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MOUNTING CHALLENGES IN THE MIDDLE EAST
FOR JAPAN AND THE UNITED STATES

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P R O C E E D I N G S

MR. BUSH: Good afternoon. My name is Richard Bush; I'm the Director for the Center for East Asia Policy Studies here at Brookings. It's my pleasure to be the convener for this event and to thank you for coming.

The premise behind this discussion and a couple of others that we're going to have in a series is that as allies the United States and Japan will work better together if we gain as close an alignment of our view of this or that situation and of our interests and our responses. This doesn't mean our interests are going to be exactly the same as Japan's. That's never going to happen and it's proper that it shouldn't happen. This sort of imperative is true not only of East Asia, of where the challenges it faces are the greatest, for reasons we all understand, but also in other places around the world. And one of those is the Middle East where both Japan and the United States have very important interests. So that's what we would like to explore today and we have four outstanding specialists to help us do that.

First, Kuni Miyake, is a long-time foreign service officer in the Japanese Ministry of Foreign Affairs. More recently he has been the president of the Foreign Policy Institute, which is a private think tank in Tokyo, research director for foreign and national security affairs at the Canon Institute for Global Studies, and a visiting professor at Ritsumeikan University. He just got off a plane from Japan this morning and so we admire his fortitude.

Tamara Wittes, my colleague here at Brookings, is the director for the Center for Middle East Policy Studies and she's been a colleague of mine here since I arrived a number of years ago. She took a break in 2009 to work in the first Obama administration as Deputy Assistant Secretary of State for Middle Eastern Affairs, where she was working particularly on programs to promote democracy in the Middle East.

Yukiko Miyagi is a research fellow at the Institute of Middle East, Central Asia, and Caucasus Studies at the University of Saint Andrews and the United Kingdom. She was previously a lecturer at the University of Durham, and she's written a number of books on Japan's policy towards the Middle East. And so if you want to know what its policy is, read her books.

Finally, Dan Byman, another colleague here at Brookings. He is the director of research

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and a senior fellow in the Center for Middle East and Policy Studies. He also teaches at Georgetown University.

Each speaker will talk for 10-15 minutes and then we will all come up to the stage and take your questions. Again, thank you for coming.

Our first speaker is Kuni Miyake.

MR. MIYAKE: Good afternoon. I think it's 3:00 o'clock in the morning Tokyo time, but it's okay. Richard, you will regret that you invited me. I don't know why I'm here and probably I won't be invited back anymore. So probably I will tell you what I want to tell you. (Laughter) These slides will make so many enemies in Washington I'm sure, I can guarantee that.

So I'd like to make the best use of my time; I'd like to start. First I want Dan and Tammy, the history of China -- only 20 more seconds, okay, and I'll show you the size of -- not Red China, is not communist China, it's Han Chinese. I'm sorry I didn't have time to translate into English, but this is 2 Century BC, okay. And Han Chinese had been surrounded by 4 enemies, the enemy in the north, enemy in the east, enemy in the south, and enemy in the west. So I will show you how they develop or expand and shrink. This is the second century. Fifth century, Tang Dynasty, and then shrunk and taken by the Mongolians. Then resurrected as Ming Dynasty. Then Qing Dynasty came. Russians came down, Japanese came in, and this is -- okay, this is the history of China, okay. (Laughter) Too fast? Maybe too fast. There are four enemies surrounding the Han Chinese. This is the second century and this is the fifth century. Until then most of the enemies came from the north. That's why they build the Great Wall in the north. But then Tang Dynasty is another empire, then shrunk again. This is my favorite map because the heartland of Han Chinese (audio interruption) between the heartland Han Chinese and Central Asia has been sandwiched by the (inaudible) and Tibetans. This is the geopolitical vulnerability of the Han Chinese.

Then the size of Han Chinese shrunk when the enemies are powerful. And shrunk again, the Mongolians came. But they're gone and Ming Chinese or Ming Dynasty, Han Chinese resurrected, then (inaudible) and Tibetans also resurrected. Then shrunk again, taken over by the Manchurians, the Qing Dynasty. Russians came down and Japanese came, and it -- this is the history of China. That's

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what I'm concerned about. And there are so many stories those maps can tell, but I can give you only two issues now. One, it's very simple, the size of Han Chinese depends on the relationship with their enemies surrounding the Han Chinese. If the enemies are strong then Chinese shrunk. The enemies are weak, they expand.

So, second thing, what about now? The main border of China is secure now; there's no threat from the ground. The threat comes from the sea because most prosperous and vulnerable China is located on the coast on the Pacific side. And the sea lines of communication to and from China, from and to the Middle East, is challenged by the U.S.-Japan security alliance. This is the vulnerability of China now.

China's maritime expansion, the first one was in the 15th century. The Cheng Ho Fleet reached all the way to Africa, but this time this is a bit different. But this is the second time in the history of China when they expand on the sea. So the PLA is the first and second island chains, as you see. They virtually deny freedom of navigation in western Pacific. I don't want to take up my time too much.

So I want you to see the movement of U.S. maritime forces, Navy and the Marines. This is from Statfor so it's --copyright wise it's not wise, but I have to show you. The red dots are aircraft carriers and blue dots are amphibious assault ships operated by or taken care of by the U.S. Navy but used by the Marines. So there are 11 aircraft carriers the United States has, the Navy has, and I think about 8 or 9 assault ships. It's like we call it chopper aircraft carrier. But anyway, so I show you how they move around. And this is the 6 of June 2010 until 6 of April 2011. Why April 2011? 2011 March we have a big earthquake. So I show you the movement of U.S. forces, including what they call Operation Tomodachi, to help the people in Tohoku in March and April 2011. So please take a look. And I want you to take a look at the Asian side and the Middle Eastern side at the same time. That's June of 2010, July, August, September, October, November, and then December, Christmastime, New Year, the earthquake came, tsunami came, and that's the Operation Tomodachi near Japan. I show you again. This is extremely important to me. This is July to September, November, and December, and the New Year, and the earthquake and tsunami and Operation Tomodachi. You have two aircraft carriers near Japan. It is unprecedented. You don't have those in one place like this. And you have one amphibious

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unit of the Marines. Because of tsunami. But what if there had been no tsunami? I call it a crisis in the Korean Peninsula. For example, okay, so let's assume that this is a crisis at the Korean Peninsula. There are two more aircraft carriers in the Gulf, off the Gulf, and one Marine unit in the Indian Ocean and another unit in the Mediterranean. This is how the U.S. forces operate, maritime forces. My question is, this could be the maximum, this could be the usual number of forces they use, because they only have 11 aircraft carriers, they can use 4. They can use 6 or 8, but then you cannot continue fighting. So this is -- the nightmare for Japan is that what if something additional happens, what's going to happen to the U.S. forces? Which best and brightest additional forces go where, to the Middle East or to Asia? You never know. My answer is probably the Middle East. And the Japanese self defense forces cannot fight in the Gulf. We don't have power projection capability.

So this is how Tokyo sees the Middle East. The Gulf is Tokyo's source of energy. Fine. Then Tokyo can't defend all SLOCs by itself -- SLOC means sea lines of communication. And then Tokyo hosts the seventh fleet in Yokosuka to secure that. Then Tokyo has no biblical obsession (laughter). We didn't colonize them. Tokyo has no history of colonization in the Middle East (inaudible). (Laughter) Then Tokyo has not been a major player in the Middle East to be honest. The United States can no longer stabilize the Middle East alone unfortunately. And then Tokyo faces China's maritime expansion as you saw. But Tokyo also shares SLOCs with China. We share the same SLOCs to the Middle East. This is how I see the Middle East from Tokyo.

So what about my view on the Middle East and U.S. policy, if there is any policy in this country vis a vis the Middle East. I'm sorry to say that. Who said that there is a spring in the Middle East? I have not experienced any spring in the Middle East and there is none. The Ottoman Empire is still collapsing in my view. It's in the process of collapsing. The Europeans tried to stop it at the beginning of the 20th century; they failed. So those borders are going away, disappearing, finally. So we are still in the process of the collapse of the Ottoman Empire. So unfortunately we cannot stop it, we cannot stop it because the solution in the earlier 20th century was so artificial that we couldn't keep it intact. The rise of nationalism everywhere, in Europe, in Asia, and probably in the Middle East in the form of religion, religious reform or whatever. ISIS is part of it. So it's more global phenomenon to me than

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unique in the Arab countries. Arabs have little self governing skills. I'm sorry to say this, but this is the biggest problem as Ken Pollack wrote recently. So the problem is not ISIS, the problem is the power vacuum in the failed states in the Middle East.

