Thank you, Ted, for your kind introduction and thanks to our friends at Brookings for inviting me to speak today.

Let me recognize Prime Minister Sheikh Abdullah bin Nasser bin Khalifa al Thani and Foreign Minister Dr. Khalid bin Mohammed Al Attiyah: I am very glad to be here today with you to bring best regards from Secretary Kerry. I know the Secretary of State is in very constant contact with Foreign Minister Attiyah, and keeps his number on his own cell phone.

Your Excellencies, Bujar Nishani, President of Albania and Ibrahim Boubacar Keita, President of Mali, I was very pleased to meet you here today.

Ambassadors, ladies and gentlemen:

I want to begin by expressing the gratitude of the United States to the Amir of Qatar, Sheikh Tamim bin Hamad Al Thani and his government for their diplomatic efforts that made it possible to free U.S. Army Sergeant Bowe Bergdahl from years of captivity with the Taliban. I was the U.S. Ambassador in Pakistan when Sgt. Bergdahl was taken prisoner and am very familiar with this case and the strong commitment of our leadership to securing his freedom. As the mother of two sons who served, or are serving, in the U.S. military, I also took great personal comfort in seeing, first hand, that my government would do everything possible to bring back our servicemen and women to their families. The deal could not have been achieved without the Government of Qatar’s diplomatic good offices and its firm commitment to securing the five individuals after their transfer from the Guantanamo Bay facility.

I understand that the first plenary session will consider the future of the U.S. role in the region. I look forward to this discussion, as we prepare for significant changes in the next year. As you are likely aware, last month, President Barack Obama announced the plan that will bring to an end the U.S. military involvement in Afghanistan, a war that has gone on for 12 years. The United States has lost 6,812 lives and suffered 52,032 wounded in our wars in Iraq and Afghanistan. These wars have already cost the American people some $1.3 trillion dollars, although some analysts believe the final cost will be far greater.

As a result, it won’t surprise you that there is an active debate underway in the United States about the way we engage with the world and should engage in the future. Many of our international friends are having a parallel conversation along these lines. As Americans and Europeans observed the D-Day anniversary, an enduring symbol of commitment to freedom, it was jarring to see a somewhat tattered eagle on The Economist’s cover, asking whether America would fight for anything, anymore.
In Europe and in this vitally important region, such questions make little sense. The United States is a leading member of NATO – a fact underscored by the President last week in Warsaw – and has treaty obligations to defend our allies. We continue to maintain the world’s largest defense budget.

Similar questions have been raised by some in this neighborhood about the U.S. commitment to this region. However, U.S. defense cooperation with the countries of this region has never been stronger; in fact, it has dramatically expanded in recent years. The U.S. has 35,000 military personnel in the Gulf region. I visited the U.S. Navy’s 5th Fleet a few weeks ago in Bahrain, where we station about 7,000 personnel. The UAE is the Fleet’s most frequent port of call as it patrols the Gulf. Our military is deployed with our most advanced fighter aircraft and a wide array of missile defense capabilities in this region.

President Obama came to Saudi Arabia recently to directly reaffirm our commitment to regional security and partnership, and he has met many regional leaders at the White House. In addition to phone calls and meetings by senior civilians and military personnel, we are linked by high-level forums: the U.S. – GCC Strategic Cooperation Forum at the Foreign Minister level and its counterpart, the U.S. – GCC Defense Ministerial. Our diplomatic engagement in the region is as broad as it is deep. Our diplomats meet daily with government officials and civil society and our senior leadership, particularly the Secretary, is in constant contact with his counterparts in the region. Despite increased security concerns, U.S. missions abroad will continue to do the important work of building ties and forging common purpose. The United States recognizes that there can be no durable solution to the range of challenges facing the region without the vital engagement of countries of the Gulf.

The U.S. is committed to maintaining the world’s largest and best-equipped military. And the President was clear in his recent West Point speech when he said that “the United States will use military force, unilaterally, if necessary, when our core interests demand it – when our people are threatened; when our livelihood is at stake; or when the security of our allies is in danger.” A robust economic and diplomatic engagement will also remain a cornerstone of our relations in the Middle East.

As we look around the region, however, we see important diplomatic and security challenges that will require more tailored strategies if we are to succeed. So it is important to take a clear-eyed look at our priorities and how all of us in the region can work together to preserve stability and build a better future. The United States seeks to make the world more secure by helping our allies and friends defend their national security interests and by intensifying our partnership. This is an approach that has been evolving over the years: some of the greatest dangers now arise from efforts by violent extremists operating in areas where borders and territory cannot be defended by national governments.

