turkey be doing all of this? I think maybe not. Maybe Turkey would be devoted to anchoring itself in the European project, but that didn't happen.

So, I believe we still do have great strategic opportunities in the Middle East. The situation is bleak if we stick with our past paradigms. I'm optimistic that there are ways out of this series of escalating and frightening crises in the Middle East, but I'm not optimistic that we're actually going to take some of those ways out because they require the kind of creative thinking that we're not good at. And that's why I like the line that Rumi used, here's my line to the American foreign policy establishment, why do you stay in prison when

the door is so wide open?

Thanks. (Applause)

MS. HILL: And as we mentioned, the book is available in many different places for when we want to read more about some of the ways out, but as you said, the door is open.

MR. KINZER: Let me guarantee you that in my book -- about the first half of my book is about the 20th century history of Turkey and Iran, how these countries became -- got onto this path of democracy. I guarantee you that even people in this room, as knowledgeable as you are, every single of you is going to learn facts and stories and meet people in that book that's totally new to you because they were totally new to me. So, I'm trying to tell a little bit of untold history and follow Harry Truman's great dictum, the only thing new in this world is the history you didn't know.

MS. HILL: Well, that's a very good -- did you get that on the book cover? The blurb?

MR. KINZER: Actually, that is the epigram of my *All the Shah's Men* book, but I've also got it embedded in my mind.

MS. HILL: Excellent. That's great.

Well, I'm going to turn now to Suzanne and Ömer. You gave us plenty of food for thought here, and Suzanne, in fact, is finishing up a book, also on Iran. And Ömer is always writing articles and, hopefully soon, a book also on Turkey that many of you can see on our website. So we've got some good discussants here to follow up on some of these issues.

Suzanne?

MS. MALONEY: Thank you, Fiona, and thanks to all of you for coming out this afternoon. Thanks, of course, to Stephen Kinzer for writing a book and having the good

fortune to release it at a very timely moment for not simply just Iran, but the real question of Turkey and Iran.

Let me try to step back for a moment because I have none of the broad scope of all of my fellow panelists, each of whom has both experience and capacity to talk about the region writ large in dramatic and sweeping fashion. I, for better or for worse, spend most of my time focused solely on one country in the world, that is Iran, and so I'm going to confine my remarks largely to the issue of Iran and U.S.-Iran relations.

I also have the luxury, as someone who spends almost all of her time at a think tank, of offering a lot of critique and correction without necessarily having any more successful prospects for policy corrections or new policies that are likely to bring about better results.

MR. KINZER: Like a community organizer.

MS. MALONEY: I do try to stay humble in some of my prescriptions. So, I will touch on -- Stephen Kinzer left it with a very sort of opportune segue of -- by talking about: prisons and, of course, almost one year to the date of the dramatic events in the aftermath of the Iranian election, both the popular protests, the leadership schisms; looking at what has happened to U.S. policy, why engagement failed, why sanctions are likely to fail; why the trilateral declaration as a gambit, as a maneuver to try to forestall the march towards sanctions failed; why I think a grand bargain is not a likely approach. And then finish up with what I hope is a very small-scale, small-bore proposal of what alternative approach might have some prospects of making at least incremental progress on Iran and U.S.-Iran relations.

The question of engagement is one that certainly those of us in Washington and those of us who have had the opportunity to spend some time in Iran have given a great deal of thought to. And it was with great expectation that we saw the Obama Administration

enter office a year and a half ago having campaigned on this very issue, which is somewhat unique in the history of the post-revolutionary relationship. Most politicians have found ample opportunity in this country to use Iran as a sort of whipping boy and use promises of greater severity against Iran as an instrument for creating some sort of domestic support here. President Obama, in fact, campaigned early on on the promise of dealing directly with the Islamic Republic of Iran. And in his initial months in office he did at least some symbolic things with messaging and with apparently, from what we know from the media, some private communications to the Iranian leadership.

And yet here we are a year and a half later in the familiar territory of another U.N. sanctions resolution, another press on the part of the U.S. State Department and the broader governmental apparatus for more economic pressure on Iran, which has been the sort of fallback default American policy for the past 31 years.

Why did engagement, something that the President himself was so personally identified with, something that those of us who look at Iran thought perhaps this was the one opportune moment in the past three decades for a real breakthrough in the relationship -- why did it fail? First and foremost, you know, we are subject to the unpredictable forces of Iranian politics. And no one in this room, I am quite confident, and, frankly, very few people around the world, foresaw what was to happen a year ago this week. The explosion of domestic opposition, the very clearly splintering of what had been always a fractious elite, but one that was bound together by a common shared commitment to the perpetuation of the revolutionary Islamic system, all of that broke open a year ago. And it made it very difficult from this end to contemplate dramatic new gestures toward Iran, along the lines of the Noruz message or along the lines of whatever secret communications took place from the White House to Ayatollah Khomeini that have been reported upon in the press.

It also, obviously, made it fairly hard for the Iranians to respond. At least in the ensuing months after the June 12th election there was some sense that Iran had not been fully knit back together at a leadership level. The Supreme National Security Committee wasn't meeting on its regular schedule in part because some of the ex officio members of that body were not on speaking terms. Key members of the elite among them. I think most importantly former President Akbar Hashemi Rafsanjani had been effectively excommunicated; still free to go about their daily lives, but no longer part and parcel of the deliberations and decision making at the most senior levels. And this is a change that has real implications for Iran's ability to maneuver, to deal diplomatically.