Europe is losing ground. Unfortunately they are paying the debt now by accepting the refugees and immigrants. Unfortunately. Now, we didn't colonize them, they did. New imperialism in Turkey and Iran, that's what I'm concerned about too. I don't know what's going to happen. Iraq war is fine. I was there, I was inside the Green Zone. The war was okay, but the reconstruction was a fiasco -- it was a fiasco. Unfortunately, I agree with Donald Trump on this. (Inaudible) Middle East has (inaudible). There are many good Middle East hands in Washington and in the United States they will not listen to. I don't want to go into details.

The Iran nuclear deal may prove to be another fiasco -- you never know. While people will defend it, hope that this will be all right, but I don't. I'm very much concerned about that too. Compartmentalized Middle East policy making in Washington. I think life was much simpler when I was here back in 1991. Martin Indyk was there and he was running the show. But unfortunately the operation is too big now that one single person cannot handle everything either anymore. Is it good? Probably bad.

Most important -- an important message I wanted to convey today is that Middle East and East Asia is becoming one theater of operation. So you cannot separate them. You can physically or geographically, but it's becoming one theater of operation in the mind of myself. We have a dilemma where we are heavily dependent on the Middle East in terms of the energy. It will continue. The Middle East is still in the process of disintegration and Japan has some limit on the defense budget, so we cannot expand as much as we want. And self defense process has no power projection capability in the Middle East. China's presence in the South China Sea is another concern, and it's in the middle of the sea lines of communication between East Asia and the Middle East. So that's why it's getting one theater of operation.

While we have the security of freedom of navigation in the SLOCs, hopefully, but can we do it all by ourselves? Can the U.S. Seventh Fleet? Hmm. Well, Richard, some years ago hinted that

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there should be some kind of burden sharing, but with China? Are you serious? Can we -- yes, we can. Probably -- I don't know. Actually this is one of the topics we should discuss today.

So, U.S. disengagement in the Middle East. If people talk about the U.S. departure from the Middle East, okay, we have shale gas so dependency on the Middle East is going down, so you don't have to be there anymore. That's a wrong message I guess because in a nutshell if the United States wants to continue to be a Pacific power then you have to secure sea lines of communication to protect the Asian allies where the economies grow fastest in the world. So if you really want to continue to be a Pacific power, then you have to be in the Middle East.

Thank you very much. (Applause)

MR. BUSH: Kuni, we invited you, number one, because you came highly recommended (laughter) and, number two, because we wanted you to say provocative things. Based on that we'll invite you back.

If only to confirm your main point, what is China's one belt, one road initiative but a recognition by China that it's one theater of operations, right?

Tamara Wittes.

MS. WITTES: Well, thank you. And, Kuni, I think I could not agree more with your concluding point that for the United States and indeed for global security it's not a zero sum game between East Asia and the Middle East. I don't know if I would go so far as to call it one theater, but I definitely think it's win-win.

Now, you spoke about Tokyo's dilemmas in the Middle East toward the end of your presentation and I want to spend a few minutes walking you through Washington's dilemmas in the Middle East, and then we'll see where we end up. But I think that the Middle East presents a strategic dilemma for the United States, and that was true even before the upheaval that began in 2011, although it's certainly exacerbated since then. Look, this current administration came into office with a certain set of premises about the relative importance of the Middle East in America's foreign policy strategy and the relative investment that the United States had been making in the Middle East as compared to that importance. And I think that former National Security Advisor Tom Donilon has spoken publicly about

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how during the transition period they looked across America's global commitments and concluded that the United States was relatively over invested in the Middle East, as he put it, and relatively under invested in Asia.

So they did come into office with a premise that they could shift the nature of American engagement, not the total degree of American engagement, but the nature of America's engagement in the Middle East. Coming off of several decades of relatively intensive military presence, beginning with the tanker war back in the 1980s -- that was the beginning of the American military buildup in the Middle East, through the Gulf War of 1991, through the Iraq and Afghanistan wars -- and the Obama administration coming into office with the sense that it was going to be winding down those last two conflicts, that it could begin to pull back on the military engagement in the region and develop a new posture that was rooted more in economic partnerships and work the regional security by burden sharing more with regional partners, the cornerstones of America's security policy in the Middle East for decades, Egypt, Saudi Arabia, Israel.

Now, that construct, the sort of going in Obama administration policy, relied on a couple of assumptions that you had a basic regional order that was favorable to American interests and needed to be preserved and protected. So you were in a good place, you were playing defense. And number two, that you had stable partners in the region to whom you could to a degree subcontract the maintenance of that regional order. And both of those premises got blown up in 2011 with the Arab uprisings and everything that followed. Not only the Arab uprisings, however, also the deterioration of political stability in Iraq after the American military withdrawal and of course the rise of ISIS.

And since the spring of 2011, when that upheaval began, in fact the Obama administration has cycled through not just one but three additional approaches, overarching approaches to its Middle East policy. In May 2011 President Obama announced a new strategy that was premised on the idea that regional stability would return to the Middle East only through a process of democratic reform and democratic transformation across the region, pledged that that would be a priority for American policy, and that he would put resources behind it. That didn't work out so well for a variety of reasons we can get into, and some of them I'll discuss in a couple of minutes, but by September of 2012

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the administration had decided that it could not rely on democratic transformation in the region to return to stability. And in fact when President Obama went to the United Nations that September 2012, he gave a much more narrow focused vision for America's approach to the Middle East. It was focused I think on a number of the priorities that you laid out, Kuni. Securing the free flow of energy supplies to global markets, combating proliferation of weapons of mass destruction, combating terrorism, advancing peace, specifically Arab-Israeli peace. And the message to the region was all that other stuff is your problem, we're focused on these narrow priorities.

Now, that approach, which wasn't a real kind of pull back approach, a modest approach to the region some would call it, was itself overturned less than two years later. By August of 2014, when President Obama, in the wake of the kidnapping and beheading of a couple of American hostages by ISIS, announced that the United States was returning militarily to the region, to Iraq specifically, drawn back into the region to deal with the threat of ISIS.

So I think we can see that this period of upheaval over the last five years has presented tremendous challenges to a U.S. administration that founded -- opening assumptions completely overridden and that has struggled to find kind of anchors to help orient its policy since. Now, part of the problem is that there really aren't any anchors in the Middle East today. And so let me spend a couple of minutes giving you my sense of what's going on in the region, because that's what got to shape the policy of external powers, no matter what their interests are.

And I will disagree with you here. I don't think that what we're looking at in the Middle East today is fundamentally the continuation of the disintegration of the Ottoman Empire. And I don't think that what we're looking at is a design flaw in the drawing of borders by Sykes and Picot 100 years ago. I actually don't think borders are the issue. Borders may shift in the future in the Middle East, but the fight right now is not about where to draw the lines. The fight right now is about what's a state for, what do we want our states to do, who belongs, and what should their priorities be?

So what we have in the Arab world today in particular is the destruction of that regional order, that favored American interest, and the replacement of that stable status quo with fierce geopolitical competition between regional powers, notably a Sunni coalition headed by Saudi Arabia, and

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the Iranians and their proxies and allies, and this geopolitical competition is being fought out in Syria, in Lebanon, in Yemen, in Bahrain, in a bunch of places across the region. And now we also have external powers exercising their geopolitical interest in this environment of the Middle East. So we have the destruction of a stable regional order and its replacement by geopolitical competition. We also have the fracturing of individual states like Libya, like Syria, and perhaps Iraq. And I have to emphasize that the fracturing in Libya and Syria is not due to the uprisings themselves. And it's not due to American intervention or the lack of American intervention. It's primarily due to the choices of the authoritarian leaders who led these countries. Two choices in particular.

