

THE BROOKINGS INSTITUTION

REVOLUTION IN THE MIDDLE EAST:  
A TRIP REPORT BY SENATOR JOHN MCCAIN AND  
SENATOR JOSEPH LIEBERMAN

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**Introduction:**

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## PROCEEDINGS

MR. TALBOTT: Good afternoon, everybody. I'm Strobe Talbott and it's my pleasure to welcome all of you here to the Brookings Institution this afternoon, and I want to pay particular respect and thanks to the members of the Brookings Board of Trustees who are here and also members of the Leadership Councils of three of our research programs, Governance Studies, the Foreign Policy program and the Global Economy program.

We are of course very, very grateful to Senators Lieberman and McCain that they would be able to get away from the Hill for an hour or so to spend some time with us. They come straight from doing the nation's business and vote on an important matter. They are friends of this institution, friends of a number of us personally here today. Both of them were last here at the Brookings Institution in December for our annual meeting of the Saban Forum on Middle East Policy. And most pertinently, they don't look jetlagged or exhausted, but they certainly have a right to be. They have recently returned from a whirlwind trip to the Middle East and North Africa and that gives them an ability to give us some fresh insights into what some of us around here are calling the New Arab Awakening which I would suggest is nothing less than the single most consequential -- not to mention the single most surprising set of

developments -- in the world today.

Our colleague Bob Kagan, a recent arrival here at Brookings but a long-time friend of many of us, a senior fellow in our Foreign Policy Program, is going to conduct a conversation with the two Senators and then we'll open it to a conversation with all of you. Bob, over to you, and thank you again, Senators, for being here.

MR. KAGAN: Thank you, Strobe, and thank you, Senators for joining us today. I have to say it doesn't surprise me, but it's worth nothing that when something like this happens in the world, you have this explosion, this history-transforming event, you two Senators are immediately on a plane to go see what's happening. At a time when people talk about maybe the United States is losing interest in the world or we're preoccupied with our own problems, I think it's important and commendable that you show the degree to which that's not true. So let me just start by congratulating you and thanking you for doing that.

As Strobe says, this these are momentums events, but I guess I'd like to start by looking at from the biggest possible picture: How should Americans feel about what's going on right now in the Middle East writ large, not thinking about any specific country, but what does this all mean to Americans would you say, Senator?

SENATOR McCAIN: First of all, thank you for having us back to Brookings and I see a lot of old friends and enemies here, so I

want to thank --

MR. KAGAN: The friends slightly outnumber the enemies.

SENATOR McCAIN: Again thank you for hosting us, and I believe that this organization especially contributes enormously to the national dialogue in informing the America people, so I'm very pleased for the opportunity to be back.

I think Americans should be exhilarated, I think they should be exuberant, I think they should realize the universality of everything we stand for and believe in. At the same time I think that they should exercise great caution because it is really not clear how all of this will play out. We've seen throughout history revolutions that took place that unfortunately were hijacked by extremist organizations or those who clearly violated the principles on which they began, and we also have seen success stories. We could go down the list on both sides about fifty-fifty. There are so many things to say and talk about, but I think one of the things we should first begin by realizing that these countries are very different in the Maghreb and in the Arab world and somehow to have one stamp, Yemen is no more like Tunisia than the United States is like a small underdeveloped country. So we really have to understand that these countries are very, very different and we can be more optimistic in some than the others.

Finally, there is so much to say, but I wouldn't take our eye

off Egypt. Egypt is the heart and soul of the Arab world and what happens in Egypt will be vital I think to what happens in the rest of the region, culture, historic, everything about Egypt I think will be vital. All of these other countries are important, but we can't neglect the importance of Egypt as they move forward in this difficult process.

And finally, finally, the most popular person in Tunisia today according to the human rights people who Joe and I met with and other civil society advocates is a man named Mark Zuckerberg who made this revolution possible. This social networking cannot be underestimated in how all these events are really the driving force in how all this transformed and took place.

MR. KAGAN: Maybe I want to add to that. Let me just pick on some of those questions. In addition to what does it mean in the larger historical sense, what should the United States' role be? What do you think President Obama's role has been? Has this made any kind of change in the direction of American foreign policy?

SENATOR LIEBERMAN: I cannot resist after John's reference to Mark Zuckerberg to repeat to you a story that was told to us in Cairo which was going around Egypt. This is that President Mubarak goes to Heaven and he is greeted by former Presidents Nasser and Sadat, Nasser who presumably was poisoned and Sadat who was, as we know, assassinated. So they greet him and Nasser says to Mubarak, did

they poison you? He says, no, they didn't poison me. Sadat says, then did they assassinate you? No, they didn't assassinate me. So then they both asked Mubarak, how did your regime end? And Mubarak says, it was something called Facebook. So that's very significant.