We saw a lot of what I would argue as diplomatic incoherence from Iran over the course of the second half of 2009, but also constrained the ability of the leadership on the Iranian side to move forward, to reciprocate in a serious way, and cemented some of the paranoia, some of the historic suspicions, that have always colored the viewpoints of the hardliners, and in particular, Ayatollah Khomeini. I think what happened last June, the explosion of public dissent, the emergence, for the very first time in at least the past 25 years, of a serious opposition movement, not just a protest or a reform or a dissident grouping, but a real movement against the regime itself and against the system itself, one which eventually petered out, but one which represented for the Islamic leadership, a significant threat. That's why they apparently manipulated the results of the election last year, that's why they cracked down as vehemently as they have continued to do against not just people who go to the streets, but potential leaders from everywhere, from the student movement to film makers to political activists to former MPs to former ministers and deputy ministers who have spent months in many cases and, in some cases, as long as a year now in prison as a result of that event.

This was a threat for the Iranian leadership. It was a threat that they saw as

directed from outside. They saw it as part of a broader conspiracy, and they saw any prospect of concession or cooperation on the nuclear issue, the signal issue for U.S. foreign policy as contributing to that potential threat. And it made it that much more difficult for the prospect of gaining any real traction through the paradigm of engagement.

And I think from this side the lack of reciprocity, the lack of any apparent willingness on the part of the Iranians to move forward, the lack of their ability to follow through on what were some initial commitments in Geneva last October for what was a relatively small-scale confidence-building measure on the nuclear program, created a sense within the American government, within even those individuals who were, you know, gung-ho proponents of engagement who believed it could work, who were on board with what the President had campaigned on, a sense of disillusionment and almost bankruptcy with the entire paradigm of engagement. There was a sense that we tried.

These guys are simply unwilling or incapable of coming to the table in a serious way, and, therefore, we need to move to the next track. And we need to move to the next track in part to ensure and reassert our international credibility with key allies, including Turkey, but also others in the region who are looking to the U.S., as always, to do something about the great problem of Iran.

Let me say a word or two about the trilateral declaration, which I tend to agree with Stephen and others here in town who have argued that it was an opportunity, that the Administration did not handle in the way that I would have handled it, such as that is sitting in a think tank. It was an opportunity, but it was hardly a perfect offer. It was not a repeat of the offer of last October. It had any number of difficulties with it, first and foremost amongst them the threat that the Iranians are going to continue to enrich to 20 percent despite the promises of resupply of fuel. That was the whole purpose of the original TRR deal, to forestall that possibility and the fact that Iran very quickly followed on the

announcement of the trilateral declaration with certainty, and the announcement that they would continue to enrich to 20 percent made clear that, in fact, they weren't interested in building confidence.

The other piece of the agreement that I think made it very difficult for people here to stomach was that as written, the agreement between the Brazilians, Turks, and Iranians, was predicated upon an abandonment of any other measures, any other route, through the UN Security Council. I think that was something that the Administration simply couldn't forestall, simply couldn't give up, without any broader process, without any broader commitments on the part of the Iranians to a negotiating process, and to further confidence-building measures on the nuclear program.

All that said, I agree that the rhetoric that came out of Washington was incredibly tinny, shrill, and unfortunate for trying to create a common solution and a platform for dealing cooperatively, not just with a P5-plus-1. That had been the focus of all the diplomacy and all the resources of the U.S. Government for the past six months, but for dealing with the broader community of interested parties and stakeholders when it comes to Iran, of which Turkey is very obviously one.

That leaves us with sanctions. The Administration has successfully moved forward, got the resolution they were looking for out of the UN Security Council, and has, at this stage, appears to be on the verge of getting real support in terms of follow on measures from Europe. I think none of this is likely to bring about the desired result. And the reality is that very few people in Washington are actually confident that sanctions alone are going to bring Iran to its knees and reverse its nuclear calculation.

There are all kinds of reasons for this. We have a lot of experience with sanctions, but so, of course, do the Iranians: a lot of experience in evading them, mitigating them, and finding ways around them; a lot of experience in looking to the international

community, to splintering consensus, to undercutting some of the efforts of the international community in terms of economic pressure; and they have a robust, and thus far, uninterrupted source of revenue owing to high oil prices which show no signs of abating any time soon.

So, we know the pressure will hurt, we know that it will crimp the style, it will create new inconveniences for both the Iranian government and key constituencies that support the system, but it is unlikely, because it is not an existential threat at this stage. The economic pressures stemming from these sanctions is unlikely to change Iran's calculus.

What are we left with? Stephen has suggested it's time to revert to the idea of a grand bargain. I've always been a skeptic in that regard and I'm more skeptical today than ever. I think, unfortunately, we just see no evidence that the Iranian leadership -- and by that I mean Ayatollah Khomeini, the Supreme Leader -- is either willing or capable of making the kind of historic concessions that people that talk about a grand bargain envision, which means a removal of support for Hamas and Hezbollah; real constraints on the nuclear program; and a series of other, you know, really important concessions that simply aren't on offer if you listen closely or watch what the Iranian government has been doing over the course of the past year.

And when we think about a sort of Helsinki framework for U.S.-Iran relations, I think that's marvelous as an aspirational idea, but, unfortunately, we're just not at that stage. The Iranians do not appear to have come to the same conclusion that the Chinese did in the late '60s that the Russians -- the Soviets did at a later stage in their development, that, in fact, they wanted to create a new relationship.

There are elements of the Iranian system who want that new relationship. Most of them have spent a lot of the past year either in prison or trying to find a way to stay politically relevant. They are not the people who have authority in Tehran today. And so I

think at this stage, you know, the prospects of a grand bargain, of creating a sort of overall framework agreement for a better U.S.-Iranian relationship, are more remote than ever.