First, the choice that all authoritarian leaders make, which is while they're in power they work very hard to identify, to undermine, to destroy alternative centers of social and political power within their societies, anything that might present a threat to their own control. And so Bashar Assad and his father, and Muammar Gaddafi over 42 years, invested tremendous efforts in destroying social, political, and cultural institutions in their countries, so that whenever that authoritarian rule ended there were not institutions and ingredients within society that could be used to address conflict, to resolve disputes. That's the authoritarian legacy.

The second choice is the one these leaders faced when the uprisings began. It was their choice to use force against what were then peaceful protesters. And in Syria, I have to remind you now, it's been a civil war for a long time, but for the first seven months the Syrian uprising was a non violent uprising -- seven months in the face of incredible brutality by the Syrian government. And the choice by the these leaders to use force against their own citizens to try and put down these uprisings broke what was left of the state, because it made the state a deeply partisan actor and it created a market within society for other providers of security to protect them from the state. And that's what created the opening for militias, for ISIS, and that's what created the violence that has generated civil war, displacement, mass refugee flows, and all of the other spillover effects that we are witnessing.

And so what we have today in the Middle East is two simultaneous crises. We have a crisis of order. Who can provide it? State governments are demonstrating that they are not particularly effective, even the states that survive, like Egypt, is not succeeding in providing basic order and security

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for its citizens. And then we have places where order is broken down completely. So we have a problem of order, individuals, communities, and governments seeking order and security. And we have a problem of authority. Who has the authority to answer the big questions that the people of this region are asking themselves, the questions that prompted the uprisings in 2011? Who rules and who decides who get to rule? Is the state primarily there just to provide security at whatever price, or is the state responsible somehow to give me a livelihood, or is the state there to give me opportunities to define my own life? What's the role of religion in our community, in setting the rules? These are big questions. And the region lacks authoritative mechanisms, authoritative platforms, to debate these questions, to resolve these questions. Citizens in the Middle East today don't trust their governments, but they also don't trust religious institutions, they don't trust political parties. So we have a problem of authority. How can we find sources, authoritative sources to answer these questions?

Now, the United States, looking at the problem of order and the problem of authority in a deeply disordered Middle East, the United States government has real questions about what it can usefully do to address crises, to restore regional stability. Any American president would face those questions here at home, whether the United States is capable of helping to shape the trajectory of political and social development in faraway places where people are fighting and big questions are on the table. And after the experiences that Americans have had in Iraq and Afghanistan it's understandable why we are asking whether we're capable of that, whether it's wise to try.

But the U.S. also faces questions about its capabilities in the region. The United States and its major partners, Egypt, Saudi Arabia, Israel, have some fundamental disagreements about how the region got where it is today and about what's necessary to fix it, about what the major threats are, and how to address them. The U.S. priority is combating the Islamic State. But if you look around there are not a lot of our traditional Sunni-Arab partners lined up behind us seeing that as their number priority. Their number one priority is the geopolitical competition with Iran, and they don't think we're helping. So we have a real disconnect between the United States and those with whom it would like to share the burden of rebuilding order in the region.

The United States' view is that the appeal of extremists can only be reduced through

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more inclusive politics. And most of our regional partners view extremism as something that has to be defeated through tightening social and political controls, and defining very narrowly who can participate in politics. Big divergence. And the region, moreover, is shaken by this American approach and by the upheaval, and by the threats from Iran. And they feel that the United States is distancing itself from their problems.

I think there are some pretty stark choices for the United States in the coming years, no matter who gets elected president. My colleague, Ken Pollack, has a new piece out in Foreign Affairs that lays out two extremes I guess in options for the United States going forward. I think there's a middle option also. He would disagree. And I'll lay out all three for you.

So at one extreme there's what you might call the pulling back option. The U.S. can seek to insulate itself from the impact of regional upheaval. I think that's folly. I don't think it's sustainable. And I think that the Obama administration already tried that in September of 2012 and concluded, because of ISIS, it can't afford to sustain that approach. Now, Ken calls for what he calls a stepped up approach, that would be the other end of the spectrum, with intensive American engagement, diplomatically, militarily, in terms of economic development support, to halt civil wars, to address governance deficits, to support development and reform across the region. That's a tremendous commitment. Now Ken's judgment is that's the only way to restore regional stability because no other actor from within the region or outside can make that commitment, that degree of commitment for that long a period of time. But as I suggested, I'm not sure that there's sufficient consensus here in the United States to enable that kind of approach. I do think there's a third option and it's not just muddling through. I think it's a recognition that there are parts of the region, issues you can work on, you can try to construct new anchors for stabilization in the region, but you're not going to be able to put the whole puzzle together. And I think to some degree this is probably what the Obama administration thinks it's doing. It feels like it's locked down, at least for the next 15 years, the issue of Iranian nuclear weapons development with this agreement. If we can get a political settlement of the civil war in Yemen that will remove one arena of regional geopolitical competition, one that's very close to Saudi Arabia's border, one that is giving Al Qaeda in the Arabian Peninsula, the extremist group with the greatest effort underway to

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attack the American homeland as our officials tell us over and over again. If we can end the civil war in Yemen that will enable the United States and its partners to focus on the threat from Al Qaeda. And there are -- I wouldn't necessarily say bright spots, but brighter spots in the region. States that are engaged in reform, states that are commitment to stabilization that can become anchors, and over time perhaps can be positive examples for the rest of the region. Places like Morocco and Tunisia, where the Obama administration has just announced a significant increase in economic and military assistance. Places like Jordan, that can be protected from the spillover effects of the civil wars and can serve as anchors of stability.

And on the broader issue of terrorism, the United States can continue to do what it's been doing over the last five years, which is essentially to rely on technology and special operations to play defense.

Now, that third option I think is very tricky to maintain. It may or may not be sufficient to defend American interests. But one thing is for sure, it's not something the United States can do alone. In fact, I don't think the United States can implement any of those options by itself. It think you're exactly right, that any approach to the Middle East in the coming years demands a degree of burden sharing with other powers. And this middle option would particularly rely on others who have a capacity to help manage regional crises. The Europeans have now found themselves in the position of helping to manage the spillover from the Syrian war by accepting this mass refugee flow. And historically over the last several decades Japan has played a very important role in providing economic resources, technical assistance, and other forms of economic engagement to support reconstruction and development in the Middle East. Now, it's hard to see how that role works in the context of ongoing conflict, but I do think there's a lot of opportunity.

I'll just make one final note, which is on the issue of China and its role in the region. And you were very skeptical, for reasons I understand, of the idea that Japan and China might burden share in dealing with the challenges of securing energy lanes flowing from the Middle East to Asia. But I would note that China is already stepping into this role. It's already doing a bit of burden sharing, testing the waters perhaps, in terms of its counter piracy work off the East African coast. So I question whether there

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aren't some opportunities for functional cooperation. Perhaps not Japan-China directly, but perhaps mediated by the United States and others.

So I've put a lot out on the table and I look forward to more discussion with all of you.

Thank you. (Applause)

MR. BUSH: Thank you very much. That was terrific. And now Yukiko Miyagi.

MS. MIYAGI: Hello, everybody. Thank you for your interest in Japan-Middle East relations. I'm not coming from a political policy making circle unlike Professor Kuni and some experienced diplomats from Japanese embassy in Washington, D.C. And I'm a person who is from an economic background and then kind of having to keep bugging policy makers in Tokyo as well as Japanese policy makers and people in the policy making circle in the Middle East.

Well, my focus today is -- my purpose for this talk is to give you a kind of structured view on how Japan has made policy towards the Middle East, how it has behaved in recent years. So it will give implications for what's to be expected in the coming period. Particularly I'd like to look at the last 10 years or so from the turn of the millennium. And I'd like to start by looking at major determinants of Japan's Middle East policy. And as Professor Kuni Miyake mentioned in this talk, Japan's Middle East dependency is very significant for energy. Japan is a very energy scarce country and as of 2013 these are the figures of its dependency -- Middle East oil, 83.6 percent is the rate. And they have been about 90 percent for many, many years, but it's make an effort to reduce it. But it's not much of a progress anyway. So that's a very big factor. And it's sometimes in clash with Japan's tie with the U.S. for security dependency on the other hand. And as most people are aware of it, Japan's constitution does not allow practical -- what do you call --

SPEAKER: Military operability.

