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ISSN 1936-8984

World Security Institute

Bringing Middle Eastern Perspectives to Washington

Arab Insight, an innovative journal that features authoritative analyses from Middle Eastern experts on critical regional issues, seeks to improve the relationship between the United States and the Arab world by cultivating a better understanding of the complex issues facing the Middle East among Western policy-makers and the public at large.

Articles in *Arab Insight* do not represent any consensus of opinion. While readers may agree or disagree with the ideas set out in these articles, it is our purpose to present a diversity of views rather than identifying with a particular body of beliefs.

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ArabInsight

Fall 2008

Editor's Note

PAST EDITIONS OF *ARAB INSIGHT* EXAMINED key issues disrupting Arab-American relations. Arab conceptions of the United States through media, cinema, blogging and other measures of public opinion were the topic of our second issue. The fourth issue explored Arab conspiracy theories as they relate to American policy in the region. Continuing efforts to promote intercultural dialogue and mutual understanding between the Arab world and the United States, ***Arab Insight***'s latest edition investigates the political transition from the George W. Bush administration's war on terror and occupations of Afghanistan and Iraq, controversial in the United States and Arab world alike, to a new presidency, asking what actions from the next American administration would best serve Arab-American relations. In this edition, ***Arab Insight*** writers scrutinize the successes and failures of the current White House, speculating on how a new administration can learn from past policy missteps to ameliorate troubled relations with the Arab world.

Though their policy recommendations represent an array of viewpoints, this edition's authors agree on a key position: The current administration made costly missteps in its policy toward the Middle East, and the current state of U.S. relations with the region necessitates radical change. American actions concerning Iraq, Darfur, democracy promotion, public diplomacy and relations with Syria became points of contention, further harming America's image in an already strained relationship. Feeding negative perceptions of U.S. policy objectives, recent American actions discourage Arab cooperation with American interests.

While many analysts maintain that a McCain victory would represent a continuation of the Bush administration's current policies, some articles in this issue argue that drastic change in American Middle East policy is inevitable, regardless of who takes office. These writers cite the remaining presence of priority security existing since Bush took office in 2001, including Afghanistan, Iraq, the Iranian nuclear program, the Palestinian-Israeli conflict, Russian-American relations, international terrorism and the global energy crisis. The ineffectiveness of current policies is evidenced by limited progress achieved during this eight-year span. The authors generally place little stock in campaign rhetoric, instead formulating predictions based on past U.S. administrations and withholding judgment until January when the new administration takes office.

Concerning American presence in Iraq, Salah Nasrawi recommends that the country be placed under a temporary U.N.-supervised international mandate, ending the U.S. occupation and establishing a solid foundation for rebuilding the country's political order. Samir Ghattas addresses the Palestinian-Israeli conflict, proposing two options for the upcoming administration. He first advocates what he called a transformation from the theory of American pressure on Israel to the guarantee – resolution theory, meaning American policy should incentivize the settlement process. A less aggressive alternative to current American policy of pressure, the deal would offer Israel a package of security guarantees in exchange for the establishment of an independent Palestinian state with limited weaponry, make both states parties to a collective security arrangement and guarantee security in the region through a third party such as the U.N. or NATO. Internationalization, Ghattas' second option, calls for a voluntary dissolution of the Palestinian Authority with Arab-American consensus and places the Palestinian territories occupied since 1967 under an international mandate for a set period of time. Gradual Israeli withdrawal would be overseen on a predetermined timetable by international forces under a mandate council, providing support for Palestinian institutional and economic development, thus resulting in peaceful coexistence between Israel and a democratic Palestinian state.

Regarding relations with Sudan and conditions in Darfur, Khaled al-Tegani al-Nour advocates a pragmatic reassessment of American priorities. Al-Tegani credits George W. Bush's reshaping of Clinton's isolationist containment strategy into a more flexible approach during his first term with the achievement of peace in South Sudan. The next administration should be cognizant, according to al-Tegani, that al-Bashir both desires normalized relations and is aware of the heavy costs of a continued showdown with Washington. The greatest impediment to progress, he claims, is Sudanese frustration with lack of meaningful incentives from the White House, despite intel-

ligence cooperation in the U.S. war on terror. Al-Tegani also makes the case that by expressing willingness to re-examine the relationship between religion and state, al-Bashir differentiates his government from theocratic regimes. Thus, he advises that the new U.S. relationship with Sudan stem from a framework outside of the war on terror or handling an Islamist regime, while preserving all pre-existing agreements.

These Arab perspectives and many others concerning Middle Eastern issues at the forefront of world politics, are expressed in the pages of this edition. We hope these opinions will continue to foster international dialogue on Arab-American relations as November's landmark election approaches. ■

ArabInsight

Bringing Middle Eastern Perspectives to Washington

ARAB MEMO TO THE NEXT AMERICAN PRESIDENT

SELECTED ARTICLES

Engaging Islamist Groups

How to Talk to the Elephant in the Room

MUSTAPHA KHALFI

Researcher and member of the National Council of the "Party for Justice and Development" (PJD), Morocco

THE END OF THE BUSH PRESIDENCY brings a close to an era of U.S.-Islamic relations inextricably tied to Sept. 11, and the radical changes it brought to international relations. The stormiest in the history of U.S.-Islamic relations, this period was characterized by disputes over multiple points of contention between the two sides. After trying a range of policy options, the relationship failed to stabilize, regressing to its initial problems during the last year of the Bush presidency.

Several factors contributed to the Bush administration's failure to establish clear policies on political Islam. Often shaped by standard policies guiding the administration's interaction with Middle Eastern regimes, U.S. policy-making was also informed by internal factors precipitating a number of mistakes in the administration's relations with Islamists. U.S. foreign policy in the Middle East, North Africa and the rest of the Islamic world has fallen hostage to the American stance on Islamist movements, both moderate and extremist. Handling Islamist movements in Middle Eastern countries is no longer a local issue; overarching policies are designed perhaps more in Washington than anywhere else. Healthy U.S.-Islamic relations have failed to crystallize as dynamics continually shifted courses during Bush's two terms, leaving future relations without a model to build upon. This legacy will undoubtedly influence the policy choices of the next American administration.

This article attempts to analyze the probable repercussions of current policies for the next administration, whether Democrat or Republican, by first assessing the

Healthy U.S.-Islamic relations have failed to crystallize as dynamics continually shifted courses during Bush's terms, leaving future relations without a model to build upon which undoubtedly influences the policy choices of the next administration.

assumptions that shaped the Bush administration's policy towards Islamist movements in the Arab world, then examining the administration's overall performance in this regard, and analyzing current conditions to determine policy options for the incoming administration.