What I think may work, what I think at least has some prospect of working, is thinking a little bit smaller scale in the way that we deal with Iran. First and foremost, trying to remove it as issue number one, which only feeds, I think, both the egos and the most irresponsible actions on the part of the Iranian side, but also adds to the urgency, which, frankly, works not in the favor of the United States on this issue; looking for creative ways to deal with the basic issues that we have between us: one is the nuclear issue, the other is the question of regional stability and security. And the final one is really a sort of broader schematic of what a U.S.-Iranian relationship looks like and how it is that we can advance the basic American interests and values of freedom and democracy and prosperity and development, all of which, I think, as Stephen has said, Iran is far more at a popular level receptive to and conducive toward than almost any other state in the region.

This means exploiting openings like the trilateral declaration, rather than simply trying to stay on whatever your grand course is. This means abandoning this idea of a duel track diplomacy, which has been effectively sequential, engagement, then sanctions, and then nobody knows what, but looking to pressure where useful, looking to engage where useful, looking to deal directly with the Iranians wherever possible, not to create, I think, at this stage, the prospect or the likelihood of an ongoing grand bargain kind of cooperation, but to get gains wherever we can get them. If dealing with Tehran directly enables us to ensure greater stability in Afghanistan, then we should be actively seeking to open a channel there. We should be looking to do more in terms of low level talks that might provide a platform for a Persian Gulf kind of regional security.

We need to be looking on a smaller scale rather than on a kind of grand bargain scale and waiting as we do for the forces of Iranian politics to shift again as they

almost inevitably will.

Thanks.

MS. HILL: Thanks, Suzanne. Ömer?

MR. TAŞPINAR: Thank you. I'll try to be brief because I know you all probably have a lot of questions and I mostly agree with what Steve Kinzer said in terms of his larger analysis about Turkey.

There seems to be two large narratives about Turkey these days and because of the recent developments, both of these narratives are gaining a higher voice and you can hear them in different circles. One of the narratives is about the Islamization of Turkey, the Islamization of Turkish foreign policy. And there is a lot of op-eds being written about how Erdoğan's narrative -- Prime Minister Erdoğan's narrative, Turkey's policy, Turkey's pro-Hamas position, pro-Iran position, is evidence on that front, and this is a familiar story. We have been hearing it for the last six, seven years, and -- but what happened in the last couple of weeks has given more ammunition to those on that front.

On the opposite spectrum, you have the narrative of the critics of American foreign policy in the Middle East: within the American left, within the Democratic Party, voices who basically say that the U.S. should look a little bit more about what it is doing wrong in the region; and they tend to sympathize with Turkey's position and Brazil's position, by the way. They see an increasingly multipolar world, they see Turkey and Brazil as more important players in that world, and they basically approach -- reproach the United States government to be more humble in its policy towards these two regional powers.

They also see Turkey as collateral damage in terms of what the Bush Administration tried to do with Iraq in the Iraq war in 2003. The casualty basically was Turkey, the sense that you can no longer rely on Turkey, and now Turkey's becoming collateral damage in the Obama Administration's Iran policy. So, overall there's a kind of

criticism of U.S. officialdom and sympathy for Turkey.

I think, my own analysis is somewhere in between and here I agree with Steve that we have to be very careful in analyzing what's going on in Turkey. Islamization is too simple, too broad, too caricaturistic a term for what's happening in terms of the new foreign policy in Turkey.

The rise of Turkey as a regional power is perhaps more realistic in that sense, but I would emphasize basically the independent nature of Turkey now. It's an increasingly more independent country. It doesn't feel that it has to put all its eggs into the transatlantic basket, and frustration with the West is a big part of this new vision, and increasingly independent; and second, self-confident country. So we're dealing with a country that is the 16th largest economy in the world; that has managed to weather the global financial crisis in relatively -- in a relatively unharmed way. A couple years ago, we were all talking about what would happen to the Turkish economy had the Erdoğan government decided not to sign an agreement with the IMF. Well, the Erdoğan government did not sign an agreement with the IMF and the Turkish economy survived and now is growing. Yes, there are problems, but I think a big part of what's going on in Turkey is the self-confidence coming from the fact that the economy is doing well at the time when the euro is going down, Greece is in bankruptcy, Hungary is in bankruptcy -- on the way to bankruptcy, and we're talking about pigs in the region, and Turkey feels basically very much confident about its economy.

But there is also frustration with the West. There's a sense of humiliation vis-à-vis the European Union. And this is where, I think, there is a convergence of two major views of Turkish foreign policy and Turkish society. The neo-Ottoman vision of AK Parti is frustrated with the West. They believe that Turkey's a self-confident, independent country, and it has to be a regional power. That's the kind of Ahmet Davutoğlu vision of Turkey. It's

a bridge between East and West. Just like Istanbul is a bridge between Europe and Asia, Turkey should be the bridge between the Middle East and the West. And this kind of self-confidence is there, but there is also frustration with the European Union and the fact that the European Union does not understand the strategic value of Turkey.

There is also frustration with the West among the neo-nationalist segments of society and the power structure. I would include to this the opposition, the secularist opposition, the CHB, I would include the military. They too being neo nationalists, and the Turkish term that we often use is *Ulusalcilik,* meaning basically a country that wants to have its national priorities first, that doesn't want to be subjugated to Western powers and wants to be independent.

So, there are interesting parallels emerging between the neo-Ottoman vision of AK Parti and *Ulusalcilik* neo-nationalist vision of the military, the secularist opposition, which is converging in this crisis to form what I think increasingly looks like a Turkish variant of French Gaullism: Charles de Gaulle of France in the 1960s, a sense of grandeur, a sense of basically regional power and the need to understand that this is no longer a country that will be basically subject to demands from American hegemonic power or any other power, that it would follow its own policy. If necessary it will be much more independent than before, and increasingly in that sense a self confidence and almost hubristically self-confident country. And as I said before, the economy is very important in that framework.