In an interesting way from the American perspective if I can come to your question, Bob, although obviously because we maintained pretty cordial relations with President Mubarak over time, those who carried out this peaceful revolution in Egypt are not happy with that part of our foreign policy and yet they understand if I can stretch the metaphor that the weapons they used in their peaceful democratic revolution were American made, Facebook, Twitter, Google, et cetera.

I can't think of events in my lifetime in the world, in my adult lifetime post-Second World War, that have been more consequential than what's happening in the Arab world now. It could go astray as John says, but I think it's even more consequential in its way than the collapse of the Soviet Union because we are now involved in a very hot and unconventional war with forces that come directly from this region and in some sense were spawns, Zawahiri and others, in regime-run prisons in places like Egypt. So from an American perspective, the peaceful democratic revolutions in Tunisia and Egypt and spreading into other places throughout the region which we can get to should make us feel very excited and comfortable in the first instance because they are very

consistent with our own driving founding values, political freedom and economic opportunity. But more to today, this peaceful revolution in these Arab countries represents the strongest repudiation possible of al-Qaeda and Iran. Obviously al-Qaeda attacked us on 9-11. They have driven our foreign and domestic policy, the expenditure of hundreds and hundreds of billions of dollars, the loss of thousands of American lives, and yet this is the answer. I can only imagine Zawahiri up in the mountains in Waziristan pulling his hair out because what would have been the most personal goal that he had in his revolution? Get rid of Mubarak and take over Egypt, and here the people have spontaneously done it.

So history is moving and I think it's very much consistent with our national values and our strategic interests at this moment to help history move in the right direction because again as John said, revolutions can be hijacked by small groups. These young people particularly are aware of the danger and don't want to let it happen. We can't do this alone. We don't have to do it alone. We have allies in the Arab world, we have allies in Europe, Asia and throughout the world, but the people we met throughout the Arab world basically were calling out to us to take the lead and that's what we ought to do.

MR. KAGAN: Let's talk specifically about Egypt because you were in Egypt, you met with opposition figures, you met with the military government and you met with civil society. What was it that the

opposition and civil society in particular were asking for and how optimistic are you about where things are going in Egypt at this moment?

SENATOR McCAIN: I think first of all we ought to be candid and recognize that civil society wants to keep us at some distance. They were not happy about our long-standing and continued support of Mubarak and I think we're going to have to be very, very careful so that there is not the appearance of interference in what they're doing, but assistance.

I think two things very quickly. One is to assist with the mechanisms of a free and fair election, the voter education, the voter registration, a lot of that they're very smart and doing themselves. But the second and most important thing is job creation. This thing started with a young man in Tunisia who had a college degree who couldn't get a license to sell vegetables so he burned himself to death. He epitomized in many ways this educated class of young people who had no hope and no job opportunity. And I would say that it's all kinds of assistance, but I would say that the thing they probably want more than anything else is investment, investment to create jobs. I hope the high-tech community and friends of ours like John Chambers and Bill Gates and all of these people would come out and say, okay, we're going to invest in Egypt. We're going to help people create jobs and opportunity. I hope the administration would immediately say there will be a trade-preference

agreement with Egypt and long-term agreements with them so that we can help them in the most critical phase or any revolution and that is economic development. That I think is the key to it.

Finally in Egypt, it's amazing. A young man we had breakfast with held up his BlackBerry and said, I can get 200,000 people in the square in 3 hours. It's remarkable this technology and let's hope that it's all channeled in the right direction rather than increasing demands for change and dissatisfaction.

MR. KAGAN: You met with Tantawi and there are some specific issues that have to be dealt with like elections, what's the sequence, that's the timing. What's your view on that?

SENATOR LIEBERMAN: It was really interesting. This is the situation. I know when Mubarak left and essentially turned governing authority over to the Ministry of Defense and what they now call the Supreme Military Council led by the Minister of Defense Field Marshall Tantawi, there was a lot of anxiety here and elsewhere around the world that they would never yield power. My own conclusion and I think it's John's too from meeting them is that these are military people who don't want to govern this country for very long. I'm not saying that they want to give up all that they have within their domain, but they don't want to govern the country. And you've got this very interesting dynamic where they have called for early parliamentary and presidential elections and the

opposition figures including the young people and people in the traditional opposition parties don't want early elections simplistically and say the military wants to give up power, the peaceful revolutionaries don't want to give it up too soon because they don't feel ready and they're worried that in an early election the advantage will go to either the Muslim Brotherhood because they're organized or the remnants of the old regime, the NDP, Mubarak's old party.