MS. MIYAGI: Yes, military operability. Operability is the problem. The capability is there, but the operability is the problem because of the constitutional hurdles. So being relied on U.S., and sometimes Japan's national policies clash in the Middle East and some of the interests clash with the tie with the U.S., and it has happened on many occasions in Middle East issues. And so I'm going to highlight those episodes in a minute.

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Also it's not just interest versus interest, but also interest versus normative factors within Japan. They sometimes clash, especially this anti militarist Japanese public norm that has very often challenged policy making. And there are some others. As I studied and looked into several Middle East cases, very often Japan's foreign ministry has tried to adhere to the political neutrality when it comes to the Middle East peace process and Arab-Israeli conflict, and as much as possible. And also nuclear issues, it has its own principle of universal denuclearization. So those things come into forces sometimes.

And if you look at in the long span since the Arab-Israeli conflict, and in '73 Japan was significantly involved for the first time perhaps in the current political history, Japan was involved in taking a political stance on some Middle East issue when Arab boycott, oil boycott, happened in '73. And since that was very pro-Arab tangent and that continued in the next decades and it started to shift away from it towards more coordination with U.S. and Reagan administration's demand for cooperating in a strategic sense in the Middle East by providing some non military assistance. More specifically, by giving Japanese official development assistance for the strategically important pro west states in the region.

To explain such changes, it's kind of rough but to give you some essence, these are the reasons. The balance of power had shifted over time towards the U.S. with the end of the Cold War most significantly, but also in terms of the oil scarcity the importance of the Middle East oil produces for Japan had reduced in the '80s with the oil glut. So that was also coinciding as well from early on. And also changes in Japanese elite's goals, more keen to be more politically involved and revitalize its military capability, not just for its own security but also as an international political tool I guess.

And I'd like to talk about the case of the Iraq war in 2003 as an indicator when we think about what can be expected in the coming period because Japanese policy makers were very much in dilemma in what to do, how much to cooperate with the U.S. in this occasion. And while this word, "bandwagoning", might not sound very good in Washington, D.C., but it's kind of a realist term I guess, Japan decided to bandwagon with the U.S. in a sense. And in what terms did it do so? Well, then Prime Minister Koizumi gave very clear political support for the U.S. war in Iraq and Japan decided to send its ground troops to Iraq for post war reconstruction and then provided financial support for the post war Iraqi

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reconstruction which was very substantial money. Based on the amount called for internationally Japan committed about 10 percent of what was demanded internationally. So it's a quite a substantial amount of money which was in U.S. dollars about \$5 billion. And policy coordination started very, very early on. So Japanese government decided very, very early on to cooperate with the U.S. in this.

And the question is did Japan erode its entity as an anti militarist state, Pacific state?

Well, the answer is to some extent, but very, very small -- it's a long way to go if you're aiming for it. And Prime Minister Koizumi was in power at that time and that that was a major factor for allowing sending ground troops to Iraq, as well as giving us clear political support for the U.S. war at that time. And still even with this strong political leadership, the government later on had to scale down its level of cooperation and limiting because of the controversy on the war itself and also because the UN Security Council wasn't forthcoming for the war itself.

Iranian nuclear issue, which started in 2002, that's another case I'd like to talk about which also put Japan in dilemma of oil tie with Iran on the one hand and the U.S. tie for security. When this issue came into the arena in 2002 Iran had been Japan's third largest oil producer. It was a very significant supplier which started to go down later. At that time Japan was negotiating oil exploration contract, which is a huge one, U.S. \$2 billion, in Iran. After coming of the presidency of Khatami in Iran at that time, the mood in Japan -- Japanese business community as well as policy makers involved in the Middle East were quite similar to -- equal to now kind of. Khatami was more liberal, much more liberal than the previous rules and everybody was kind of seeing opportunity at that time. So for overcoming Japan's vulnerability, for keeping oil resource, having a contract for oil exploration was thought as they key at that time. And so that was put into question when this nuclear happened. And what had to be balanced against -- and that also considered at that time as the North Korean factor missile development program at that time and of course nuclear development, and Middle East stability itself, therefore Japan wanted to secure the oil flow. So what Japan wanted to do was if it's a quick fix and if the quick fix is secured certain, of course it would bandwagon, it would want to. But if it's not, then it wouldn't want any messing around. It wants just to keep it calm. And again, anti nuclear norm was domestically important. It was contesting policy makers. Japan did not want Iran to develop nuclear weapons, so it had some

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position to take. It couldn't go away from that. But at the same time it didn't want to anger Iranians. So the point was to not antagonize by sanctions and so on, but by political engagement it wanted to solve the problem.

So what Japan decided to do in the early years of this issue was to keep softer tone compared to the U.S. in sanctions or IAEA Board of Governors Resolutions against Iran, and also Japan zigzagged between those in terms of the harshness of the term against Iran. Depending on Iranian influence over other states, like non allied member states or western powers, and U.S. influence over that. So depending on which is more influential, Japan kind of zigzagged. And one episode was that when Japan -- well, Japan decided to -- Japanese policy makers were more optimistic about Iranian compliance with the IAEA Resolution and solving problem therefore. Japan was pushing for hard terms, wanting to brief this case to the UN Security Council. But the Iranian leadership gave Japan a threat, saying that then they will reconsider their oil relationship with Japan, and then Japan backed down from this high profile role to play at IAEA after that and then sending some diplomats to explain Japan's position and so on. So you can see kind of zigzag, zigzag.

But again when the EU and Iranian leadership changed with Ahmadinejad coming into power and then hardening of the position. The EU also on the other hand hardened its position and started to polarize. Then there was kind of western consensus over the issue to be hard on Iran, and then Japan stayed, decided to stay with that position for the rest of the issue. But it was balanced, this position was balanced by diplomatic contacts, mainly non political, such as human rights dialogues, or some high official visits, and so on or some assistance for Iran's development, social and economic development, and so on. So it's kind of always a balancing act.

So this the kind of essence of what Japan did in recent years when it was on the dilemma. And now we look at the factors which currently work during this (inaudible) period. The first factor of course, the continuing dependency on U.S. for security, but Japan has been under less threat -- not threat, I'm sorry, that's the wrong word -- experience less obligation or some demand, it has received less demand from U.S. for cooperation in the Middle East. And change in the Middle East, U.S.-Iran detente has happened, so Japan has been released from this dilemma in regards to Iran to a great

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extent. And the Arab uprising has happened over this time and then I have to say it's Abe's period. So I'd have to say Abe inherited the previous government's position of supporting opposition and democratization in Libya and position itself against Assad regime repression of people. And in this period Russian factor came in. Prime Minister Abe is very keen on settling northern territory with Russia and also Japanese business community is perceiving some opportunity in Russia, especially in the northeast part of Russia for development. So this has started to be a major factor.

And Islamic terrorism has become an issue as we know. And Japan's cooperation has been quite non military and indirect giving some training to, for example, Iraqi people or Egypt for border control and so on, and sanctions regarding the Islamists.

And the fifth factor, regional power struggle started to happen between the Gulf States and Iran, Gulf monarchies and Iran, especially Saudi Arabia. And Japan has been expanding ties with both. And it has not been tested yet, which to prioritize and that there is no episode seen yet. But Japan has been expanding ties for a long time from just mere oil partners to more partners -- I want to say partners, but more like in a consulting relationship, in political security issues, and also in business time as well. It's not just oil.

On security cooperation, if in the coming period after (inaudible), if Japan is being in a situation where it asked to provide some security cooperation for the U.S. in the Middle East, at least Abe's leadership seems to be stable and equally strong enough to have a top down policy making as we saw in the Koizumi period. A legislative change we have seen -- Japan has been undertaking some legislative changes to enable more permanent laws for sending its troops abroad for protection of Japanese interest as well as the Japanese people overseas, which will include the Middle East. But in my view, still the normative constraint is as big as before. The public opposition to it is still very, very significant. So when it comes to the time of policy making, even if it's legally viable it might have to scale down actual implementation as Prime Minister Koizumi's cabinet did in the Iraq war, like limiting the kinds of logistical support, for example, or limiting the area of the troops we've dispatched, things like that. So normative constraint is still at work.