Now, I think we have to look at the perception in Washington, and not at these two grand narratives, but what the Obama Administration is thinking about what just happened. And on that front I think the news is mixed because unlike those who argue that there is an Islamization in Turkey or those who argue that this is the new regional power, I think the Obama Administration looks at the situation in a very realistic way. In fact, my

sense is that the new code word for analyzing Turkish-American relations used by the Administration soon will shift from “strategic partnership” or “model partnership” to the term of a “transactional partnership.” And a transactional partnership in its nature is a very real politic-oriented term basically saying, okay, what have the Turks done for us lately and what are they expecting from Washington? What’s the balance sheet here?

And there I think the message is mixed because Turkey, despite the fact that it feels as a regional power it has this sense of confidence, there are a number of issues in Turkey which could poison the domestic agenda. The most important one is the ongoing Kurdish problem. And, unfortunately, in Turkey, most Turks have this perception of Kurdish separatism, Kurdish nationalism being helped by Israel, being helped by the United States. They have a conspiratorial view of the world which looks at basically the PKK, Kurdish nationalism, Northern Iraq, as a project in Washington that is there to basically weaken Turkey.

This is something very common and it is shared by the neo-Ottoman and neo-nationalist vision. And, therefore, this is a very risky situation because next time you will have a PKK attack in Turkey killing Turkish civilians or Turkish soldiers, you may have funerals of these soldiers or civilians turning into major anti-American demonstrations and anti-Israeli demonstrations with people deciding to march to the American embassy. And things could escalate from there with the State Department deciding that Turkey is no longer a safe place for American diplomats, so you can see a kind of unraveling of the relationship in the near term.

So, if I were a policymaker, I would really watch the Kurdish problem and how it could poison the Turkish-American agenda and exacerbate the already bad situation.

The other issue of this transactional relationship that could complicate the agenda is, of course, the eternal question of the Armenian genocide. In Congress you may

have very soon -- this is an election year in the United States -- the Armenian lobby trying to bring forward to the floor the Armenian Genocide Resolution. And it would not be surprising to Turkish politicians to -- when they come to Washington, that there will be not many people in Congress willing to listen to their narrative of Turkey's strategic importance for the United States these days. So, you may get a situation where basically Congress may decide to pass a nonbinding Armenian Genocide Resolution and there you would have the Turkish overreaction to this.

It may be an election year in Turkey, too. So in that sense the nature of this transactional relationship in terms of what Turkey's expecting from the United States on the Armenian genocide question or on support against the PKK, actionable intelligence support or support for the Turkish military in terms of high-tech weapons sales, may get complicated. And this is, I think, the real story that we should be watching instead of focusing too much on this Islamization versus regional power of Turkey. We should be really looking at how the Obama Administration will react to this new Turkey.

My humble advice sitting in a think tank is to argue that Turkey and the United States should look not really at Iran in the framework of sanctions, how to deal with the Ahmadinejad, this current regime, but should bring their policy planning themes and think about the Middle East and Iran in 2015, in five years, Iran either as a nuclear power or on the verge of becoming a nuclear power, the peace process still absent. How does Washington and Ankara cooperate in a 2015 scenario of the Middle East where Iran is likely to be a nuclear power, which many Turks believe, despite the narrative of the Prime Minister that this project is a civilian project, that Iran is not really seeking nuclear weapons? Most Turks, and I would argue the AK Parti government also believes that Iran has legitimate reasons to pursue a nuclear agenda and that they may very likely have nuclear weaponry in the next few years.

That kind of debate about how to contain Iran, how to deter Iran, how to avoid a disaster in the Middle East, could bring cooler heads together and focus the divergence right now into a more convergence oriented scenario.

I'll just stop here.

MS. HILL: Thanks, Ömer. I wonder if you could address the question of whether you agree with Stephen about his depiction of Turkey's attempts to reach out to Iran, if this was directed to the United States in this context as a kind of a way of Turkey trying to show a different path for engagement. I mean, do you think that Turkey's efforts to engage with Iran have been successful? I mean, putting aside the issue, obviously, of the difficulties of the trilateral deal with Brazil?

MR. TAŞPINAR: Success is in the eye of the beholder. I mean, Turks believe that, especially this government believes that they had a clear signal. And that's the irony of it, they believed that they had a clear signal from the Obama Administration to do exactly what they did. This famous letter that we have seen a version to the Brazilians, one version of this letter exists in Turkey and very often you have the foreign ministry, and Ahmet Davutoğlu referred to the fact that basically Turkey was coordinating its policies and getting some sense of a green light from Washington about what it's doing with Iran, so they were very disappointed, very frustrated with the way Washington reacted.

I think the mistake that Turkey did was partly in the optics, I mean, the perception of basically Ahmadinejad holding hands in victory with Lula and Erdoğan and was kind of in your face moment to American foreign policy. Here are the two partners that I value and I would challenge U.S. foreign policy in that sense. Turkey should have avoided that kind of a success story and message that this is the deal that the U.S. wanted, instead should have downplayed the value of that deal as the beginning of a negotiation, the beginning of bringing Iran to the table. But, unfortunately, there is a problem of style in

Turkish foreign policy these days, both at the level of the prime minister and the level of the foreign minister, in the sense that they like to present this as the big success of Turkey at the time when the U.S. superpower failed. Here we are delivering, basically, a major breakthrough. It was not a breakthrough, but it could have been a useful start and there was a lot of mixed signals and miscommunications between Washington and Ankara. But I agree with Suzanne that it could have been -- that this kind of disconnect between Washington and Ankara could have been avoided had Washington decided to use this as an opportunity.