The other dynamic that we've seen is they're also concerned about some people in the interim government who they feel were too close to Mubarak and there's a fascinating dynamic to show that these, I'll call them peaceful revolutionaries, have figured out how to have influence. Basically they meet with Tantawi, the field marshal, and things that he said to us he felt pretty strongly about they argue against and he's responsive to them so far.

For instance as you've probably seen, just earlier today the interim Prime Minister resigned. John and I met with the Prime Minister of Tunisia and the Prime Minister of Egypt last week. They're both gone.

SENATOR McCAIN: Nobody will meet with us anymore.

SENATOR LIEBERMAN: You're all in danger for being here today. But they're gone for an incredible reason which is that the new sort of rising government of the people, the democratic revolutionaries, asked that they be gone so that the process is working out. My guess is that

what the opponents of the former regime want is to have an interim government, perhaps an interim president, but not parliamentary elections because they're not ready for it yet.

SENATOR McCAIN: Could I mention one thing? And it's a note of significant caution. The one organization that has handled this far most perfectly is the Muslim Brotherhood and they have moderated their positions and their stances and their message and their rhetoric and right now, according to the experts, they would get about 30 percent of the vote in a parliamentary election. If there are two or three or four parties, that's one thing. If there is a whole lot of parties then I think it's pretty obvious the consequences of that. And I am with full disclosure a little more cynical about the true intentions of the Muslim Brotherhood than some others are.

SENATOR LIEBERMAN: Agreed. I'd just add to what John said that the people of Tunisia and Egypt are hesitant to ask for economic help, but they really want it and they need it. Their economies are in terrible shape. Tourism has collapsed and it's very critical to both economies. We stayed in a very lovely hotel, a big one, in Tunis and we couldn't find a single other guest there besides our group. The same is true in Egypt. And I think we ought to be creative about some short-term ways to deal with debt forgiveness or emergency aid, although in the long term what they really want is our private assistance and investments. I

think one of the most electrifying things we could do quickly, to build on what the man in Tunis said to us about wanting Zuckerberg to come, is to send a delegation of American high-tech executives to go to Tunisia and Egypt. I think it would be electrifying and very -- very positive.

MR. KAGAN: Let me ask you about the Obama administration from your perspective. They've got a lot on their plate but there's a lot of countries that are in unrest. Are you concerned that they may lose focus on Egypt and Tunisia because those are not where the main crisis is happening right now? Or are you feeling pretty comfortable with the way the administration is approaching this, sort of, this transition phase?

SENATOR LIEBERMAN: I think the administration has gotten to it now. In my opinion they were a little slow in the first reactions. I do think, and my own impression, again, you don't see that many people, is that people, though they have some bad memories of our association with the Mubarak and Ben Ali regimes, that they still have an essentially positive attitude and a hopeful attitude towards the United States and the President.

So, there's a reservoir of good will that can be capitalized on and I think it's very important that the President do that.

One danger, I think, is that we'll overlook Tunisia because it's smaller, it's 10 million people as opposed to 80 million in Egypt, but

Tunisia is where it started and it ought to be where it finishes successfully and it can be. It's a -- it's a more modern country, it's a lot of well-educated people, it has a middle class, it's had a history of respect for women's rights, it's religiously tolerant. So, I think -- and, you know, we gave -- as you know, we've been giving Egypt over \$1.5 billion for several years. Last year our foreign aid to Tunisia was \$22 million, and in the original budget submitted by the administration, before this, so it's not a real budget, it was going to be dropped to \$6 million.

Well, you know, we could quadruple that \$22 million and the result of it, I think, would be very significant in terms of that country successfully transitioning to democracy.

SENATOR McCAIN: I'm guardedly optimistic about Tunisia, guardedly optimistic about Egypt, I'm very worried about Bahrain. I don't know how you form a government in Yemen. I just don't know how you do that.

And I'd like to add just one other thing. There was no American flags burned, there were no anti-American slogans, but believe me, that this lends incredible urgency to the Israeli-Palestinian peace process. We have got to move forward with that process because the next round in a fair election and a free election you see, you can see the rhetoric that might arise in this situation. It is very critical and it's very critical to the future of Jordan, in my view, which we haven't even touched

upon.

MR. KAGAN: Let's go to Israel, you were in Israel, you met with the Prime Minister. And what was the mood in Israel by the time you got there? I mean, earlier there had been a lot of public expressions of sorrow that Mubarak was leaving. By the time you got there that had quieted down, but what is -- what's the view in Israel right now?