To assure their defenses, we have provided to our partners in this region some of the world’s best military equipment. Saudi Arabia recently purchased 72 of the advanced F-15 aircraft. The UAE is upgrading and expanding its F-16 fleet. Qatar, the UAE, and Kuwait are acquiring some of the world’s most sophisticated missile defense systems.
But having the best equipment available is not nearly enough. We are moving to support regional collective defense through the Gulf Cooperation Council. We maintain a Combined Air Operations Center here in Qatar that monitors the skies over the region. We are hoping that the GCC will establish an Air Defense Chiefs Conference as its primary military forum for regional air and missile defense policy. We would like to see improved security cooperation in the Straits of Hormuz through the GCC Operations Center, once it is operational. We believe the GCC should assume and maintain command of the Combined Maritime Force’s Gulf operations, with a naval chief’s conference to coordinate policy. From the UAE and Qatar’s contributions to the no-fly zone of Libya, to the GCC participation in counter-piracy operations in the Arabian Sea, we are beginning to see what our enhanced security partnership can achieve as Gulf countries are becoming increasingly robust military partners.

Although terrorism which emerged from this region has been effectively ended as a unified force in Afghanistan, various splinter groups and factions still seek to undermine and overthrow regional governments. But we have seen the consequences of permitting violent extremists to establish safe havens or to take over entire nations, and the enormous cost of turning back the tide.

In his recent speech at West Point, President Obama pointed to violent extremist elements as the greatest threat to the United States and to our interests and partners. He committed the United States to work in partnership with countries across the globe as a network or web of allies to confront extremist violence. Nowhere is this more true than Syria and Iraq. I believe we can do much together to contain and roll back the threat posed by the Islamic State of Iraq and the Levant’s aspirations to create a terrorist state in western Iraq and eastern Syria. ISIL draws on the widespread anger in the region and beyond over the Asad regime’s brutal repression of its people -- repression supported by Hezbollah and the Iranian Revolutionary Guard. To defeat ISIL, the United States and the countries of the region need to work in concert -- and overcome some differences -- to develop effective policies and durable solutions to this dangerous threat.

Counter terrorism strategies sometimes require the use of military power, but we must also use other tools, including diplomacy and development to take on the appeal that terrorists still can have for angry, disenfranchised and unemployed young people. And as allies, we need to strengthen our business and people-to-people ties.

The second, related challenge is job creation. This region has a very large cohort of young people who are driving change with their aspirations for better lives. But there will be no stability in this region until the large numbers of unemployed young men can find good jobs – the kinds of opportunities that young people everywhere seek. Observers of the recent Egyptian election noted that they saw very few young men at the polls, another indicator of the disillusionment and frustration with the political process that we see across the entire region. Improving the prospects of young people across the region will require increased investment, more open markets, more intra-regional trade, and, critically, more cooperation among the Gulf countries and Europe and the United States.

This cooperation will be crucial to finding ways to help less prosperous Arab countries develop productive, job creating investments. Some work has been done to synchronize our overall economic approach to the region, but not nearly enough. The Gulf countries will continue to be
vulnerable as less prosperous neighbors face stagnant economies and declining living standards. On our part, we in developed countries need to open our markets just as we work closely with our business communities to invest in the region, since overseas markets offer our companies the greatest opportunities for growth and profit.

Prosperity will require widespread reform of Arab economies to depend less on subsidies, to slow the growth in public employment, and to curb energy demand. Secretary Kerry has worked hard to lay the basis for an improved Palestinian economy predominantly using the private sector but engaging government tools selectively. This innovative plan, which is private sector driven, may provide a model for other countries in the region and will be greatly strengthened by support from the Gulf States.

Higher education is a prime area for increased cooperation, because both in the Arab world and in the United States costly, but advanced education raises the expectations of young people for a better life -- expectations thwarted when they cannot find jobs. The United States has the best universities in the world and some of these institutions are now operating in the Middle East. And U.S. degree programs are attracting growing numbers of people from across the region.

There are currently 80,000 Saudi students in the U.S., a number poised to increase to over 100,000 next year, representing an investment of about $4 billion by the Saudi government. This stake in human capital will transform Saudi society – and it will develop deep partnerships and business ties for Saudi Arabia with a new generation of Americans. Countries in this region also need to cooperate more on developing specialized high schools, vocational training, and expertise in math and science, both for girls and boys. Our cooperation in education and in important academic and professional exchanges will help build stronger ties between our people and will dispel misunderstandings.

And then finally, political stability in the region will be a significant challenge. The United States is well aware that there are deep differences among our friends in this region about the future of Islamist politics and we understand the need for new thinking to address the intensity and depth of sectarian issues that threaten regional peace. It will be an important theme of discussion at this conference. We have seen Islamist groups prosper when they provide services that governments have been unable to provide and when there has been a lack of political space for other political movements.