And again, it depends on Japan's interest, what sort of interests overlap in each case.

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And in Iraq war's case Japan was very enthusiastic about having a share in oil contract in post war Iraq and also some reconstruction business as well. And so it's not just a North Korean issue, but also it had some interests. So those specific things will come into force as well. The more sensitive it is domestically about using its military, the more probably the policy makers are required the framework of UN for legitimacy at home.

But as we have seen, Japanese casualty have been mounting overseas in regard to Islamic terrorism. Some 10 workers in gas plant in Algeria died a couple of years ago and we have seen -- well, we have seen in Indonesia recently which didn't cause casualties, but it was a building that Japanese business was in, had an office. So that sort of episodes, if it continues, it could change Japanese mentality on that kind of sensitivity and kind of change the norm in terms of how much Japan should take part in countering Islamic terrorism.

Thank you very much. (Applause)

MR. BUSH: Thank you very much. Finally, Dan Byman.

MR. BYMAN: Good afternoon. Kuni began by remarking that there is considerable ignorance in Washington on the Asia-Middle East relationship. I share that ignorance, I may even embody it. (Laughter) So I want to thank our previous speakers because for me it's been really fascinating just to learn so much about what I don't know.

I'm going to begin really by taking a very big picture view of the United States and the Middle East, and then focus very specifically on counterterrorism, which is my own area of research.

What I want to say when I talk about the big picture is how dramatically everything has changed within the last three or four years. If I were to describe to you -- if I were giving this talk five years, ten years, fifteen years ago, fifty years ago, I would talk about a couple of factors shaping U.S. policy in the Middle East fundamentally. One would be oil, one would be the security of Israel, and in particular a desire to see peace between Israel and its neighbors and the Palestinians, and the last would be a concern about -- we use different terms of the years but -- hostile aggressive states, rogue states, that might be pursuing nuclear weapons. So Saddam Hussein in the past, the Iranian regime, and that these were the drivers of what was going on in the Middle East. And then after 9/11 of course

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counterterrorism became very important. Of the three historic ones, all have changed dramatically. So beginning with oil, as I think all of us know the price of oil has plummeted to the point where if the price of oil goes up 20, 30, 40 percent -- from the point of view of many Americans invested in the stock market, that's actually not a bad thing. There's not this kind of constant demand for low or stable energy prices. And you've seen a shift in the United States in particular with the shale and fracturing revolution where the United States is again a massive oil producer and exporter. So U.S. interests in oil and energy in general have changed tremendously. This doesn't mean that Saudi Arabia's role as a swing producer is going to vanish and than 10 years from now or so we might not be talking about it, but the kind of imminence and concern about oil markets in the Middle East has diminished considerably.

A second shift is in the Middle East peace process. In my view this remains as important as ever. But I think there is one person in Washington who believed this might happen, and that was John Kerry. And even he now doesn't believe it's going to happen. So there is no one who is saying this is going to be a driver of U.S. policy because everyone is skeptical. So there is no one on the Palestinian side, on the Israeli side, or on the American side who believes that the peace process in general is something that the United States should prioritize. So a major concern, not present or at least diminished.

And then the last of course is the nuclear rogue regime threat. Saddam Hussein was overthrown, we can talk about the lack of nuclear weapons there, but also Iran of course with the nuclear deal. The hope is that this problem is in the past and maybe it's not. I don't want to be too predictive here, but there is a sense in policy circles that a major driver of the U.S. policy in the region for 20 years is diminished. So we're kind of stuck counterterrorism. And when you go further, counterterrorism has increased in importance. If you look at the U.S. elections, primaries right now, a tremendous concern among the American people is the rise of the Islamic State. At levels comparable to 9/11 people are answering the question, do you feel personally vulnerable to terrorism, they're answering the question yes. And I could point to the last 15 years and say the United States has actually had far fewer terrorist attacks than anticipated, it's actually been a relatively positive 15 years in the post 9/11 period, but the perception nevertheless is quite real. So counterterrorism has emerged from a minor concern before

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9/11 to a significant concern among many, to a driver. And to me that's a fundamental change.

The other fundamental change is that this was a region when I first began studying it that was too stable. And I'm using that somewhat ironically. Very few of us look at the Middle East and talk about it historically as a region of stability. But if you look at the Middle East say in 2000 -- let me read you some names -- so we can Gaddafi, Assad, Hussein, another Hussein, we could talk about various monarchies, the Alfsa Wu, the Al Khalifa, on and on and on. But there were these families or people that dominated the Middle East for decades, to the point where many of the longest serving rulers in the world were found in the Arab world. And the problem was -- well, let's not call it stability, let's call it stagnation. That this was a region where really you could dust off the same speeches, the same talking points, the same names, year after year and nothing had changed. Tremendously frustrating for people who wanted the region to be better. I don't think we can say that about the region now, right. It's in dramatic change where many political systems are being upended or transformed. And the issue right now of course is the spread of civil wars.

So we have obviously Syria to the point where we no longer keep track of the death toll, but we're approaching 500,000, is the latest estimate, with half the country -- half the country displaced or refugees. It's the destruction of a major country in the area. Other countries, Libya, Yemen, Iraq, all in various states of civil war. So utterly devastating. With that civil war comes massive refugee flows and also comes the spread of terrorism. So many modern terrorist groups are byproducts of civil wars. So if you look at the number of Palestinian groups that come out the initial Israeli-Palestinian conflict, if you look at the Lebanese Hezbollah, if you look at Al Qaeda, if you look at the Islamic State. You are seeing civil wars produce terrorist groups, and terrorist groups take advantage of civil wars. There's a tremendous linkage there.

Also we're seeing neighboring states in the region enter into civil wars in various ways that often make the balance worse. So Saudi Arabia's intervention in Yemen, Iran's intervention in Syria. Again we can go on and list where there are a number of neighboring states are actively involved in civil wars and making the violence worse. And this includes oil states. So to the extent that we care about oil revenues, we see two states, Iraq and Libya, that are either in full scale civil wars or close to it. And in

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Libya in particular oil production has been devastated. In Saudi Arabia, the world's I would argue most important oil producer, you have tremendous intervention in both Syria and Yemen and a real risk of resulting political and economic problems. So his is touching core interest to the extent that we want to define them.

Now I said my focus is on terrorism, and I'm going to talk about terrorism, but I want to begin by saying that terrorism is actually an exceptionally bad lens for understanding the terrorist problem in the Middle East. So hopefully that's a confusing statement because I want to try to unpack that a little bit. Part of is I think a bad label. The Islamic State does use terrorism, but 95 percent of what this organization is about is not terrorism. It is building a state in the Middle East. What it wants to do is -- proclaimed in its very name -- is try to build a state and doing so in a very old fashioned way. It is conquering territory, it is taxing and taking revenue from the people it controls, and using those resources to conquer more territory. So this is not something dramatic or revolutionary that we've never seen in history, it's something we've seen again and again.

In cases where it's not using conventional military operations -- it has tanks for example -- and it's using guerilla war. So most of its use of terrorism, when we think of terrorism as suicide bombs in civilian areas, most of its use of terrorism has been in pursuit of its civil war objectives. So it might be a tax on say an Iraqi police recruiting center. At times it's trying to punish enemies, it's fighting a civil war. So whether that's Turkey or Lebanon or so on, at times it's trying to spread the civil war through sectarian attacks in places like Saudi Arabia. And again it is doing some traditional terrorist attacks. So of course Paris being an example. It's trying to inspire terrorism around the world. So in the United States San Bernardino being an example. But that's not most of what this organization is about. And if you were to magically stop the international terrorist attacks you would still have 95 percent of the problems that this organization causes. And very much at the heart of it is the civil wars in Syria and Iraq, and of course the risk that these civil wars are going to spread to neighboring state, especially Lebanon, but also possible Jordan and Saudi Arabia.

When we do this though, when we prioritize counterterrorism, counterterrorism becomes a language in which other countries speak. So when China, for example, talks about the Han relationship

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with the weaker minority, it uses the language of counterterrorism. In the Middle East when the el-Sisi government talks about the repression of the Muslim brotherhood it uses the language of counterterrorism. So this is a wonderful catch all that includes a wide range of political activity, much of which is legitimate political dissent.