SENATOR McCAIN: They're understandably very concerned because of the uncertainties, but I think there's also a realization that Mubarak, in the long run, you know, he did the right things but he said the wrong things and while supporting Egypt from a tactical and even strategic -- supporting Israel on a tactical and strategic level, he undermined Israel in many ways as we all know. And also I think the realization in Israel is that over time it's a lot easier to deal with democracies than dictatorships and they've tried to set the example for the entire region. Now they're going to get that example. But understandably, they're very nervous and in Jordan, I think, in the short-term, it's -- anybody who tries to predict these events is -- has been smoking something fairly strong, but the -- in Jordan, I think, in the short-term, there is some room for guarded optimism but in the long run there's demographics and there's fiscal difficulties that they're going to face which are really severe.

SENATOR McCAIN: I just want to back -- briefly back-up

what John said about Israel. It was interesting, because I know we weren't there then, but during the period when Mubarak was first being challenged here in these demonstrations, they were really anxious and crying out to us and others -- the U.S. Government and others -- to try to support him because obviously he's one of two leaders in the Arab world with whom they have peace agreements.

I think they're adjusting to a new reality now with some anxiety, but also with a certain degree of hopefulness, just as John said, that in the long run, if the transition to democracy in the Arab world is successful, they actually have the potential to have much warmer and better, mutually beneficial relationships with a country like Egypt, and of course so do we. And one of our colleagues, Lamar Alexander, went separately to Israel last week, talked about this on the floor of the Senate, so, John and I had a similar conversation with Prime Minister Netanyahu where -- I forgot the question -- but it was something like, we said to him, well, what do you think we should do now with American policy toward Egypt and the Arab world in transition, and he said, you ought to have a new marshal plan for the Arab world. Probably this time because you've got your own national debt and deficit problems, most of it will have to be private sector.

But that was really -- I mean, that's the change that they've gone through.

MR. KAGAN: And then the issue of Iran has obviously -- and you've mentioned it before -- that, you know, you can read stories in the papers, this is a great victory for Iran, they've lost one of their worst enemies in Mubarak. What's your impression both about the effect on Iran in terms of the region, but also the effect on Iran in Iran? Because we've seen, in the last few days, some increasing protests. Where -- how do you see that unfolding?

SENATOR McCAIN: I think this revolution spreads beyond the boundaries of the Arab world and I think the Chinese are obviously -- I think Vladimir Putin and his KGB buddies ought to be a little more nervous than in the past. And I think that this thing is going to spread throughout the globe, but I also worry about Bahrain turning into a proxy war between Saudi Arabia and Iran. I'm also very worried -- not long, but disconnected to this in some degree, was the Hezbollah assumption of power in Lebanon. Lebanon, in my view, has always been the barometer of things in the Middle East, and I don't think there's any doubt that with Hezbollah taking over there, it poses a great, great threat to the stability, both there and in the region.

The Iranians, I think, are trying to take advantage of it, but I also think it's going to ratchet up their domestic difficulties, but one thing they have shown us time after time is that they will do whatever is necessary to stay in power no matter how many people they have to beat

or imprison or torture and I probably shouldn't even bring it up again but I still think one of the great opportunities that was missed was our failure to support the demonstrators in 2009, but I won't mention that again.

MR. KAGAN: Well, is there another opportunity now?

SENATOR LIEBERMAN: Yes, there's an enormous opportunity. Look, for a long time the argument has been made to us that we had two choices for our policy toward the Middle East and the Arab world, the Islamic world, which is secular dictatorships on one side that were friendly to us and radical Islamists who wanted to kill us. And these developments in Tunisia and Egypt and throughout the world have created a third way forward and it's a remarkable way. It's just -- it's thrilling that this has happened. It is a direct, I repeat, repudiation of the Islamist Republic of Iran and their vision of government, and though they may be trying to ride this wave and claim victory, believe me, the peaceful revolutionaries in Egypt don't feel any affinity, matter of fact, they feel total disdain, for the regime in Iran, and the Iranian people have risen up again.

You know, it just struck me thinking about this as we talk about it, that for a long time we have all said, where are the moderates in the Muslim world? Why aren't they speaking up? Well, they have spoken up now, more powerfully than we ever could have imagined, in the streets of Cairo and Tunis and Benghazi and beyond. It's really quite remarkable, and we will rue the day, if we do not -- we, as a country -- don't play an

active leadership role globally and unilaterally -- if no one else will join us, but others will join us -- in doing everything we can to support the moderates, to support the transition to democracy and modernity in the Arab world. And part of that means doing more than we ever did before to support the opposition in Iran. I mean, they may say -- the regime in Tehran may say that they have somehow been happy about what's happened in Tunis and Egypt, but, you know, if you read a little beneath the top stories from Libya and all, there have been bigger demonstrations in the streets of Iranian cities in the last week than any time since June of 2000, and then they've locked up Mousavi and Karoubi.