Determinants of the U.S.-Islamist Relationship: Bush's Legacy

The attacks of Sept. 11 precipitated a series of transformations in American interaction with Islamist movements and with the Arab world at large. Most importantly, the bold U.S. intervention in the Middle East signified an important shift from the long-held isolationist tendencies of American foreign policy. This shift was especially apparent in the American promotion of democracy.[1] This renewed assertiveness permeated U.S. rhetoric, particularly notable in President Bush's State of the Union addresses and his talk of an "Axis of Evil" comprising Iraq, Iran and North Korea. Revealing an interventionist, unilateral foreign policy, such rhetoric marks a radical change in American priorities. Still, protecting Israeli security, fighting terrorism, defending friendly regimes, promoting stability, guaranteeing the continuation of Arab oil exports and curbing the proliferation of weapons of mass destruction remain pillars of American policy in the Middle East. Yet the means through which they are achieved is changing.

Five determinants comprise the major elements of American policy towards Islamist movements under the Bush administration: an epistemological factor related to the evolving American understanding of Islamism; concerns over terrorism and democratization; ideological differences between Western and Islamic values, and the strategic U.S. friendship with Israel; geostrategic interests; and finally, local variables. These determinants are discussed below.

1) The Epistemological Factor: Understanding Islamists

The Clinton administration demonstrated an awareness of diversity within Islamist currents as well as a distinction between Islam and Islamists. This distinction became more pronounced during Bush's terms, as policy-makers and analysts paid closer

1 Carothers, Thomas. *The Clinton Record on Democracy Promotion* (Washington, DC: Carnegie Endowment for International Peace, 2000).

attention to the internal workings of Islamist movements. Three distinct opinions emerged, the first being the characterization of all Islamists as radicals, rejecting any differentiation between groups.[2] The second school merges Western ideology with political interests, as demonstrated by the Rand Corporation's well-known study of the post- Sept. 11, which distinguished between "radical fundamentalists" and "scriptural fundamentalists."[3] The third camp, represented by writers such as John Esposito[4] and Amr Hamzawy,[5] clearly distinguishes between moderates and extremists, based on the renunciation of violence and democratic political participation. All three opinions remain active in American policy-making, resulting in substantial inconsistencies, in spite of positive adjustments in American scholars' recognition of variations within Islamic movements.

2) The Politics of Security: To Spread Democracy or Fight Terror?

Despite their flawed understanding of the region, the Bush administration argued that effectively tackling the root causes of terrorist ideology required the promotion of democracy in the Middle East. This was in contrast to the formula governing decades of American policy-making in the Middle East, which set the cost of regional stability above supporting nondemocratic regimes. The attacks on Sept. 11 exposed the flaws in this strategy and contributed to the growing belief that terrorism could not be defeated without approaching the fight from the angle of democratization. This sparked a debate among American neoconservative foreign policy-making circles as concerns over the rise of Islamist groups frayed the already tenuous link between democratization and fighting terrorism.

The Bush assumption about democratization was challenged by many scholars, including F. Gregory Gause. Gause argued that there was no empirical evidence that democracy promotion helps contain terrorism, or that a democratic Middle East would produce Islamist governments willing to cooperate with American interests.[6] Thomas Carothers, director of the Democracy and Rule of Law Project at the Carnegie Endowment for International Peace, argued on the eve of the Iraq invasion that merging a campaign against terrorism with a push for democratization would be a complicated

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2 Kramer, Martin S. *Ivory Towers on Sand: The Failure of Middle Eastern Studies in America* (Washington, D.C.: The Washington Institute for Near East Policy, 1997)., and "The Mismeasure of Political Islam" *The Islamism Debate*, Martin Kramer, ed., Dayan Center Papers 120 (Tel Aviv: The Moshe Dayan Center for Middle Eastern and African Studies, 1997): 161-73.

3 Rabasa, Angela M., et al. *The Muslim World After 9/11* (Santa Monica: Rand Corporation, 2004).

4 Esposito, J. L. *Unholy War: Terror in the Name of Islam* (Oxford: Oxford University Press, 2002).

5 Hamzawy, Amr. "The Key to Arab Reform: Moderate Islamists." (Washington, D.C.: Carnegie Endowment for International Peace, August 2005).

6 Gause, F. Gregory. "Can Democracy Stop Terrorism?" *Foreign Affairs* (January-February 2003).

undertaking. Carothers, however, acknowledged that nurturing effective democracy requires Arab political incorporation of moderate Islamist forces.[7]

The emphasis on the importance of moderate Islamists' role in democratic transformation was an idea widely accepted in influential American neoconservative foreign policy-making circles. Reul Marc Gerecht uses the Egyptian Muslim Brotherhood as a model to illustrate this idea. In a study for the American Enterprise Institute, Gerecht argued that the sway of moderate Islamic political forces cannot be ignored. He warned American policy-makers against repetition of mistakes in Algeria in 1991, when the United States tacitly supported the Algerian army's decision to cancel the election results and crack down on the Islamist parties.

Gerecht's study revealed the inaccuracy of America's policy toward the Middle East, which relied upon unpopular political groups, like Arab liberals. A means of political coexistence with the moderate Islamist movements became imperative. In Iraq, following America's misplaced bet on Ahmed Chalabi and his supporters, it became apparent that the real powerbrokers were Iraqi Islamists, both Shiite and Sunni. Their exclusion from the post-Saddam Hussein Iraqi political equation was impractical; this revelation triggered a sharp division between the pro-Israel lobby and others within neoconservative American politics over how to deal with Islamist factions.

Though this dispute was widely understood in neoconservative political circles and think tanks, it was only publicly revealed in a debate between Gerecht and Washington Institute for Near East Policy executive director Robert Satloff in April 2005.[8] Part of the neoconservative faction, represented by Gerecht, argued that support for moderates was necessary in order to isolate extremism, and that liberal progressive forces in the region lacked the strength and popularity to act as reliable political partners. He also said U.S. endorsement of moderate Islamist movements would erode the momentum and ideological appeal of radical factions, like Al-Qaeda. Satloff and the opposing group argued for a U.S.-led coalition to balance against political Islamism, as they believe Islamic movements in general pose today's most daunting challenge to American security, and moderate representation could facilitate extremist gains. Similarly, Cheryl Benard's distinction between textual and radical fundamentalists proposed integration of the former into the American political strategy via democratization.[9]

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7 Carothers, Thomas. "Promoting Democracy and Fighting Terror" *Foreign Affairs* (January-February 2003).