Part of the problem, as Tamara mentioned, which I'll kind of echo and reinforce, is that the United States has a problem with its allies in the region. And there are a couple of things. One is that when you think of the states that are going to have the biggest terrorism problems, so say Libya, say Yemen, of course Iraq and Syria, these are the most important countries. So if you want to solve terrorism you have to work with countries that have the biggest problems. This is the antithesis of how alliances usually work. What you usually want is the strongest sort of relationship. You want to seek out strong powers that are stable and capable. But to fight terrorism you want to operate on the soil of other countries, you want them to act, you want them to stop generating problems. So ironically the weaker the country in the Middle East, often the more important it is from a counterterrorism perspective because it is the problem. And the United State is not aligned, if you will, with many of its key allies. So with Saudi Arabia there is a fundamental disagreement over Iran. And there is a second fundamental disagreement over how to handle the Arab Spring and its aftermath, where the Saudis look at the American view as naive and backward looking, or excuse me, as naive and foolish. And we look at the Saudis as backward looking and repressive. And as Tamara mentioned, the United States and Saudi Arabia had a fundamental disagreement over whether the goal is to kind of open up the political system or to shrink it. So we went from relatively close alliances to ones where there is much more space. And at the same time we also went from relying on strong powers to an increased need to rely on weak powers. So there are huge problems for U.S. alliance policy. And in the Middle East there is a huge divide not only over the Arab Spring, but also over sectarianism. So we can call it the Iran-Saudi power rivalry, but it's a bit more than that. There's a genuine divide that while artificially created is nevertheless somewhat real, where you see many people in the region seeing a conflict in terms of whether it is their sector or another sector. And this doesn't work for U.S. policy. The United States wants good relations with some countries that have Shia led governments and some that have Sunni led government, yet our relations

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with each are being hurt by our ties with the other. A country like Saudi Arabia wants us to choose sides and we very much don't want to do so.

So what's needed in many cases is governance more than anything else. And again my remarks will lie with Tamara's here, where I think what the United States does well is intelligence coordination. So really that started very aggressively after 9/11 and has continued to this day. So there is very good intelligence cooperation around the region. It could be better in some cases, but pretty good. The United States is also pretty good at killing people and that's going pretty well. But neither of these are actually going to solve the problem in a deeper sense. These are management tools, these are ways to stop it from expanding to some degree and I think in many cases I'm sure quite necessary. But when you're going against Al Qaeda that's an organization of several hundred people based in a relatively remote part of the world. The Islamic State has tens of thousands of people in a war zone. If you kill 20 Al Qaeda leaders that's an amazing success. You've devastated roughly 10 percent of its ranks. If you do with the Islamic State, that the losses they take in combat in a day. So it's really not comparable in many ways, even though I still think going after leadership targets has value, you can't expect it to have the same degree of success it had against the Al Qaeda core.

When we say therefore go after the Islamic State we're often talking about a much more aggressive effort, but there's good and bad news. The good news is in some ways this is relatively straight forward, because I said this is a very traditional sort of group, it's trying to create a state, it has an army. The United States knows how to fight that. That's not a new way of warfare. That's something American forces are very good at. The problem is, and here is where I'm guessing the Obama administration has paused, and my guess is future administrations might pause as well, which is the "and then what" question. I do believe with relative ease U.S. forces could drive the Islamic State out of the areas it controls. Then the United States would be there. And if it wants to stop the Islamic state from coming back it has to deploy forces there indefinitely. They would take losses from guerilla warfare and terrorism if they stayed. And the United States has not shown an ability to create new actors on the ground to fill the governance role. A colleague of our has warned about what he calls "catastrophic success", which is that there are military operations that succeed in driving the Islamic State from certain

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areas, but there is no political authority to fill the vacuum. And that's a huge problem already for the United States in Iraq, because the vacuum is being filled by a government that is seen as hostile by much of the population, or by militias that have their own problems. And there isn't a good alternative. And this problem is far worse in Syria. So there's a "what next" question.

And there is also in my view a need to focus on prevention. It's always so much cheaper and more efficient if you can stop problems from arising than if you have to deal with the problems after they've arisen. So I applaud the effort Tamara mentioned to kind of invest more in Tunisia. To me this is very much a country on the brink and if we can stabilize it somewhat that's very smart and a relatively cheap use of resources. But in general, should we look around the region, look at states, and try to invest in their capacity, to resist the spread of violence. And here's something where I would hope the United States and Japan could work together. I mean part of our problem is actually a knowledge question where what does it mean to prevent the spread of violence and extremism. But some of it is quite practical, right, so you can have issues -- border security being a very basic issue. To me a big one is actually the Syrian refugee issue. And not in Europe. I mean I can talk about Europe separately if you want, but this is a very practical question of four million people and growing who are being hosted by neighboring states that lack the economic and often technical resources to deal with this problem. We've seen refugees spread conflict before, it should be no surprise if they do now, and this is something we can actually do something about.

So to me I don't want to claim I have every solution, but I do believe there are some practical things the world can do to try to reduce this. But I would stress again, there are going to be limits if we approach this strictly from a counterterrorism point of view. And that if we want to push back against the Islamic State in particular, there's a lot more that needs to be done.

Thank you very much. (Applause)

MR. BUSH: Thank you very much. Those were four great presentations. I learned a lot, I hope you did too. Now it's your turn and I open the floor to questions. If you want to ask a question, after I recognize you tell us who you are and where you're from. And if you want to direct your question to a particular panelist please do so.

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The woman in the back right there.

MS. GOLDMAN: Hi. My name is Maren Goldman and I'm a graduate student at the University of Maryland. Going off of the last speaker said -- I'm sorry I missed your name -- you were mentioning investment, which in I assume the Middle East and other developing regions where -- well, you didn't say other developing regions but I assumed that could be an "and" -- to prevent increasing instability.

My question is -- well, it's a two part question -- first of all, how much? I hear investment a lot. I know there is a number floating around. I think it's .7 of GDP has been a commitment. I think it's in the UN Millennium Goals or something -- I may be dreaming that, but I believe that was it. I know the Global Marshall Fund or the Global Marshall Plan has also recommended something around about two to three percent of GDP per country. So I was wondering if you think that would be enough?

And then obviously there's a question of political will in the United States. But my other question related to that is how, assuming we could leverage the political will and get past that whole issue, how would we invest it? Like let's say we hand the money to the countries, that probably isn't the best plan. So would you suggest doing something like working through NGOs, would you suggest some sort of matching funds arrangement? Do you have any ideas? Has anybody come up with ideas about this? It's a topic I'm interested in.

MR. BUSH: I'd first like to ask Yukiko to tell us a little bit about how Japan does this because Japan is actually doing a lot. And then whichever of my Brookings colleagues want to take a stab.

So, please.

MS. MIYAGI: Well, I can speak on big contracts in the Middle East. In oil and gas contracts Japan is not really -- Japanese companies are not really confident and they don't have much capital to go by themselves. They tend to have a consortium with a big European company, most for capital and also for security reasons. Having a multilateral approach is always preferred.

Can I ask you to kind of -- what some things you would like --

MS. GOLDMAN: When I speak of investment I mean less through corporate investment

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and more in investment in development.

MS. WITTES: You mean aid?

MS. GOLDMAN: Aid. I'm sorry if I was unclear.

MS. MIYAGI: Okay, right, aid. Right. The Japanese government has been having a long history of helping by the public money in development in the Middle East. And how it approaches is -- what's interesting to me is that in sectarian or -- what do you call -- kind of most like societies with lots of sects and different religious groups, like in Lebanon or even Syria, Japanese government has been very, very sensitive about allocating to each community so it won't be heavy on one over another. And it's very in a sense fair that Sunni is not prioritized, the Shia is not prioritized, or Christians. Everybody gets the same chance and it's up to them -- well, it's like Japanese hidden belief is that the capacity building is our role, Japan's role, rather than how they take up upon that. So we provide means to develop, like for instance, for education for youth or female labor, nurturing women for labor. For example, Palestinian women, then can't go out of their house to work because it's a shame for husbands. So they can do some kind of little knitting work or stitching work at home, something like that, to provide --

MR. BUSH: Incentive?