So, the regime in Iran is afraid right now and we ought to capitalize on that fear overtly and covertly in any way we can.

SENATOR McCAIN: I totally agree, I'm just worried that they haven't learned a lot since 2009, I'm talking about the government and their ability to suppress, and that's -- that's my concern as to their chances of success.

SENATOR LIEBERMAN: I agree with John on that and that's the danger, that because Iran today -- to understand Iran today, and even though it's a theocracy and the Soviet Union was far from that, was anti-theocracy, I think to understand Iran you've got to think about the Soviet Union. I think the IRGC is beginning to play the same role that the KGB did and its become a "thugocracy" and, therefore, will be very brutal

to people who oppose it.

MR. KAGAN: You've both mentioned going -- how this is going to have effects beyond the Middle East and you've mentioned China and you've mentioned Russia. What about U.S. policy? It doesn't -- it hasn't been obvious, at least in the first couple of years of this administration, that democracy promotion has been at a high priority in dealings with Russia. I think its been more focused on reset with arms control and Iran. Do you think this should, and do you think it will, lead to - - the experience in the Middle East will lead to a shift in this administration's policy toward Russia and some of these other countries outside the region?

SENATOR LIEBERMAN: I sure hope so. Look, we've all said that American foreign policy is always at its best when it's consistent with our national values. On the other hand -- and we all could, you know, hit our chest -- oh, excuse me, the microphone -- with mea culpas because we've not been consistent with that, but in the end we pay for it and I think that of the many lessons we can take from Tunisia and Egypt and elsewhere in the Middle East now, it's that the freedom agenda ought to be the top priority and value in our foreign policy.

SENATOR McCAIN: I think this administration came into power with the anti-Bush agenda, whether that was the right thing to do or not, I think history will judge. But I also think that this administration has

come a long way, especially in the last year and I give them credit for that. And so I certainly like what Secretary Clinton has been saying, I certainly appreciate many of the things the administration has been saying, but I also think now we've got to develop an overall agenda, policy, doctrine, or whatever you want to call it, for this very changed world that we live in today. We're now understandably sort of running around putting out fires or addressing specific situations, but we've got to very soon develop an overall doctrine for this new world that we live in.

MR. KAGAN: Let me just ask one more question and then I'll open it up to the audience because one of those fires, clearly, in the headlines right now is Libya and I know that you've both expressed some views while you were in the region and since you've been back. Where do you think things are? Where do you think U.S. policy is? Where do you think it should be right now on Libya?

SENATOR LIEBERMAN: I think Secretary Clinton and the President, from what they've said, which is that both of them have said that Qaddafi should go and must go, so that's American policy now, and the question is -- and I agree with it, of course, and the question is, what are we going to do about it.

Qaddafi should go both for humanitarian reasons, because he's abdicated a responsibility that the UN now recognizes to protect his own people. He's turned on them and they're suffering.

The second reason is that, as people in Egypt and Tunisia told us, particularly Egypt, they're watching what happens in Libya. They think the success that they had in their peaceful revolutions and the relatively restrained way the regimes and certainly the military in Tunisia and Egypt reacted, is the model. If we let Qaddafi survive by brutality, we're both creating a different model forward and we're probably setting them back, they think, in Tunisia and Egypt.

And the third thing which Secretary Clinton has talked about, if we let Libya descend into chaos, it's going to become a home for al-Qaeda and other radical Islamist groups.

So, we've got all sorts of interest in doing this. We shouldn't have to do it alone, we should be able to coordinate with our allies in Europe and elsewhere. I think the first order of business is to try to stop the brutality and get rid of Qaddafi and that's why we've talked about various of the things we've talked about.

It's time for real leadership, and the U.S. has to lead it.

SENATOR McCAIN: American policy as stated by both the President and, very emphatically, by the Secretary of State, is Qaddafi must go. If that's American policy then it seems to me that we should try to help the people of Libya achieve, effectively, that goal. I worry that a fairly well disciplined, fairly well-armed kind of mercenary group has great advantage over totally untrained and disorganized opposition and that's

sort of what Qaddafi has versus these people who are now in revolt in Libya.

What about a no-fly zone? It's not that hard, number one. Jim Jones, former National Security Advisor, just said, we did it for 10 years in Iraq. We know how to do it. It's not that hard to do.