8 "The Democracy Dilemma in the Middle East: Are Islamists the Answer?" featuring Reuel Marc Gerecht and Robert Satloff, *Policy Watch*, 990. http://www.washingtoninstitute.org/templateC05.php?CID=2307

9 Benard, Cheryl. "Democracy and Islam: The Struggle in the Islamic World – A Strategy for the United States" in David L. Aaron, *Three Years After: Next Steps in the War on Terror* (Rand Corporation), 15-20.

3) The Ideological Determinant: Western and Islamic Values

Ideological factors constituted the most important elements guiding previous administrations' policies towards Islamist movements. This reasoning lost ground, however, as the evolving U.S. occupation of Iraq spurned Islamist groups blatantly opposed to Western values.

Jeremy M. Sharp wrote that Western identity and cultural background are determining factors that shape American policy toward Islamist movements. This is especially true as the United States finds itself embroiled in a debate on Islam's role in politics, encompassing the rights of women and minorities, cultural and religious freedom,[10] and more specific issues mentioned by Benard, including polygamy, domestic violence, punishments meted out under Sharia and women's clothing.[11] These questions reignited a conflict originating with the 1979 Iranian revolution that was already renewed after the second Gulf war and the events in Algeria in 1991. Samuel Huntington's "Clash of Civilizations" emphasizes the opposition between Islamic and Western values as a primary driver of international conflict. With this debate again at the forefront of public attention, American policy-making toward Islamism became subject to ideological considerations, while circumstantial variations in policy lost credibility.

Marina Ottaway, Nathan J. Brown, and Amr Hamzawy co-authored a Carnegie study identifying elements differentiating the two sides.[12] This paper focused specifically on "gray zones" in moderate Islamism's compatibility with democracy, including Shariah law, political pluralism, the use of violence, civil and political rights, and the rights of women and religious minorities. Exposing distinct differences between Islamist currents, as well as overall progress in reconciling differences with democratic values, the paper was widely read in Washington and serves as a model for advancing efforts to understand Islamism.

A full understanding of determinants guiding Bush policy, along with an examination of previously tested options, would open the door to formulate a more coherent policy toward Islamist movements within the next administration.

4) The Strategic Determinant: Israel and Oil

The strategic element of the Bush administration's policy toward Islamist movements encompasses traditional elements framing American foreign policy, including

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10 Jeremy M. Sharp. "U.S. Democracy Promotion Policy in the Middle East: The Islamist Dilemma," CRS Report for Congress (Washington, D.C.: Library of Congress, 2006): 2.

11 Benard, Cheryl. *Civil Democratic Islam: Partners, Resources, and Strategies* (Santa Monica: Rand Corporation, 2003).

12 Brown, Nathan J., Amr Hamzawy, and Marina Ottawa. "Islamist Movements and the Democratic Process in the Arab World: Exploring the Gray Zones," *Carnegie Papers* 67 (Washington, D.C.: Carnegie Endowment for International Peace, 2006).

economic and security interests relating to oil, as well as safeguarding markets, protecting maritime traffic and preserving American strategic influence in the Middle East. Consequently, this implies a special emphasis on preventing the proliferation of weapons of mass destruction and of course, defending Israel's security, which has become tantamount to a sacred tenet of American foreign policy over the years.

Following the Sept. 11 tragedy, the Middle East became the main focus of the Bush administration's foreign policy, at the expense of attention to other regions including China and East Asia. Augmented by the occupation of Iraq and the Iranian nuclear threat, this emphasis has been exacerbated by the advancement of political Islam. Islamist electoral victories create friction with American strategic interests, transferring policy-making with regard to Islamist movements from local-level Middle Eastern politics to the international level.

5) Local Factors

Local determinants dependent on circumstances specific to certain Islamic movements became increasingly pertinent during the Bush administration. Most importantly: (1) the nature of the political regime; (2) political diversity and its influence on the Islamist movements' reach, as demonstrated by the success of the Justice and Development Party in Morocco; (3) the legal status of the movement and implications for the movement's freedom of action, exemplified by a number of Islamic parties in Algeria; (4) the movement's place in maintaining a local balance of power, demonstrated by factions in Iraq; (5) the movement's possession of a military wing. The last factor's importance is inversely related to its significance in preserving local balance of power, as states are more prone to turn a blind eye to an armed militia if it is coupled with an influential political wing, a principle which also holds true in Iraq; and the additional external factor of (6) geographic proximity to Israel. In distant regions like Yemen or North Africa, Islamist movements' rejectionist attitudes toward Israel are relatively innocuous, yet they hold critical importance in frontline states like Jordan and Egypt.

The war on terror transcended security, military and intelligence struggles focused on clandestine groups, becoming part of a battle for "hearts and minds."

The war on terror transcended security, military and intelligence struggles focused on clandestine groups, becoming part of a battle for "hearts and minds." Among its targets were the Islamist movements. Arab-Israeli peace negotiations became directly linked to the evolution of democracy in Lebanon and Palestine, as

Hezbollah and Hamas gained political prominence through the ballot box. Regional proliferation of stable democracy regimes also became increasingly connected to the ability of regimes to politically incorporate moderate Islamists, particularly in Egypt, Jordan and the Gulf states. In Iraq, Islamist parties with armed militias won popular support over secular parties. As a result, the United States found itself backed into a political corner, endorsing a policy dangerously close to that which it openly rejected in Lebanon and Palestine. Meanwhile, the Islamist resurgence in the Gulf spurned fears that new political and social limitations could inhibit military action and enforcement of sanctions against an increasingly hostile Iran. These evolving factors guided several years of inconsistent Washington policy-making, yielding increasingly frustrating results.

The five determinants' influence over the Bush administration's policies prevented the pursuit of a coherent, effective policy towards the Islamist movements, yet reliance on these determinants in the post-Sept. 11 environment helped assess the development of individual policies by trial and error, affording the next administration a key opportunity to learn from these experiments. A full understanding of determinants guiding American policy, along with an examination of previously tested options, would open the door for the upcoming administration to formulate a more coherent policy toward Islamist movements.