MS. MIYAGI: Yes, incentive and educating the husbands also. (Laughter) There is a way to do it without shaming your family, something like that. So it's kind of providing opportunities, giving some alternative, but not really forcing it or not really trying to change the power balance between the communities.

MR. BUSH: Kuni, was there anything you wanted to add?

MR. MIYAKE: Yes. When you discuss economic aid to those countries you cannot discuss it in generic terms because it all depends on what the demands or what they need really. So the only thing I can say now is that our policy is to help the people who help themselves, who want to help themselves. So without giving the incentive for them, you know, to them, sort of incentive or willingness to help themselves, you won't be successful. That's probably one of the priorities we have.

MR. BUSH: Tamara?

MS. WITTES: I'll just put in a plug for some work done by Brookings colleagues over the

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last two years on this issue of development assistance in the Middle East in partnership with JICA, the Japanese Development Agency. And this grew out of I think some of Japan's experiences in devoting that \$5 billion to Iraqi reconstruction. A lot of that went to big infrastructure projects, things like that, and I think that the results in terms of boosting economic development and broader social welfare were limited. And so looking at the Middle East today in the wake of the Arab uprisings, the question behind this project, which was a two year project, was what are the things that external donors can do in the Middle East in this environment, this post uprisings environment, that really will help to get to those underlying conditions that Dan was talking about that are driving instability. And you can find this two volume book in our bookstore right in the hallway. It's called, "Five Years After the Arab Uprisings". And there are really several priorities that came out of this project. Number one, working on government effectiveness. You do have a political will problem, it's a political will problem in the countries you're trying to help. They understand that they are not doing a very good job at addressing the grievances of their populations, but are they willing to do what it takes to fix that? If they are there's a lot of technical assistance that could be provided.

Number two, supporting small and medium enterprises, development of the private sector. And again this is something that was recognized as a priority for the Middle East for a long time, but governments in the region were very reluctant to give up their big role in the economy and support the development of the private sector.

And then a third priority is rural development. And one of the things that this group of researchers discovered is that in the run up to the Arab uprisings rural populations, whether it was in inland Tunisia, upper Egypt, you name it, these -- women and youth were excluded from economies all across the region, but it was rural women and rural youth who were excluded most of all. And there are a lot of small family farms that could not generate enough income to sustain these communities. And so a focus on improving development in rural areas, making it possible for smallholder farms to get access to water, get access to market, things like that.

So those are the three top priorities I think that came out of that project, but there are some great case studies on Yemen, on Egypt, on Tunisia in those books and I really would encourage

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you to look at that.

MR. BUSH: Another question? Right over here. The gentleman in the orange tie -- sort of orange.

AMBASSADOR FAILY: Good afternoon. Lukman Faily; I am the Iraqi Ambassador. I was for three years Iraqi Ambassador in Tokyo, between 2010 and 2013 and here since then.

A couple of issues just to clarify. I think the key issues in the Arab region is still to identify -- it's not the post Ottoman problem, I think it's the nation state concept, the requirements and the prerequisite for healthy nation state is still not clearly defined. One of the complexities of that is a lot of what drives -- and Tamara talked about I think the authority or the power I think has to do with the legitimacy.

MS. WITTES: Yes.

AMBASSADOR FAILY: Where are the legitimacies? Is it the religion situation, is it the culture situation, the state institutions. And where there is lack of alignment between them, specifically on religion, which is transnational. Which means that the nation state has a problem.

The other issue in relation to Tokyo, and I was there for a long time, the key issue is I think an important number to know, that less than one percent of Japanese investment is in the Middle East. I'm not talking about aid, I'm talking about an investment -- less than one percent. So to that effect, as primarily purchasing of products rather than being there on the ground. To that effect I think there's a structural problem for the Japanese to have an influence in the region apart from the aid and the donor aspect. Here JICA has had tremendous success because of the focus, but also because of the sensitivity of religion and everything else we talked about, it makes it somewhat ineffective maybe at the national level, not at the people level.

The key question I have is in relation to aligning the priorities of both U.S. and Japan. I still don't see enough structure between the two countries to be able to align and to be effective. What does it take to align that structure? That's the question.

Thank you.

MR. MIYAKE: I'm not in a government anymore (laughter) so good to see you again.

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See the investment is not charity. Investment is for making money. And I don't want to invest my money in the Middle East now because I know I will lose it. But you have to be confident that you make money before you start investing. So where are the opportunities? If there is an opportunity, I will invest. So it's not the problem, it's business. Period.

MR. BUSH: Yukiko?

MS. MIYAGI: Yes. I have talked to Arab counterparts, as well as Japanese business in the Middle East, and what they say on both sides are very understandable. And from Japan's point of view, especially for those companies who could get a big contract for oil refinery or something like that, they tend to be very wary of some security issues. Who knows what's going to happen, you know. Japan has experienced, you know, having lost money in oil refinery in Iran in the '80s during Iran-Iraq war and things like that. And they have this trauma. They don't want to go back again and then make the same mistake. The government is more keen, policy makers are much more keen to push the Japanese company to go there, but the company itself doesn't want to go because it's a profit maker and if it's risky they don't want to go. If it's not profitable they don't want to go. And so when you hear the media talking about oh, we lost some contract and China is taking over in Iran, it's the media and it's probably some government -- somebody close to government rather than the business itself.

And another issue is the kind of the work ethics, the difference in the culture in terms of work. You know, Japanese are very famous for workaholic (laughter), being workaholic. And the term is very different and there seems to be some cultural friction in the office.

MS. WITTES: You know, we've spent so much of our time talking about depressing topics and pessimism (laughter), I just want to inject one note of optimism, which is a Middle East at peace is a tremendous opportunity for investors and for the private sector. And I would argue that there are parts of the Middle East that even now today are great opportunities. This is a region with a tremendously young population which is, you know, in certain places in the West Bank, in the Gulf, and in Egypt, there are some very highly educated young people, very competent, very innovative. And in certain places you have governments that are really committed to the idea of creating an innovation economy. And so I think there are opportunities for business partnerships and investment in innovation,

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in food security, in science and technology. But I understand all the hesitation that my colleagues have expressed.

MS. MIYAGI: But there are countries Japanese government, the companies, are keen on now -- Turkey. Nowadays Egypt is getting investment as well. Of course Iran now. So these countries are getting some.

MR. BUSH: Right over here, and then I'll come back there.

SPEAKER: Hi, my name is Demetri. Thank you. Very interesting. I learned a lot. My question is about burden sharing. I think the first two speakers both mentioned it. You mentioned maritime security. I'm wondering what other areas you see a need and an opportunity for it. And what do you see as the challenges and do you see it happening primarily on a bilateral thing or regional or a global scale?

And just to maybe take that one step further, Mr. Byman, you mentioned and I think I hear this quite a bit, is that the fear with taking out ISIS is that we don't know what's left after and we don't want it to be like another Iraq. Is there any opportunity to extend burden sharing to that so we're not the only ones kind of taking care of the work there?

Thank you very much.

MR. MIYAKE: Is your question focused on the maritime arena or in general?

SPEAKER: Other areas, other areas.

MR. MIYAKE: Well, you know, we have an alliance mechanism and we have been sharing burden. And as I wrote in my slide we host U.S. Seventh Fleet in Yokosuka and we pay for that. Of course it's not the entire amount, but it's a significant amount. And so burden has been shared already. But we should do more, that's what I'm saying. But in that case we have to have a strategic objective. We have to share. Without sharing it, you know, strategic objective, we just divide the bill. That's not the burden sharing.

I think as far as I'm concerned things may happen in the Middle East and things may happen in the South China Sea almost at the same time, what shall we do. And there should be a plan; there should be a means to protect the sea lines of communication. And then I think it's about time for us

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to focus on that aspect.

And you talked about the anti piracy thing. That's not -- fine. You know, I'm not opposed to that, that's fine, but it's not strategic, if not trivial. Okay. So I'm focused on the sea lines of communication, especially in the South China Sea and the Indian Ocean. Do we need further burden sharing? That means the United States may not be able to afford it anymore? Is that what you're saying? Do we have to pay more or do we have to send more ships? Things like that. These all require a lot of imagination, but steady resources.

SPEAKER: (Off mic).