Second of all, the people on the ground are asking us to help them. When you bring in air power, whether helicopters or aircraft, even if they're not very accurate, and start killing people, that really does change the equation on the battlefield. It just does have a dramatic effect. And so I don't want to have U.S. armed intervention -- I want to make that very clear -- into Libya. I don't want us to all of the sudden start arming people or doing things that may cause us to move into another ground conflict in Libya.

And for those who worry about that, we don't have to. We don't have to. Some people worry about a slippery slope, all those are made in the decision making process.

But it seems to me that we could neutralize very easily a very antiquated air defense system with the old airplanes and obviously not very good pilots fairly easily, and then that would help the people who are sacrificing their very lives as we seek.

The other aspect of this I would remind you, every time there's a Srebrenica we say never again. We're not going to let it happen

again. What are the chances that in his desperation that, say, in Tripoli that Qaddafi just starts to kill people? I mean, we all admit that he's insane. So, wouldn't we want to prevent that from happening with as little cost to ourselves -- and by the way, we have bases in Sigonella and Aviano as well.

So, I argue for the no-fly zone and I think we could achieve it. And I also know from history that if we don't want to do something, we can always think of a lot of reasons not to. And so, I hope that we could move forward with that and the people in Libya are requesting it.

SENATOR LIEBERMAN: I totally agree with what John said. And I appreciate how well he said it, about the no-fly zone.

I would add that there have been very significant statements in the last 24 hours, one by a newly-formed provisional opposition government headquartered in Benghazi with the former justice minister as its lead person asking for international help. So that's a pre-condition. This is not something -- John and I have never felt that we should just sort of take off and unilaterally impose a no-fly zone.

The second statement also very important was from the Arab League yesterday, in which they said they would not stand by and watch Arab blood spilled in the streets of Libya at the hands of Qaddafi. And among the things they mentioned as possible were the imposition of a no-fly zone.

So I think we're now in a position with our diplomacy and our proactive support of involvement to coordinate whatever we do with both the Arab -- not only our NATO allies, hopefully, but the Arab League and the African Union. And that's a very powerful statement of isolation of Qaddafi.

MR. KAGAN: Okay, thank you. Well, let's start with some questions. I'm going to start with Ken Pollack from Brookings right here.

MR. POLLACK: Thanks very much, Bob. Senators, thank you very much. It's always an honor to have you back here at Brookings.

I wanted to take you back to Egypt, because I think you're both right to keep us very much focused on Egypt. It is too critical to have the gains of the last three weeks squandered. And I wanted to ask you a question about economic assistance to Egypt. In your conversations with them, you talked about the need for economic financial help.

Would additional American assistance -- economic assistance -- be helpful? If so, what would be the best way to do it? And of course, the last inevitable question, will your colleagues up on the Hill actually go ahead and pass it?

SENATOR McCAIN: It's our job, Ken, to convince our colleagues that this is in America's national security interest. We're all for democracy, we're all for freedom, but the consequences of failure in Egypt are a direct threat, then, I believe to the United States' vital national

security interest. And a casual glance at the map would certainly indicate that.

So, that really is our job, particularly those who ran for election in the last election and had nothing to do with national security issues and all about the economy and spending.

I would announce a trade preference agreement. I would announce that we are going to work on reducing their massive debt, what was it, 43 billion or something?

SENATOR LIEBERMAN: Of the Egyptian debt?

SENATOR McCAIN: The Egyptian debt.

SENATOR LIEBERMAN: They have a debt to the -- Europe, us, and Asia of -- and Japan that's over 17 billion, I think.

SENATOR McCAIN: But it's a huge debt. The debt relief issue. And obviously immediate economic assistance. Some of that 1.3 billion that all military should go to -- that kind of assistance. We should work closely with our European allies who have shown a strong desire, particularly Britain and France, to help out.

And then, of course, then the investment side of it. The investment side of it is obviously the ultimate solution. I think Joe came up with a brilliant idea.

SENATOR LIEBERMAN: Finally.

SENATOR McCAIN: John Chambers and -- pardon me?

SENATOR LIEBERMAN: Finally.

SENATOR McCAIN: Yeah, finally. (Laughter) Even a blind hog, but that -- you know, if a group of high-tech executives and said, how can we invest? I think that would be a huge symbolic gesture that would be extremely helpful.

But those are the immediate first steps, I think, that I would take. Joe?