Present and Future: Policy Options for the Next Administration

Policies implemented under the Bush administration ranged from dismissal, containment or incorporation of the moderate Islamists to direct military confrontation of extremist groups. Two models for dealing with Islamist movements emerged within the Washington policy-making scene, both broadly interventionist in nature, but distinctly different in practice.

The first, based on the call for a "civil, democratic Islam," altogether ignores movements within political Islam, both moderate and extremist. Cheryl Benard's study illustrates this model. It showed a distinction between textual and radical fundamentalists, and proposed integration of the former into the American political strategy via democratization. This approach also supports Sufism and other forms of religious modernism and traditionalism to build a coalition against Islamic fundamentalism. Disregarding differences within Islamist movements, this model builds on the pro-Israel lobby's argument, embodied in the writings of Robert Satloff[13] and Martin

13 Satloff, Robert. *The Battle of Ideas in the War on Terror: Essays on U.S. Public Diplomacy in the Middle East* (Washington: The Washington Institute for Near East Policy, 2004).

Kramer. It offers no practical solution for handling complexities of problematic areas like Iraq, Lebanon, Palestine and Egypt, but is rather a mindless mimicry of American Cold War policy toward the Soviet Union. This approach has achieved little success on the ground, as it rejects the vast and quite relevant differences between Islam and communism.

The second model, based on acknowledgement of moderate Islamists as feasible partners, is more hopeful. Proving that the United States views its current struggle as a war on terror rather than a war against Islam, this tactic lends greater credibility to democratization rhetoric (although this model calls the relationship between democratization and combating terrorism into question). Writings by Marina Ottaway and Thomas Carothers perfectly exemplify this school of thought.[14] This model's strength is in refuting the belief that Islamists and democracy are inherently incompatible. Instead, incorporation of political Islam is essential to achieving democracy in the Arab world. Although it has gained repute among both policy-makers and academics, this model's inconsistency with other priorities in the foreign policy agenda, along with the fragility of allied Middle Eastern regimes, and the crises in Iraq and Iran, followed by Lebanon, the West Bank and the Gaza Strip, helped eclipse this model beginning in the summer of 2006. Its practical viability has been proven only by its implementation in Morocco. Especially since Hamas' victory in the Palestinian elections, analysts increasingly argue that supporting democracy and moderate Islamists is too risky and would only work against U.S. interests in the region. Also it would impair American mobility to take action against Iran, weaken friendly regimes, forfeit control over oil prices and hurt Israeli security.

The next administration should implement a coherent U.S. policy toward Islamist movements, free from the ideology-based foreign policy legacy of the Bush administration.

Policy-makers no longer agree on a coherent model. Fears over the growing power of Hamas led to increasingly splintered opinions within Congress, meaning the quandary of the next administration will extend far beyond the question of whether to be conciliatory or confrontational. Ignoring the problem, however, will only extend it. The best option appears to be an acknowledgment of the place of moderate Islamist movements within the course of political and economic reform, which will develop positive interactions within the framework of set determinants.

14 Ottaway, Marina, and Thomas Carothers. "Middle East Democracy," *Foreign Policy* (November-December 2004): 14-19.

Successful implementation will require the following steps from the next administration:

1. A strategic assessment of previous policies' outcomes, coupled with a re-examination of key determinants in U.S.-Islamist relations, paving the way for a comprehensive review of current policy and subsequent formulation of future policy.[15]

2. Implementation of a coherent U.S. policy toward Islamist movements, free from the ideology-based foreign policy legacy of the Bush administration. Sharp ideological contradictions in U.S.-Islamist relations can be eased if the new American administration avoids entanglement in endeavors to remodel Islam to suit American interests, instead pursuing a policy of peaceful coexistence based on common ground.

3. Rebuilding American credibility in the Arab world through bold, decisive steps, particularly in hotspots like Iraq and Palestine. Islamists' negative attitude toward democratization is a reaction to what they perceive as part of a broader American agenda systematically biased against Arab and Islamic interests, not a reflection of inherent opposition to democratic principles; American support for Israel, the war on terrorism and the occupation of Iraq provoked suspicion among Islamists that motives behind democratization were more complex than Americans were willing to admit.[16] Islamists feared that democratization's greater goal was to strengthen pro-American factions, while weakening popular opposition groups resistant to American policy in the Middle East. For this reason, American credibility in the region must be restored before positive developments can occur. Resolution of lingering grievances over past policies should begin with a U.S. withdrawal from Iraq, an end to the siege of the Palestinian people, and an initiation of genuine political and social dialogue between the United States and key countries of the Middle East.

4. Surpassing the pragmatic logic that precipitated regional instability, fostered international uncertainty over U.S. policies, and impeded Islamist movements'

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15 Heydemann, Steven. "The Challenge of Political Islam: Understanding the US Debate" in Muriel Asseburg and Daniel Burmberg, *The Challenge of Islamists for EU and U.S. Policies: Conflict, Stability, and Reform* (Washington, D.C.: SWP and USIP, 2007), 15-22.

16 Wickham, Carrie. "The Problem With Coercive Democratization: The Islamist Response to the U.S. Democracy Reform Initiative" in ***Muslim World Journal of Human Rights*** 1, no. 1 (2004). http://www.bepress.com/mwjhr/vol1/iss1/art6

ability to deal with the policies in place. The precepts guiding American policy varied across the region, even changing several times within a single state, inhibiting the development of a constant set of criteria through which stable relations could develop.

Conclusion

The transformation of U.S. policy aimed at moderate Islamist movements will be no easy task for the new American administration. Yet, accumulated mistakes under the recently implemented policies may establish the preconditions necessary for change. ■

Promoting Democracy in Arab Countries

Practice Makes Perfect?

RADWAN ZIADEH
Syrian Author and Researcher

ARAB COUNTRIES REMAIN IMPERVIOUS to the democratic transformations altering the international political climate in the past several decades. The most recent democratization trend, termed "the third wave of democracy" by Samuel Huntington, began in Portugal and Greece in 1974 then swept through Spain, the northern Mediterranean, Latin America, the Soviet Union and Eastern Europe, and finally altered the political climate of South East Asia. Yet Arab countries face major setbacks in catching up to this global political transformation. Many remained non-democratic dictator states, and some, like Libya and Syria became totalitarian regimes. *Newsweek* magazine described this resistance in the region as home to the last reluctant castles in the face of democracy.[1]

Most Arab political adjustments were based on policies of liberalization without democratization, meaning political systems were restructured from within, resulting in a model of limited political openness. In this fashion, totalitarian systems afforded limited controls on state political, economic, and social without completely abandoning them.