MR. MIYAKE: Right. Not skeptical. You know, the question is -- the real issue is whether or not China wants to maintain the status quo in that part of the world or not, or they want to change the status quo. And if they're going to change the status quo and if they're going to not only share the burden, but also try to control the sea lines of communication, that's not acceptable to us. That's not acceptable to the United States and that's not acceptable to any -- with some exceptions, a few exceptions, members of the original international community over there.

MR. BUSH: I would just add that I think that the answer to your basic question depends on whether you're talking about the East Asian region or the rest of the globe. That China is more willing to cooperate outside of East Asia, that doesn't mean it will, but there are not some of the frictions.

Kuni, would you say that in terms of the strategic vision and coordinated strategic vision, that this would have to happen at fairly high levels of each government because our East Asia people don't talk to our Middle East people and your Middle East people don't talk to your Asia people.

MR. MIYAKE: That's right, that's right. But it should be done at the highest level.

MS. MIYAGI As far as I understand China cannot trust the U.S. goodwill or in terms of its own sea lines of communication to import Middle East oil and it really wants to secure points like, you know, Southeast Asian ports for that matter. So it's a --

MR. BUSH: All the more reason to do it on a more multilateral basis, because then it's easier for all three of our countries or just Japan and China.

MS. MIYAGI: That includes revealing some intelligence, some military mechanism of

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China too.

MR. BUSH: I'm not sort of wildly optimistic about this, but it is objectively an area.

Okay, I promised the woman back here first.

MS. YU: Okay. Thank you very much for your talk today. My name is Chana Yu and I am a student over at SAIS just across the street. I just have two questions.

So the first one is actually directed mostly to Mr. Byman. What are some of the specific expectations the U.S. has of Japan and CVE efforts? And you had mentioned, you know, maybe a little bit more participation in terms of the Syrian refugee issue as well as border security.

And the my second question is do any of you know whether or not Japan's recently revised collective security defense has framed itself to have a connection to global CVE efforts at all?

Thank you.

MR. BYMAN: I'll start on the question of countering violent extremism or CVE. For those who don't know it this is a relatively new set of initiatives that are ostensibly targeted towards stopping people from joining terrorist groups or otherwise supporting radical causes early on. It's meant to be preventive. There are some problems with the U.S. efforts, one of which is we actually have no idea what leads people to join terrorist groups. So it's very easy to spend money to stop it because you could spend any. So one thing we know is that poverty does not lead people to join terrorist groups, but we spend a lot of money on anti poverty programs. One thing we know is that a lack of education is not the cause, so we spend money on education. So these programs are almost designed to spend money in the wrong ways. My sense is that much of the logic of this program is that we are trying to learn, if you will. I think that's a rather optimistic (inaudible), but a genuine one, which is to kind of learn programs that work and programs that don't. And there are I would say relatively serious people in the State Department that are trying take this on to try to get better at this.

So I think there is very little expectation that a country like Japan where this is not an issue domestically for Japan, is going to play a major role in this. My hope would be that Japan funds, you know, 10 different experiments around the world and notionally 8 of them will fail. But that's not a bad ratio. Maybe we'll come up with two successes and those can be emulated because we're really starting

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with the incredibly low knowledge base here. So it's not can we do something we do well better, but it's can we do something we've never done that we don't understand, and that's an extremely difficult task.

MR. BUSH: Yes, the gentleman right here.

MR. SHARMA: Hi, I'm Bill Sharma. I have a question for you to follow up on burden sharing. As you mentioned there are only so many aircraft carriers U.S. has, so many places we can put them in. If we have a conflict in the South China Sea and another one in the Indian Ocean, Japan is limited by its pacifist constitution. Someday you'll have to change that to really do burden sharing. Burden sharing is just not financial. And you are still very reluctant to do that. So is there -- I know there is a growing movement there, but eventually you'll have to change the -- I don't want to call it attitude -- national philosophy.

MR. MIYAKE: Who said that? (Laughter) Relucant? She said that, but I never said that.

MR. SHARMA: No, but I said -- but it's still a national policy. You still cannot be offensive, but someday you'll have to send -- if you really want to share burden with the U.S., which is -- we are your biggest partners, you'll have to send people in there, just not ship or money. Money is the easiest part. Japan has a lot of money.

MR. MIYAKE: I don't know what the question is all about, but my answer is very simple. In terms of the maritime military operations there are various roles to be played and yes, there are some restrictions or limits, but we are minimizing the limits. But still unless we amend the constitution there will be a limit, okay. But within that limit there are roles to be played in -- what can I say -- extended operation in Indian Ocean or in the South China Sea because we are not sending troops boots on the ground. We are talking about maritime operations. Maritime operations are slightly different from ground operations. And you never know, and I'm not probably supposed to say this, but U.S. Navy and the Japanese self defense force or maritime self defense force units are on Navy. It's one Navy. Period.

MR. BUSH: Anybody else. The woman right there. And this might be the last question.

SPEAKER: Thank you very much. It's my first lecture that I attended at Brookings and it really was fantastic. I've learned a lot. I'm fresh off the boat from London. I'm on the Board of the Japan

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Society in the UK, but I guess my question is -- just for five minutes is maybe a little bit short. You did all touch very briefly on Europe and actually collectively as one place rather than the different countries there, but I wondered whether you did see the issue dealing with the problems in the Middle East as a trilateral, or working with Europe, which countries in Europe you do see as working and as in partnership to create the new structure to engage some of the issues you've been discussing today.

MS. WITTES: Sure, I mean I can talk about my own experience there when I was in the State Department and we were in the midst of the Arab uprisings. The primary mechanism I think is not so much a trilateral, but a multilateral mechanism, which is the G7. And there's quite a long track record of the G7 working in partnership on Middle Eastern stability and prosperity as on other international issues, whether it's development aid to Africa and so on. And so I think that that platform has been challenged over the last couple of years. It's been challenged because there's been a global recession. It's been challenged because the Europeans have been intensely focused on managing their own economic affairs, and now this mass refugee flow. It's been challenged because it used to be the G8, or it was for a time. And I think that the problems of the Middle East have been rather daunting for that framework. But for my own perspective the framework is there, there's a history of working together on the Middle East through the G7 framework using the platform of the broader Middle East and North Africa Initiative, which President Bush started in 2004. And I think it's well past time to kind of reenergize that mechanism. I think it's a very important one.

MR. BUSH: Anybody else?

MR. MIYAKE: Just one minute. You know, in the '90s, early '90s, we were in the Oslo Process.

MS. WITTES: Right.

MR. MIYAKE: And we were together, together with the other like minded nations. We had environmental committee and the multilateral process, peace process, was functioning. So I don't know what happened to that after that.

MS. WITTES: Actually, the environmental committee produced the one still remaining outcome --

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MR. MIYAKE: Is that so?

MS. WITTES: -- of the Madrid Process, which is the Desalination Research Center.

MR. MIYAKE: That's right, that's right. (Laughter) The first Middle East division of the Japanese Foreign Ministry was deeply, deeply dedicated to that aspect of the process.

MR. BUSH: Dan?

MR. BYMAN: Very briefly, as I'm sure you know, the European states have very different concerns when it comes to terrorism, and at the same time different capabilities. So there are different domestic populations where people are immigrants from different parts of the world. So in the United Kingdom, of course, very strong Pakistani community. In other countries it might be Somali or Turk or Maghrebi. So there will be different parts of the Middle East that different European states care about, and conversely there are different sets of capabilities in colonial legacies. So France is extremely active in parts of North Africa. And this to me is actually from a U.S. point of view a potential source of benefit. There's tremendous knowledge and a willingness to commit in resources. So yes, ideally this would be many countries involved, but also breaking the problem down into different ones. So I would think, without knowing much about German politics, but that there would be a strong interest in Germany is shoring up frontline states so they can absorb more refugees so they actually don't have to go further into Europe. That's probably less of a concern for several other countries, but they might be more concerned about an immediate counterterrorism problem emanating from Libya.

So to me it's actually not particularly useful to think of Europe, but rather to think of European states in this context.

MR. BUSH: Well, we're exactly at 3:00 o'clock, which is our advertised closing time. Thank you very much. Please join me in thanking our speakers. (Applause)

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