SENATOR LIEBERMAN: Yeah. This will be a tough sell on the Hill now because of all of our deficit problems. To me, the argument will be in response to 9-11, we have spent, as I said before, hundreds of billions. We're probably getting close to a trillion now. And you think of Iraq, Afghanistan, Homeland Security. With a relatively much smaller investment we can stabilize this -- or bring the democratic revolution, the moderate democratic revolution in Egypt, which is obviously the center of the Arab world -- one-quarter of the Arab population is in Egypt -- to a successful conclusion.

But it's not going to be easy. And that's why I think what John mentioned is a very good idea, that debt forgiveness and perhaps tying it over time to some standards of progress toward democracy rule of law, et cetera. But this is a moment and I hope the administration will think about really organizing our effort. Maybe even -- I hate to say it, but I think this may be a moment for a special representative or special -- a

person in charge of our interactions with -- a kind of Friends of Democracy in the Arab world, if you will, to coordinate both the American government, the American private sector, and our allies to help this revolution go forward.

SENATOR McCAIN: Just one additional comment. We have organizations, as we know, the National Endowment for Democracy, NDI, IRI --

SENATOR LIEBERMAN: Right.

SENATOR McCAIN: -- and we want them involved, but we've got to be very careful because they are skeptical about us because of -- especially Egypt -- the past support of Mubarak. So we're going to have to approach that very cautiously and very gently as we assist them in organizing an election which they've never experienced.

SENATOR LIEBERMAN: Let me add one word. Forgive me, because we got too much inside us.

But John always tells the stories, so now I get the chance to tell it first. We met a woman who was a human rights advocate in Tunis and she said, I'm not worried about the first democratic election here. I'm worried about the second. And part of what she's worried about is that what these revolutions have unleashed is enormous expectations, including particularly economic expectations.

These revolutions were about freedom. But they were also

about economic opportunity. And they were like most revolutions, really led by the middle class; educated and frustrated. And so, the ability of these new governments democratically elected to satisfy the expectations economically of their people so that the second election stays democratic is going to be the real challenge. And they can't do it on their own. That's why the world has to help.

MR. KAGAN: John?

MR. THORNTON: Thank you, Senators. Could you say something about Bahrain, but specifically in relation to Saudi Arabia and how you see that evolving? And what our policy should be towards Saudi Arabia?

SENATOR McCAIN: Obviously we want reform and all the things that go along with that. I'm very nervous about the Saudi reaction to a Shia takeover. And we know where the oilfields are, and we know where the majority of the Shia population in Egypt resides. And this is a very, very tenuous -- it's been overshadowed by Libya and all these others. It's a very dicey situation that's going on here. And obviously we want to see inclusion government and reforms and all that, but I'd say of all the area, Libya and Bahrain are probably the two most difficult.

SENATOR LIEBERMAN: I don't have anything to add.

MR. KAGAN: Martin?

MR. INDYK: Thanks very much, Senators. I share your

exhilaration and caution.

Syria. I believe you were in Syria --

SENATOR LIEBERMAN: We didn't go.

MR. INDYK: Well, then simply the question is, what's -- do you have any sense of the likelihood that it will spread to Syria? That the Syrian people will be able to find their voice and demand freedom there?

SENATOR LIEBERMAN: So far, there's been just little -- I wouldn't even call them rumblings. Little tweets, maybe I'd say, in Syria. But -- as in Twitter. But the regime is very repressive and, of course, if there's real -- the real destiny of this peaceful revolution is for it to find its way to Iran and Syria. But so far it's not been so.

And in fact, the evidence on the ground suggests not only will the regime -- will the Assad regime do whatever it can to stay in power, but there -- they are tied now even more closely with Iran feeding Hezbollah. We spent some time in Lebanon -- of course the feeling towards Syria is very hostile.

So, I -- that would be a great breakthrough, and maybe after some period of time we could hope that the feeling that I think Assad has now that Iran is rising in the region and we're declining will be changed as a result of the peaceful uprising. And that the movement will be in the other direction, and maybe that will make him more open to doing the kinds of -- he's willing to -- as you know, he's willing to talk to anybody, but nothing

ever happens to give us cause to believe that there's really a change in the regime. And so we can hope and pray for it.

SENATOR McCAIN: He has to be very encouraged by Hezbollah taking over in Lebanon. He's achieving in Lebanon what he used to have to have troops and spending a lot of money to gain. And now with Hezbollah bringing down the government of Hariri, he's achieved his goals on the cheap.

MR. KAGAN: Yes, sir.

MR. BRODER: Hi. Jonathan Broder from *Congressional Quarterly*. I'd like to address this question to you, Senator Lieberman. Last week you called for the United States to provide military aid to the Libyan opposition. I'm wondering whether you still feel that that is something that we ought to do? And if so, exactly whom would you be directing that aid to?