But as it often happens, governments are involved in their own policies. It's very easy to criticize the Obama Administration from the outside and say, why don't you use this opportunity? For six, seven months, this Administration was determined to follow sanctions, and they saw sanctions as one way to bring Iran to the table, but to come to the table in a more advantageous way for the United States and Iran in a weakened way. So, they see this as coercive diplomacy. Washington sees this as coercive diplomacy. Ankara sees it as a path to war, a path to confrontation, a path to what happened in Iraq which started with sanctions and evolved into war.

So, there is a kind of strategic disconnect between Ankara and Washington and it could have been avoided, I think, with better communication and more trust, more confidence, especially from Washington to Ankara. I don't think the Obama Administration really trusts Turkey fully. It doesn't feel that Ankara is fully in the transatlantic camp. It has a tendency to look at Ankara as potentially a capital that would play this bridge role to the Islamic world a little bit too much and side with the Islamic world, side with Iran, side with Syria, at the expense of its transatlantic partnership.

So, there's a confidence problem, too.

MS. HILL: I think all three of you have brought out the range of

misperceptions and difficulties that we have here, which is a good segue into throwing over to you in the remaining 20 minutes or so that we have for some comments and questions.

I'd like to take just a couple of questions right now from the floor. We have a mic coming here for this gentleman here.

MR. ROCHMAN: Good afternoon. My name is Yousif Rochman. As a representative of black American Muslim, and as a representative of one of the largest racial ethnic communities in this country who is Muslim, which is the African-American community, the black American community, I would like to make a comment specifically. This, to me, this discussion is very important. However, U.S. foreign policy has never included the native voices in a dialogue of Islam in U.S. foreign policy in other Muslim countries. I find that quite strange. You have enormous resources here of native voices, born and raised, and Americans, they speak fluent Arabic, fluent Persian, they've traveled all over the Middle East. Myself, I've been all over the Middle East -- Iran, many countries -- and I'm always defending America because most of them don't consider myself American. They look at me as a Nigerian or maybe from Africa or different other countries.

How do you see using the native voices in shaping U.S. foreign policy? Native, prudent, scholarly, objective voices of Muslims in this discussion of foreign policy? There's a professor here at the University of Michigan, very fluent in about three or four prudent Muslim languages. He gets no press because he's a black American Muslim. He gets no press. Sherman Jackson, he's at the University of Michigan.

How do you all see this? Because sometimes there's a saying that says, what you're looking for is right under your nose. Everybody's looking all the way over there, we have a lot of resources here. And I've tried to knock down the doors of Brookings trying to request a dialogue with the native voices, no response. Major think tanks, no response. And many of these people have no idea of these regions -- they haven't been there, they

haven't sat down -- they're not in the homes of these people. I've been invited in the homes, I've ate with them, people from the high top, people from government to all walks of life in most of these countries.

That's my question. Thank you.

MS. HILL: Thanks. That's a very good question here. Is there anybody else who wants to ask a question at this point or I can take this over to the panel right now? I mean, this has been a big issue in U.S. public diplomacy.

I mean, this certainly was one of the issues that even the last administration really tried to address. I mean, we may remember, of course, multiple efforts at the U.S. State Department level of creating outreach, certainly a lot of efforts to create documentaries on the lives of American Muslims, tending actually more, however, to look at immigrant communities than, as you're stressing here, perhaps what we would refer to as the native U.S. Muslim community among African-Americans. But I guess this is one element of our outreach that perhaps either doesn't get discussed enough or that perhaps we are not thinking about in the same way.

Stephen, I mean, is this something that you've thought about in your travels?

MR. KINZER: It sounds like an appealing idea and another way for the United States to build bridges to that part of the world. I would like to see as part of our approach particularly to Iran, an effort -- and I'm not so sure the Iranians would respond to this. Everything you've heard about what difficult partners they are is certainly true; an effort to try to do this, what we call, track 2 diplomacy. Let's bring the farmers from America to the farmers of Iran, and the women's groups and the local officials. I think that kind of cooperation would help and bringing Muslims from the United States to that part of the world probably would, also.

How realistic that is is hard for me to judge from the point of view of the U.S. You know, I'm in this odd position. I think I've gotten over my long years as a foreign correspondent to learn quite a bit about the politics of a lot of countries, but the United States is, unfortunately, not one of them. I have not been living in the U.S. most of my adult life, and so I'd like to ask people who have been how realistic that option might be.

MS. MALONEY: You know, this is not an area of my focus whatsoever, but I would point out that there is sort of apparatus within the U.S. Government both at the NSC and at the State Department, I would suspect in other agencies as well, for what is sometimes called "Muslim world outreach." And it does involve many, many "native voices" -- native speakers of all the regional languages. Farrah Pandeeth, who is the State Department's envoy to the Muslim world -- I don't even know if that's her precise title -- as well as her counterpart at the NSC, are both practicing Muslims, to my knowledge, and talk about their personal involvement as American Muslims in the way that they represent U.S. diplomacy and engage with communities abroad. But again, that's not the focus of my research or really the issue of U.S.-Turkish-Iranian relations.

MS. HILL: Farrah has actually done a lot of work on this in the European context. I mean, I think that the problem that we're facing here is, actually Stephen put it aptly, we're all foreign policy scholars rather than American domestic policy. And this is always one of the perpetual problems that you have in think tanks, that everybody looks at some of the issues from the outside at the projection of U.S. in a rather conventional sense and not in the way that some of the domestic forces can be harnessed or can play back.

But I mean, Ömer, this is something -- you as a Muslim living in America, or at least someone from a Muslim country, you've spent a lot of time here. You've looked at it also in the European context, in the way that Europe has tried to craft different forms of outreach. And, in fact, this is really what Turkey's trying to do is to use its own at capacities.