Some people in this region conflate Islamists with terrorists and desire to eliminate the Islamists entirely from the political scene. Our difficult fight against violent extremists is made more complicated by this viewpoint. The need for compromise is underscored by political experience in the Arab world as well as our own. It will take concerted leadership on the part of political leaders, governments, religious figures and civil society – leadership that must come from people here in this region.

I want to mention some U.S. diplomatic undertakings that are underway in the region – addressing challenges that also require our shared efforts if we are to build a region of peace and stability. I know that most of you have been following these issues closely. Let me offer a few thoughts.
The United States desires better relations with Iran. We want to believe President Rouhani’s efforts to improve relations with the West are both sincere and sustainable within Iran’s political structure. Our differences with Iran go far beyond the nuclear issue, yet in clear recognition of the existential threat that an Iranian nuclear weapon poses to this region and to the United States we are working together with the P5+1 to test Iran’s intentions.

We have provided temporary, limited and reversible sanctions relief in exchange for a partial rollback of Iran’s nuclear program as a demonstration of our sincerity and desire to complete an agreement. We have been keeping regional governments closely and regularly briefed throughout the process. I cannot say that these negotiations will succeed, but we need to seek a diplomatic solution to a dangerous situation.

We believe that efforts to address regional challenges will be strengthened by a close partnership with Egypt. We look forward to working with President Al-Sisi and his government to advance our strategic partnership and our many shared interests. A strong, stable and economically successful Egypt is good for the region and good for the United States. We continue to urge that the Egyptian government follow through on its commitment to lead an inclusive transition to a democracy that respects the universal rights of all its citizens, including the right to peacefully dissent, and an open economy that provides opportunities for growth and development.

The Asad regime, which terrorizes and slaughters its own people and drives them into exile, has given new life to violent extremism in this region. While it has had some battlefield successes, the regime will not be able to end the civil uprising through the use of force and repression. Nor will it gain legitimacy from its recent bogus election. We will continue to work with our London 11 partners toward a political solution that will facilitate Syria’s transition. In his recent West Point address, President Obama underscored our desire to support the moderate Syrian opposition, which offers the best alternative to both the regime and the terrorists. He noted that we will coordinate with our partners and allies to increase that support. The President also intends to increase our assistance to Syria’s neighbors to deal with the refugees and terrorist spillover from the conflict. But this crisis requires all of us to work together, putting our partnership into practice. We need to cut off the flow of resources and fighters from this region to ISIL and other extremist groups – and we will need to expand security cooperation to strengthen defenses and borders.

The United States remains the largest donor to the international humanitarian effort for the Syrian people. Last week, the Secretary of State Kerry visited Lebanon, which has been deeply affected by the Syrian crisis, where he announced an additional $290 million in humanitarian assistance, bringing the U.S. total to over $2 billion.

The Middle East Peace negotiations are currently in a period of pause as Israel and the Palestinians reflect on the next steps necessary to secure the peace agreement that has eluded them for so many decades. Secretary of State Kerry expended extraordinary efforts to restart and to shepherd these talks; and we are grateful that the Brookings Institution loaned Ambassador Martin Indyk back to the State Department to work closely with both parties. I want to acknowledge the support for these talks provided by so many of the region’s leaders, including incentives for the parties to reach a solution. Regrettably, both sides have taken steps that have
brought the talks to the current pause. The United States will not – and cannot – give up trying to achieve a just and lasting peace to the region.

In conclusion I’ll say that although the U.S. combat role in Afghanistan is coming to an end, we see much productive work ahead – not just on shared security concerns, but also on building of stronger economic, political, and cultural ties. Achieving these goals will depend heavily on our partnerships in the region and require expanded cooperation and intensive consultation.

This forum is an opportunity to propose and develop solutions to the challenges we face and I look forward to a very fruitful discussion.

President Obama has spoken often about America’s desire to build a new relationship with the countries of the region, based on mutual respect, cooperation and economic development. We have done much in recent years to deepen our business and commercial relations, and the surge of Arab students currently entering U.S. universities will do much to broaden people-to-people engagement – and also to share new skills in technology and entrepreneurship. But much more can be done, in part, because we believe that every society – regardless of its religious or cultural traditions – benefits from extending universal rights to all men and women.

The Middle East has entered a new era, one in which the demands of people for greater access to legitimate political power and economic opportunity are growing. These demands will not go away. We are looking for ways to align ourselves more effectively, politically and economically, with the Middle East as a long-term partner for peace and economic growth.

Thank you very much.

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