SENATOR LIEBERMAN: Right. I think in the public telling of what I and John were talking about, some of the details may have been left out. The first thing that we wanted to say is that I don't think -- now it's a matter of public policy. As our national policy is articulated by President Obama, that we want to -- we believe Qaddafi has to go. But we have to do more than just say that, because this is now heading towards a stalemate which will be a bloody stalemate with Qaddafi controlling Tripoli and other areas around, and the opposition to the east.

And my feeling -- our statement was that we ought to be active, and here's a menu of things that hopefully not just the U.S., but the U.S. and NATO and our other allies -- the Australians are very interested in what's happening in Libya -- will carry out. So, yes.

And now the provisional government of the opposition has asked for this. Again, we never thought that we should rush in and do it regardless of what people on the ground have to say. So, I think we should be open to providing what -- them with arms if they need it to succeed in their revolution.

Always remembering that what -- for the reasons I enunciated before, the brutality of Qaddafi toward his own people, the way in which the rest of the Arab world is watching what we do with regard to Libya and the danger that Libya turns into a fertile ground for al-Qaeda and other Islamist groups that what we're suggesting we do -- lead a world in doing in Libya is, not only the right thing to do but it's in our national security interest.

SENATOR McCAIN: Could I just add to that? We agree completely with the Secretary of State who said all options are on the table.

SENATOR LIEBERMAN: That's the point.

SENATOR McCAIN: That was her quote. We are not advocating military aid at this time. What we are saying is, that if the

situation evolves, that that seemed to be an effective way to achieve our goals, which is that Qaddafi must go. Then it ought to be considered.

We are not calling for military assistance to a provisional government at this time. But we are saying, as the Secretary of State has said, all options are on the table.

MR. BRODER: But Senator Lieberman, I understand you are calling for military assistance to the opposition at this time.

SENATOR LIEBERMAN: No. I'm calling for military assistance to the opposition, one, if they ask for it. And, two --

MR. BRODER: They have asked for it.

SENATOR LIEBERMAN: Yeah. Well, and, two, if we determine that it's necessary for them to survive.

Look, I speak for myself here. Part of my reaction to what's happening in Libya is clearly influenced by what we watched happen in the Balkans in the '90s. It took us a while to get involved, and when we did we did effectively. But a lot of people lost their lives at the hands of a madman, in that case in Belgrade, Milosevic. And as you recall, some of the first debates in Congress were about whether we should supply arms to the Bosnians to protect themselves. Ultimately, we did a lot more than that, and thank God we did.

So I hope we don't come to that in this case.

MR. KAGAN: Thank you very much --

SENATOR McCAIN: Could I just say --

MR. KAGAN: Yeah, sure.

SENATOR McCAIN: Because this has really been a little bit distorted. Let me be clear that Joe and I are not in disagreement. We'd like to see the no-fly zone. And obviously events are moving very quickly in Libya. And what we want to avoid, of course, is a stalemate that would lead to further continuous bloodletting, as a scenario that seems to be happening now.

He could collapse tomorrow. Warfare is unpredictable. But again, it's not that we're saying, send military aid right now. We are saying, as the Secretary of State said, all options are on the table. First is a no-fly zone, and then we see what's necessary to carry out stated United States policy, which is Qaddafi must go.

We have been -- and the reason why I emphasize that is Joe and I both have been accused of saber rattling, et cetera. We are standing up for what Ronald Reagan stood for, what all of us stand for and believe in. And that is that people have God given rights and not to live under a brutal dictator that's willing to slaughter and massacre his own citizens in order to stay in power.

SPEAKER: You know what?

SENATOR McCAIN: Yeah, I'm sorry --

MR KAGAN: This isn't a one-man press conference.

SENATOR LIEBERMAN: Yeah. Let me add a word. First, I want to recognize and thank Teresa Heinz Kerry, who is here as a great citizen of our country, a great philanthropist.

Second is to say that we're comforted -- we were both comforted, John and I -- John McCain and I yesterday and really encouraged when Senator John Kerry supported the no-fly zone and recommended essentially a kind of a free enterprise fund to support democracy -- nascent democracy in the Arab world. And, you know, that gives us a breadth of support that means a lot to us.

SENATOR McCAIN: And his leadership as chairman of the Foreign Relations Committee, which is incredibly important.

MR. KAGAN: Well, on that note, thank you very much for sharing your time with us.

SENATOR LIEBERMAN: Thank you.

MR. KAGAN: I'd like to ask you all to stay in your seats. Let the senators make their way out, but you can certainly give them a well-deserved round of applause.

(Applause)

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