Arab political adaption to third wave democratization was thus characterized by special methods and patterns.[2] Substantive political changes marking the third waving

1 "Arabs and Digital Technology: Does the Middle East contain the last reluctant castles in the new world economy?" ***Newsweek,*** Arabic edition, No. 43, April 3, 2001, 14. The Arab Human Development Report 2002 describes the Arab region as the area most deprived region of freedom in the world.

2 Steven Heydemann, "Upgrading Authoritarianism in the Arab World", Saban Center Analysis Paper, Analysis Paper No. 13, October 2007.

in Eastern European states and the northern Mediterranean, were absent in the southern Mediterranean region, particularly in Arab countries.

There is a growing belief in the U.S. that massive spending on Middle Eastern democratization may not be in the best interest of national security

There is a growing belief in the U.S. that massive spending on Middle Eastern democratization may not be in the best interest of national security.

Series of legal and semi-legal procedures defined political structures during this "lost decade" in the Arab region. Enactment of emergency law coupled with elimination of constitutional, judicial, and media institutions defending social freedoms from state control characterized such systems. Ultimately society paid the cost in the form of devaluation of public opinion, a lack of public concern for national affairs, and an unmotivated workforce.[3]

The nineties witnessed dramatic international political and economic transformations, including the spread of civil society, the growing role of NGOs, and accelerated economic globalization. Arab societies, however, remained traditional strongholds throughout the transformation. Hopes are pinned on the 'biological solution' as termed by Mohammed Abid Al-Jabri, meaning the death of current Arab leaders, most of whom are nearing sixty or seventy, and the subsequent power turnover.[4]

In the late nineties, Abid Al-Jabri's prophecy was fulfilled by the deaths of several Arab leaders, yet none precipitated substantial political change. Morocco, the exception, experienced a significant political opening; Bahrain also underwent reforms coinciding with the transition to constitutional monarchy, but their effects were short-lived. Syria, Jordan, and the others, saw no political advancement as the result of a change in leadership. The resulting period of social frustration marked the beginning of a vicious cycle of government inefficiency and resistance to change and popular inability to instigate political reform.

The U.S. and Democracy from Abroad

Following Sept. 11, 2001, many Arab countries adapted to fit the new international agenda, emphasizing counterterrorism, and political reform. Yet accompanying new security priorities, the US pushed issues of democratization and human rights on

3 See Burhan Ghalioun, The Arab Plight: The Nation Against the People. Beirut: Center for Arab Unity Studies, 1996.

4 Mohammed Abed Al-Jabri, The Arab Renaissance Project, (Beirut: Center for Arab Unity Studies, 1996).

which many Arab states lagged. Many Arab countries, especially close U.S. allies like Egypt and Saudi Arabia, were embarrassed by resulting U.S. criticisms.

Civil society and political opposition, often spurred by authoritarian regimes, have grown significantly in many Arab countries, especially Egypt, Jordan, and Morocco, as well as Syria and Tunisia. "The Spring of Arab Democracy," as this period is called, coincided with a wave of successful democratic transformations achieved starting with the "Colored Revolutions" beginning in Serbia, followed by the Orange Revolution in Ukraine,[5] the Rose Revolution in Georgia, and Lebanon's 2005 Cedar Revolution that ended decades of Syrian military presence in the country. This fourth wave of democratization, as it became known, aimed to instigate political transition through carefully strategized mass popular movements.[6]

During the 2003 invasion of Iraq, the U.S. democratization agenda provided a rationale for toppling Saddam Hussein's regime after the war's primary justification, to find weapons of mass destruction, failed. To implement this agenda, the U.S. launched a number of initiatives, notably, The Middle East Free Trade Area, the Initiative for the Greater Middle East and North Africa, the Democracy Assistance Program for the Middle East, the Middle East Partnership Initiative, and U.S. State Department's Office for Democracy, Human Rights and Labor.

U.S. policy should be tailored to each individual Arab country, noting varying levels of democratic development to determine appropriate timelines for implementation.

The free trade initiative implemented political reform through economic liberalism and its resulting growth, spurning an independent middle class and thus crystallizing democratization and the rule of law.[7] Triggering extensive discussion among Arab academics and elites, as well as within American political and security circles, this

5 Michael Macfaul, "Ukraine Imports Democracy: External Influences on the Orange Revolution." *International Security*, Vol. 32 , No.2, Fall 2007, 45-83.

6 Larry Diamond, *The Spirit of Democracy: The Struggle to Build Free Societies Throughout the World* (Times Books, 2008).

7 See Sarah E. Yerkes and Tamara Cofman Wittes,, "What is the Price of Freedom? Assessing the Bush Administration's Freedom Agenda", Saban Center Analysis Paper, Analysis Paper, No. (10), September 2006. This article evaluates President Bush's agenda for freedom and democracy in the Arab world. It attempts to monitor the most important obstacles that hinder the achievement of Bush's objectives in the agenda. The study clearly shows that the total amount spent by the U.S. administration to spread democracy in the Middle East is not considered to be of value in comparison with what was appropriated for the programs to support democracy in the countries of Eastern Europe after the end of the Cold War era. The United States spent the first five years after the end of the Cold War 4,264 billion dollars for programs to support democracy in the former Soviet republics. In other words, the United States spent about $14.60 on each person in the former republics of the Soviet Union, whereas the United States spent $.80 (less than a dollar) on every citizen in the Middle East since the events of Sept. 11, 2001.

strategy generated significant controversy.[8] Many raised doubts about its efficacy, while others argued it successfully enhanced democratic political reform. The initiative's achievements are attributable in part to the Bush administration's willingness to fund democratization efforts.

Yet in the United States there is a growing belief that massive spending on Middle Eastern democratization may not be in the best interest of national security. Specifically, the concern is that democratic institutions in the region may not produce U.S.-friendly regimes.[9] This view is reinforced by recent election results in Iraq, Palestine, and Egypt, among others. Islamic movements actively opposed to American policies in the region proved remarkably influential on the outcomes of elections held from 2005-2006. Fair democratic elections left power in the hands of radical Islamists; clearly, the U.S. commitment to democratization in the Arab world is at a crossroad.[10] From the American policy-making viewpoint, the debate is between spreading democracy in the Middle East and American strategic interests in the region.[11]

Serious human rights violations at U.S. prisons in Abu Ghraib and Al-Haditha, accompanied by the ensuing American failure and bloody civil war Iraq exposed the primary downfall of externally imposed democracy: it became an object of conflict rather than a vehicle for constructive change. Deteriorating conditions following the intervention lead many Arabs to reconsider the prudence of relying on outside forces to spread democracy. Some originally believed that American interference in Iraq could be the precipitating factor for change within the country. But post-intervention, the problem becomes that while it is near impossible to build change from within, it is even more difficult to impose it externally.