This is what Foreign Minister Davutoğlu and members of the AKP have actually said that they want to use their Muslim heritage in a way of creating this bridge to different groups. So this is really, in a way, won't directly answer the question, but it leads to some of the efforts that have been tried elsewhere and, in fact, what Turkey is trying to position itself on the basis of.

MR. TAŞPINAR: As you said, my expertise is more on the Muslim communities in Europe, and there you have a situation where you see the rise of a major polarization. You have increasingly anti-immigration, and the phobic-oriented right wing political parties doing better at elections. We have seen the latest example in Holland. You have this major concern about Muslim immigration and the economic crisis is making things even worse, and that has an impact on the way European public opinion perceives Turkey.

As Steve argued in his book, the EU was always a kind of elite project, and it was fine as long as it remained an elite project because it had this kind of consensus that Turkey should be part of the club and in polite company with political correctness, it's important to emphasize having a democratic Muslim country in the club. But when you ask average citizens of Germany, France, Austria, Holland whether they want to see more Muslim immigration, which they equate with Turkey's membership, they're totally opposed to that. So as the EU is becoming more of a democratic project where constitution matters, where there are referendum, people vote, and people vote on enlargement, and they want to ask basically, where would this enlargement end? And it's a legitimate question.

I mean, Sarkozy's argument that the EU cannot expand all the way to Central Asia is taken seriously by the French electorate. It's not just racism in that sense. The visibility of Europe, how does it function with 25 countries when it's lacking a major constitutional arrangement? Those are important questions and I think part of the backlash against multiculturalism and Islam in Europe has a major impact in Turkey's frustration --

results in Turkey's frustration with the European Union and fuels some of the policies that we have been discussing.

For the United States it's a totally different story. And when American policymakers go to Europe and they are very well aware of the problems in Europe and try to lecture Europeans about the virtues of American multiculturalism, the virtues of basically having a Muslim society in the United States which feels very much at home, there is a very strong reaction in France and Germany to this. They basically say that the socioeconomic profile of Muslims in the United States is totally different than the socioeconomic profile of Muslims in Europe; that the average Muslim American is more educated, higher income bracket than the average American. And, therefore, the real polarization or comparison should not be really about Muslim Americans versus Muslims in Europe, but it should -- they focus on actually African-American community and they try to see the problems of the African-American community in terms of the failure of American multiculturalism, the problem of ghettoization, victimization. So it's a very interesting dialogue.

And I don't think Europeans are very aware of the African-American Muslim community. I mean, they look at the African-American community as basically an example of failed multiculturalism and they react negatively to Americans lecturing on these points.

Finally, on this point of Diaspora communities, yes, there is a Turkish Diaspora in the United States and there is a Persian Diaspora in the United States. The Persian Diaspora is much more significant. I think there are close to 1 million Persian Americans, Iranian Americans. I don't think they're very much in love with the regime in Tehran. My sense is that they're quite secular, well to do, and angry with what's going on in Iran, so they may not be the right bridge in terms of reaching out in the way that Steve is talking about for a reset or basically a grand bargain with the regime. They're more confrontationalist on that front. And the Turkish community here in the United States is very

divided between a more secularist, Kemalist segment of society, and the more recent younger newcomers who are more pious and more conservative background. And there, too, there is disagreement about what should the U.S. foreign policy be about Turkey.

MS. HILL: Thanks. We had another question here. The gentleman in the dark suit and over here and at the front.

MR. KARASEL: Hello. Alan Karasel, National Defense Council Foundation. Thank you very much for coming out and speaking with us. My question is a little bit vague, but it is difficult to think of the Middle East outside of the context of the Arab League, and yet Iran and Turkey do exist outside of this body. Does this present an opportunity for the U.S. or, should I say, the West to make inroads in the region?

Thank you.

MS. HILL: Let's just take the other two questions and then -- right here and then the gentleman at the front here.

MR. CHIVAS: Chris Chivas, Rand. I was just wondering if we could get our panelists to comment on the economic dimension of Turkish-Iranian relations and what role economics plays in this evolving relationship.

MS. HILL: Thanks.

MR. REESE-JONES: Hi, Evan Reese-Jones, British Embassy. Turkey's vote in New York was seen as a kind of touchstone of Turkey's policy -- foreign policy and Erdoğan's foreign policy and its position in the world, wrongly or rightly. I think there's a danger that it's obscured some of the bigger issues that you've all touched on.

What do you think the next issue will be that the Congress particularly and others in Washington will be focusing on as a determinant to Turkish foreign policy and its place in the world, and what do you think it should be? I think they're possibly two different things.

MS. HILL: Stephen?

MR. KINZER: First of all, on the Arabs, you're right, of course, that Iran and Turkey are the two main non-Arab Muslim powers in that region. Saudi Arabia has long been a partner of ours. I think that relationship maybe has become too tight, too intimate. It's not good for either party.

I also think that the United States has been too eager to dominate and shape events in the Arab world. And I wonder if there isn't more than just a coincidence in the fact that the Arab world has wound up being the only part of the world which has not been visited by the democratic train that's been traveling around the world these last 20 years. We've now seen democracy in very unusual places we never would have expected it, from Poland to Liberia to South Korea to Brazil, but we're not seeing it in the Arab countries. Part of the reason is that the United States is very worried about democracy in Arab countries. We fear that it will produce an Islamist alternative, which is probably true.

I think, however, that fear should not prevent us from loosening our relationships in ways that would let Arabia be Arabia. I like the fact that, for example, in Turkey, government and national stability was increased by the fact that this rising economic and social group that came out of these Anatolian tigers was able to find a place in the political system. They were able to transform their economic and social power into political power. They didn't have to find an alternative outside the established political system. In Arab countries that's usually not the case. There has to be a separate form of Islamic politics, and then there's the politics of the government. This is very destabilizing. Turkey has managed to avoid that and I'd like to -- I think the Arab world would benefit from a little bit less close supervision and paranoia from the United States.

The economic dimension of Turkey-Iran relations is something maybe my co-panelists can speak to a little more authoritatively, but it's -- you cannot ignore the fact

that Iran is a big energy supplier to Turkey and Turkey sees its economic ties to Iran as very important. Sometimes I think that might frustrate people in Washington who think that that's the basis for their newfound friendship with Iran. I hope -- friendship is going a little bit too far, but it's got to be a factor.

And let's face it, also, it works the other way. Turkey is becoming a big economic power in the region. Everywhere you go in Central Asia, in Russia, throughout the Middle East, you see Turkish construction companies active and Turkish products in the stores. So I'd like to think that one positive aspect of this would be that Turkey's economic success could serve as kind of a magnet for other countries. And maybe Iran would like to say, gee, what did Turkey do to get to have an economy that strong? And part of that has to do with political liberalization, so that could be a positive factor.

Turkey's vote at the United Nations, nobody asked me my opinion on this until you did, so thank you, now I can give it. I thought it was a mistake. I would have liked to have seen them abstain. I understand the situation that they felt like they needed to show how firm they were in their independent policy, but they'd already made that point. Now is the time to start ratcheting that down and try to repair the damage that was done over a short period of time, so I wished that hadn't happened.

And you asked what could be done now, what will Americans be looking for from Turkey. I think Americans are looking from Turkey for something that maybe is going to be a little difficult for Turkey to provide. Turkey, as Ömer said, is really feeling a little bit full of itself now, it's feeling really self-confident and the economy is booming, and we're a big power now. What we would like Turkey to do is to realize that maybe it went a little bit -- let's say it's gone far enough in terms of its shaking that region and particularly its relationship with Israel has frayed too far and that Turkey should take steps to try to repair it. I think Turkey's answer to that might be, it's up to Israel, they've got to take the first step.

I hate to see this degenerating into a little like school boys in the sandbox dispute where everybody's waiting for the other side to start. The question of who's really guilty for this collapse -- or this fraying of relations between Turkey and Israel is a separate question. That's all about the past. We can go over the past and figure out who did what wrong, that's a separate question, but the question now is, what do we do now? And I'd like to see Turkey do something which -- I wouldn't want to phrase it as swallowing your pride because that is something Turks don't like to do, but maybe put it this way, Turks should think clearly about what's in their long-term interest in that region, what's good for stability in that region. And when they do that they'll realize that maintaining this relationship with Israel is a good idea.

I have a column in the *Guardian* today which was headlined, "Turkey and Israel Should Kiss and Make Up." And Ömer's line, which was actually a much better headline was, "Turkey and Israel: Get a Room."

MR. TAŞPINAR: Thanks, Steve.

MR. KINZER: I want you to be a headline writer for my column.

MS. HILL: Ömer, perhaps -- we've heard the suggestion of getting a room, perhaps you could comment a little bit more on the Turkish aspects of these questions. I mean, really I think you're also looking for how is Congress -- as I heard your question -- likely to react? Is the Israeli-Turkish relationship now a key determinant for U.S.-Turkish policy? Are there other issues?

You mentioned the risks of some future terrorist attack by the PKK, perhaps with a northern Iraqi dimension reverberating back on the U.S. and worsening U.S.-Turkish relations. You mentioned the Armenian Genocide Resolution. I mean, there are all kinds of issues that can end up being determinants in the relationship whether they should or should not be.

MR. TAŞPINAR: Well, what I'm really concerned about is this image of the United States in the Turkish press. I mean, for those of you who speak Turkish and follow the Turkish press, you would see that most of the columnists now are writing columns asking in what ways the United States will punish Turkey and Turks have a very conspiratorial view of the world. I mean, they believe that there are forces in Washington that really can change Turkey, can control Turkey. And funny enough, even the government is concerned about now the United States playing to the opposition party, saying that maybe we should promote the CHP, MHP, and as an alternative to Erdoğan. So they have this conspiratorial view about, okay, maybe now we're losing Washington, because they have this view, essentially, that believes that the pro-Israel lobby controls everything, which is based on this kind of conspiratorial view, that they think that there will be consequences.

So, one view is, okay, what will be the domestic price to pay in terms of politics? The other one is something that even the CHP -- the new leader of the CHP expressed. The same day that the flotilla incident happened there was an attack by the PKK on the Turkish port of Iskenderun against Turkish sailors and they killed eight Turkish sailors. And the leader of the CHP said that this is very significant that it happened the same day. Maybe Israel is helping the PKK. This is coming from the secular opposition. So the conspiratorial view of the world is not confined just to AK Parti and the government and prime minister. The secularists also believe that there is this support from the United States and Israel to the Kurdish movement in Turkey.

So, that's why I'm concerned about now anything happening in Turkey to be read by the Turkish public opinion as made in the United States plan to undermine Turkey from the Armenian genocide issue, to the Kurdish conflict, to domestic results of elections.

To answer Chris' question on Turkish-Iranian economic relations, I think

there is a lot to be said about looking at how AK Parti and this government in Turkey shapes its foreign policy based on mercantilist interests, trade relations. Yes, there is growing trade relations between Turkey and the Middle East, but we should also realize that the market in large part is still in Europe for Turkish companies and these Anatolian tigers have done really well by exporting to the European Union. The customs union overall worked well for Turkey.