External facilitation must play a secondary role in democratization, interacting with internal factors; Arab states lacked these internal elements. Critical to transforming regimes' international images, change from within is an imperative first step toward democratization. External images build government legitimacy and shape regional

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8 Tamara Cofman Wittes, "Freedom's Unsteady March: America's Role in Building Arab Democracy," Brookings Institution Press, 2008. Thomas Carothers, "U.S. Democracy Promotion During and After Bush," Carnegie Endowment Report, September 2007.

9 Michael McFaul and Francis Fukuyama, "Should Democracy Be Promoted or Demoted?" *The Washington Quarterly*, November 27, 2007.

10 About the U.S. retreat from its policy of spreading democracy after the Hamas victory in the Palestinian elections and after the Muslim Brotherhood in Egypt acquired 88 seats in parliamentary elections, see: Marina Ottaway, "Democracy Promotion in the Middle East: Restoring Credibility Monday", Karnegie Endowment, Policy Brief, No. 60, June 2008. There is talk now about establishing the "League of Democracies" which is composed of ancient democratic states aimed at supporting the idea of democracy across the world. See: Thomas Carothers, "Is a League of Democracies a Good Idea?" Carnegie Endowment for International Peace, Policy Brief, No. 59, May 2008.

11 Thomas Carothers and Marina Ottaway, *Uncharted Journey: Promoting Democracy in the Middle East*. Washington, DC: Carnegie Endowment for International Peace, 2005.

and international policies toward a regime. Although international factors play a role in regime change, their impact is negligible without the necessary internal adjustments. Favorable domestic dynamics coupled with a conducive external environment strengthen regime transformations. The rapidly changing nature of the international environment means conditions vary according to external policies, forcing newly reformed political systems to survive on deals and alliances. Domestically initiated reform agendas, however, possess the core strength to weather changing international conditions.

The ongoing debate over democracy promotion in the Middle East portends the American tradition of abandoning policies that do not directly enhance political interests. The United States will likely revert to policies of stability that characterize traditional American involvement in the region.

Failures of U.S. democratization efforts under Bush administration should translate into valuable learning experiences for the next administration.

The New U.S. Administration and Spreading Democracy in the Arab world

Democratization in the Middle East benefits U.S. long-term interest and should hold political appeal for the incoming administration. Though contradictory cases exist in countries like Venezuela and Peru, where anti-U.S. groups achieved power through democratic processes, democratization in Eastern Europe, Latin America and Africa has resulted in many pro-American regimes. Strategic decisions should be based on stable long-term interests, as future internal and regional dynamics might change hostile governments like those in Latin America. Backing repressive regimes at the expense of defending civil liberties hurts U.S. strategic interests in the long run by eroding public opinion ratings. Public opinion in Iraq, for example, exposes negative views of countries that supported or benefited from Saddam Hussein's regime; such popular dissent has posed significant obstacles to U.S. occupation. This illustrates the importance of democratization with dual motivations: both the external actor's strategic interests and the society and political system undergoing transformation stand to benefit.

Failures of U.S. democratization efforts under the current Bush administration may translate into valuable learning experiences for the next administration. The following points should be accounted for:

First, the Bush administration adopted a clear democratization policy only following U.S. failure to find weapons of mass destruction in Iraq. Democratization became the justification for war, first to gain domestic support, and then to the Arab people, who opposed the invasion, in an attempt to ameliorate damaged relations. Arab per-

ceptions of democratization efforts were embroiled in the so-called "war on terror" and the invasion of Iraq, leading to the belief that such policies were ultimately against their interests. Instead of linking the spread of democracy to stability and economic prosperity, Arabs consider it an American façade justifying the invasion of Iraq and an element of the U.S. campaign against terrorism.

The next administration should concentrate on restoring American international credibility, focusing specifically on promoting non-discriminatory democratization and human rights efforts.

The current war has encouraged the United States to reconsider strategic policy in the Middle East. In President Bush's October 2005 speech before the National Endowment for Democracy, he rejected supporting corrupt regimes to maintain regional stability, a gesture received warmly by many Democrats and activists in the Arab world.

Democracy and human rights have recently risen on the international political agenda. Past waves of democratization, such as the one that took place in Eastern Europe, did not garner as much U.S. support. U.S. objectives, both private and public, remained focused on undermining the Soviet Union and communism. Democracy promotion during the Cold War worked both in regional popular interest and in support of U.S. policy goals. U.S. support for the democratic opposition movements of Lech Walesa in Poland and Václav Havel in Czechoslovakia advanced American security aims. Yet for the three decades preceding the Iraq War, the United States turned a blind eye to Middle East democratic opposition movements. Following the events of September 11th, 2001 and occupation of Iraq, this began to change.

Democratization must become a goal in itself, rather than a collateral measure of security policy. Only such a separation can prevent deepening the negative perceptions of democracy promotion already in existence in the Middle East, especially among opposition forces and the intellectual elite.

Second, the U.S. needs to promote international confidence in American freedom and human rights policies. Grave errors committed during the Iraq war eroded U.S. credibility as a promoter of democracy. The gross violations at Abu Ghraib and the ongoing detention of prisoners without charges at Guantanamo deteriorate the U.S. international image. Despite the recent Supreme Court decisions, the U.S. administration was remiss in implementing these decisions while questioning the applicability of the Geneva conventions to detainees. A number of civil rights violations involving government wiretapping of American citizens, particularly citizens of Arab or Muslim descent, were exposed. Following several arrests and accusations, the wiretapping was

ruled to require court approval. These controversies destroyed American credibility, making the United States an easy target for criticism.

The next administration should concentrate on restoring American international credibility, focusing specifically on promoting nondiscriminatory democratization and human rights efforts. Closing Guantanamo Bay prison, signing and ratifying the international conventions on human rights, and ending the intentional targeting of American Muslims for political investigations would be steps in the right direction. Additional measures should include a shift away from unilateralism, increasing international dialogue, and an expansion of the United Nations' role in managing security files and political institutions.

Third, the United States needs to establish a long-term commitment to democratization. Unstable Arab regimes are incapable of implementing internal and regional reforms on their own. Lasting stability requires a clear differentiation between the state and the ruling party through constitutional, legislative, judicial, and political organizations. Recent Arab regimes practice an abridged form of democracy, exercising democratic processes but replacing political alternatives with flowery discourse. Preserving American interests while simultaneously maintaining an outward appearance of stability, Arab regimes perpetuate the belief that real political alternatives are nonexistent. Legislative elections held in several Arab countries during 2005 and 2006 resulted in increased power for Islamic movements, reinforcing the pattern of democratic processes without political alternatives, and causing the United States to reconsider its foreign policy objectives in the region. Rather than continuing democracy promotion, the United States shifted focus to promoting "the forces of moderation" to counter extremist influence, often overlooking the benefits of reform.

Secretary of State Condoleezza Rice's June 2007 visit to the region delivered a clear message: the Bush administration valued moderate influence over democratization. During Rice's stay in Egypt, she neglected to address problems with political reform in meetings with officials regarding a controversy over corruption in the police apparatus. The new American agenda irritated many intellectuals and figures in civil society; The Bush administration's willingness to ignore reform concerns in order to secure Egyptian support for U.S. initiatives reflected this shift in U.S. foreign policy. Rice's silence confirmed negative attitudes toward democratization both among Arabs and in the United States. The Iraq war, recent meetings in Egypt, and the Palestinian elections all contributed to the Bush administration's dwindling interest in the benefits of democratic reform.

Partisan opposition forces in the Arab world fail to provide the credible, committed political alternatives necessary in genuine democracies. Suffering from structural

problems similar to those faced by pre-democratization Eastern European political opposition movements, these systems illustrate a lack of institutional expertise accompanied by the ethics necessary to implement democratic processes. Democratic ethics, referring to government responsibility and accountability as well as general concern for national well-being, constitute sufficient impetus for democratic transition, but do cannot alone facilitate effective transformation. The process of democratic reform in the Arab world must not be put on hold because in favor alternative agendas holding short-term political appeal. Existing democratic ethics must be reinforced by commitment to democratic processes.

Policies toward Islamic movements must be carefully crafted, accounting for the U.S. retreat from democratization following Islamic movements' gains in the elections.

Effective transformation will require U.S. support through a policy of temperance; democratization initiatives will yield results gradually, taking effect over a period of years. U.S. commitment to advancing democracy must be long-term, accounting for the trend's international implications.

U.S. policy should be tailored to each individual Arab country, noting varying levels of democratic development to determine appropriate timelines for implementation. Arab societies vary considerably in respect to human, economic, and political development. It is unreasonable, for example, to apply a plan suited for Sudan, to the Gulf countries. The same logic implies that countries that have already taken steps towards political and economic openness, such as Morocco and to a lesser extent Egypt, should not be subjected to the same requirements as regimes that continue to exercise state control over the entire public sphere, like Syria, Tunisia, and Libya. The same principle applies to civil society; international support for civil society is critical to the development of the democratization process, but the nature and extent of support must meet the varying needs of each country.

U.S. policy should also draw a distinction between spreading democracy and holding free elections. Elections constitute only one component of democracy; democratic governance also encompasses a system of values – liberty, equality, tolerance, accountability, transparency, and respect for others – as well as democratic political institutions including a constitution, legislative institutions, judicial institutions, and human rights organizations. American talk of building sustainable democratic systems in countries without components beyond elections is infeasible. The Bush administration mistakenly reduced the issue of democratization to merely promoting free and fair elections in the region, and was later forced to retreat from this policy when elections produced

Islamic forces uncooperative with U.S. interests. The Muslim Brotherhood in Egypt, Hamas in the Palestinian territories, and Islamic parties in Iraq are all considered obstacles to the U.S. democratization agenda.

Other articles discuss the emergence of Islamist movements in elections, therefore our focus will be limited to general observations. First, views on the concept of democracy perpetuated by these movements vary widely. Some groups reject all forms of violence; some allow full access to ballot boxes and hold truly free elections, while others do not. History illustrates that political systems more open to integrating Islamist movements make greater progress in democratization, and subsequently, that Islamist movements within such systems become more receptive and committed to political, constitutional and judicial institutions. In countries like Morocco and Kuwait, these groups have even come to protect and defend democratic institutions.

It is appropriate for the new U.S. administration to push to incorporate moderate democratic Islamic forces that submit to authority through elections. It may be in U.S. interest to accept even results of free elections in favor of Islamist movements; as such groups may provide legitimacy through their experience in Islamic governance.

Integration may result in two outcomes, either of which would benefit stability and democratization efforts. The first possibility is Islamist groups' loss of credibility as alternative democratic forces. If these groups' governing abilities are put to test and do not produce the desired results, their popular legitimacy will take the fall. Hamas' experience demonstrates this possibility, having lost significant popular appeal and become the object of harsh criticism from the Palestinian people following their electoral success. The second possibility is that these groups will prove themselves effective forces of governance. Operating as legitimate political entities they will be required to work under more realistic conditions than they did as political opposition groups, offering an opportunity to refine, develop and nationalize their programs. The Justice and Development Party in Turkey along with other young projects in Morocco and the Gulf provide direct models of democratic Islamic political integration.

It is appropriate for the new U.S. administration to push to incorporate moderate democratic Islamic forces that submit to authority through elections.

Islamic integration into the democratization process represents the incorporation of a large social group into the political game testing the effectiveness of Islamists' rhetoric in practice. Only after integration is attempted will we be able to determine whether they are truly threats to political stability or mechanisms for genuine political reform. ■

Before Leaving Iraq

A Responsible Withdrawal

SALAH AL-NASRAWI
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Bush's War

To a large degree, the spring 2003 war to overthrow Saddam Hussein's regime is considered George W. Bush's war, despite the general realization that American neoconservative intellectual, political and oil elites played a major role in the war's conception and execution. This belief is due in part to President Bush's consistent support for the war and the departure of many leading neoconservative figures from the administration. Vice President Dick Cheney, the primary instigator of the war, has remained a part of the administration. More importantly, American institutions, including Congress, have been unable to take part in the management of the crisis caused by the war with all its political, security and moral dimensions.