In that sense, Turkey's Iran policy, I don't think, is driven by economic interests. It's more driven by, to a certain degree, this sense of grandeur of Turkey that wants to promote itself in the region as a mediator, moderator, and I'm not buying the argument that it's this ideological sympathy for the Iranian regime. I think Erdoğan and Agular are sophisticated enough to understand that there are problems with the regime in Iran, although they have been quite quick in congratulating Ahmadinejad after the elections, especially coming from Gul. I was surprised to see that the next day he called Ahmadinejad and said, congratulations for your victory, at the time when Iran was erupting with demonstrations. So, there is an element of basically real politic, you deal with the government, you deal with what you have, so, you don't bet your hopes on what may happen in Iran in the next few years. So, there is a sense that the regime is here to stay.

I don't think they have much sympathy for the kind of Islam promoted by Iran. Their kind of Islam is a Sunni Islam. There is something to be said for Sunni-Shiite divergence in the Middle East, and I still think that AK Parti and this current government sees itself as a Sunni party.

And they have very important interests with the Gulf, so one big question that I have is, how does Saudi Arabia look at Turkey's policy vis-à-vis Iran? That's a big question, and there I think the economic interests are more significant.

The number that I know about Turkish-Iran trade is around 6-, $8 billion,

mostly on energy. And Turkish companies are trying to export more on Iran, but it's not a very easy market for Turkish companies, so it's not a very easy place to do business. That's why I believe that it's not really driven by economic interests.

MS. HILL: Well, Suzanne, your book that you're finishing off is exactly on the role of the economy inside of Iranian domestic politics and also as it affects foreign policy, so perhaps you could just offer a few thoughts on how it looks from the perspective of Tehran.

MS. MALONEY: Yeah, I mean, very quickly, I don't -- I tend to agree with Ömer. I think the scope of bilateral trade investment is not significant enough to drive Iran's interest in engaging with Turkey. Obviously, this is a regime in Iran which tries to reward is friends -- the Venezuelans, the Belarusians, the Cubans, and potentially the Turks -- with preferential access to resources and contracts, and punish those who do not support it. But clearly economics is a divisive force between Iran and Turkey as much as it may be a binding force.

If you look back to, you know, the increasing assertiveness of the Revolutionary Guard in the Iranian economy, one of the prime losers in one of the early battles was a Turkish company which had a contract to operate the then newly launched Imam Khomeini International Airport outside Tehran. And the Revolutionary Guard on day one moved in and effectively shut down the airport until that Turkish company was thrown out.

So, it may be a force of cohesion, it's also a force of division. In terms of whether it's a magnet, whether the success of the Turkish economy is a magnet, I think it's a source of great pain for a lot of Iranians who look to the era before the oil boom when Iran and Turkey were not equivalent in terms of economic growth, but on par with one another. And if you look at the way that the curve has -- the slope of the curve in each case since the

'70s, it is remarkable to see how poorly the Iran economy has failed in comparison to the Turkish economy. So, I think that, you know, Iranians look at that, look at Turkey which doesn't have the same resource endowment, and question why it is that their economy has done so relatively poorly.

Let me just make one other point on the other question about the Arab League, which I think is an interesting question even if I wholly disagree with the premise of it, about, you know, thinking of a world -- how inconceivable to think of a world without the Arab League. I don't know where the Arab League is relevant any longer, in all honesty. And I think it raises this interesting dilemma of are there regional organizations either in existence or that we can conceive of that have some potential utility in terms of security, economic interests, and other political imperatives that either we or the regional actors have?

I mean, you know, you look at the Arab League, you look at the GCC, and they don't have a great deal of utility to solving the basic problems either security or economic in the region. They're talk shops, and maybe that's useful, but how do you move beyond a talk shop? How do you look to a sort of ASEAN or some other model for the Middle East which actually brings about greater security and drives, you know, real economic cooperation as the European Union has in Europe? What model works and who are going to be the primary actors of it? Is it a Turkey that can, in fact, be the engine of some sort of new security or economic architecture for cooperation in the region? I think it's a really interesting question I have no answer to.

MS. HILL: Thanks. That's a very good segue into -- what I was going to do is ask Stephen if you have any final thoughts. We've reached the witching hour and you have other cities to conquer with your book and, hopefully, everyone will be rushing out right now to -- maybe ordering already on Amazon or trying to get it on the way. But, you know,

Suzanne has just left us rather with perhaps something that would warm the heart of Ahmet Davutoğlu, could Turkey become the center of a new model within the Middle East?

I mean, in some respects at least the general point of your book seems to suggest that -- and as you said in the beginning of your presentation -- that we need new models. And you're also suggesting very provocatively that Iran and Turkey even together, from the U.S. perspective, could help us think differently about the Middle East. Is there any final thought that you want to leave us with here?

MR. KINZER: Well, I just hope that Turkey does not adopt some of the bad foreign policy habits that characterize the United States. Number one, we tend to act on the basis of emotion. Certainly our policy toward Iran has been the captive of emotion for many years.

Secondly, we tend to think short term. We're interested in getting what we can next week and next month and we're not thinking about decades ahead.

And finally, we don't always stop to think about what's really good for us in the long run. Turkey shouldn't be adopting these bad habits. And I sense that, you know, we'd like to have them imitate us in some ways, but they may be imitating us in some of the wrong ways.

I do think that the situation in the Middle East, bleak as it is, is not hopeless. I'm optimistic that if the parties, including the United States, could break out of their old paradigms, we might be able to see some real progress towards resolving these fiendishly interlocked conflicts. Nonetheless, I'm not optimistic that we're going to do that.

Re-conceiving American politics to a whole region of the world is something that we're really not good at. Nonetheless, the opportunities are out there for us. And to close with another quote, how about Hamlet when he said, "I do not know why yet I live to say this thing's to do since I have cause and will and strength and means to do it."

MS. HILL: Very good. Well, with the Prince of Denmark, will lead us on, and good luck with all of your book sales. And thank you very much, Stephen.

Thank you. (Applause)

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