A careful analysis of Bush's time in office shows a near-total absence of congressional oversight in the administration's foreign policy. Congress failed in its constitutional foreign policy duties to check the executive branch's power. This allowed the White House to monopolize the most crucial national security and foreign policy issues, including the war on terror and the occupation of Iraq.

After the Democrats took power of both the House and the Senate in late 2006, congressional attempts to exert influence in the war were too little, too late. This happened for a number of reasons, perhaps the most important being the Democrats' lack of interest in rescuing the Republican administration from trouble in order to exploit the situation in the 2008 elections and reclaim the White House. Another reason

The war has lost nearly all support among the American public due to over 4,000 dead and 30,000 wounded U.S. troops, an economic burden exceeding $550 billion and the political and moral costs which the U.S. is paying internationally.

Congress refrained from intervention is the natural tendency of Congress to show support for the president and military during times of war, regardless of partisan affiliation, to avoid accusations of being unpatriotic. This is why Democrats have yet to pressure President Bush by delaying spending legislation for troops in Iraq, even though public opposition to the war is rising. Instead, both chambers held various hearings and organized special committees to investigate problems related to the occupation such as corruption scandals. Unfortunately, these efforts had a limited affect on the Bush administration's power.

An Example from History

With the upcoming presidential election, the question on most minds is: "How will the next administration deal with the huge challenges left behind by President Bush?" This is especially true in light of the war in Iraq and the need to rebuild the domestic front that has been undermined while waiting for a seemingly impossible victory. Undisputedly, foreign policy is essential to American national security and should not be dictated by the executive branch alone. History shows that after the presidential election, the incoming presidents will implement their own foreign policy.

After World War II, a new administration and Republican Congress fundamentally changed Japan's occupation policy. The strategy of rebuilding the state was altered and proponents of the MacArthur-Roosevelt program were replaced with conservative diplomats and employees. This created "the reverse course" strategy, which abandoned the post-war policy of purging nationalists from the new Japanese regime and instead allowed thousands of nationalists to rejoin the army and civil service. A similar strategy was used in the de-Baathification policy in Iraq.

Japan became a strong U.S. ally. The United States followed the same strategy in occupied Germany, supporting the Christian Democratic Union and its founder Konrad Adenauer for many years.

As previous policies were strong influences in the strategies of consecutive administrations, the incoming administration will have to take into consideration current political and security issues such as Afghanistan, the Arab-Israeli conflict, the Iranian nuclear program, relations with Russia and China, international terrorism, and the food, energy, and global warming crises. These will all factor heavily into the foreign policy strategies adopted by the next president, regardless of their political affiliation.

Another issue that will compel the incoming administration to re-examine U.S. policy in Iraq is the dire status of the domestic front, which has been weakened by division over the war. The war has lost nearly all support among the American public due to over 4,000 dead and 30,000 wounded U.S. troops, the economic burden exceeding $550 billion, and perhaps most importantly, the political and moral costs which the United States is paying internationally.

If change is inevitable, this raises crucial questions regarding Iraqi reactions to the new administration's expected policies critical in the country.

Misreading Positive Indicators

Barack Obama has promised fundamental change in American policy. Obama, who opposed the war from its onset, advocates for the gradual withdrawal of American troops in the 16 months directly following inauguration, leaving only a small force behind to protect the embassy and fight terrorism. His opponent, John McCain, who was one of the strongest backers of the war, has committed himself to continuing Bush's present course in Iraq, vowing to keep American troops in the country until an undefined victory has been achieved.

There have been a number of positive developments in Iraq that both candidates will be able to use for their own political gain. These positive developments will be explained in the following bullets:

- The security situation is improving in most of Iraq. Casualty rates have dropped amongst American troops to their lowest level since the invasion, while killings and sectarian violence have been declining as well. These improvements are due in part to the upgraded capacities of Iraqi troops, as seen by their actions against armed militias in Basra, Sadr City in Baghdad, Mosul and Amara. These advances give a relative boost to the government's confidence – and the Iraqi people's as well – in their ability to face security challenges.

- Prime Minister Nuri Kamal al-Maliki appears stronger when facing many challenges coming from both inside and outside the Shiite coalition to which he belongs, in particular is his insistence on attacking the hard-line Shiite militias, headed by the Mahdi Army. This is in addition to his success in persuading the other parties – especially the Sunni opposition – of the political process's worth. While these attempts have not yet reached the level of achieving a complete and stable national reconciliation, they might succeed in paving the way for this in the foreseeable future.

- Iraq is witnessing some positive macroeconomic indicators, most importantly rising oil revenues, which exceeded $150 billion for 2007 and 2008 combined. These revenues are the result of the government's tightened grip on its export outlets and oil field development, and the rising price of oil worldwide.

These encouraging developments on the political, security and fiscal fronts mean the Iraqi government has more leverage on its development and infrastructure reconstruction programs, which will help create jobs and in turn open the door for further security and political progress.

There have been a number of positive developments in Iraq that both candidates will be able to use for their own political gain.

These key positive developments could be employed by either Obama or McCain to back their proposed policies in Iraq. Obama can argue that Iraq has recovered and Americans should pull out and leave the country to fix itself. McCain, on the other hand, can use these indicators to argue that an early withdrawal would be disastrous because the American military presence in Iraq is largely responsible for the improved situation, and only a prolonged U.S. troop presence will ensure that the state reconstruction process is completed. Both candidates can use the improved situation in Iraq to back their respective policies. However, a misleading, politicized reading of this data could hurt Iraqi interests.

It is important to point out that the Arab world, including Iraqis, are not relying on the election promises made by either candidate. There is a widespread belief that the next administration's decision-making will set aside their promises, and examine the needs of American security and political strategies at the regional and global levels. Furthermore, they will need to reconcile issues that have a direct influence on the situation in Iraq such as Iran (the most influential country in Iraq after the United States) and Syria, since both countries will be anticipating the policies of the next administration. The incoming administration will be forced to adopt a policy towards Iranian ambitions in the region. Given the significant differences in the candidates' stances towards Tehran, the policies will most likely differ.

Iraq's Confused Politics

The political system designed by the Bush administration forces the Iraqis to rely heavily on the United States. This creates a tension between the Iraqi desire to be liberated from the occupation and their practical tendency towards dependency and the development of common interests with their occupier. There are three fundamental

factors that explain this tension. The first is the close ties between the fate of the Iraqi ruling political elite and its loyalty to Washington. The second factor is the constitution put in place under Paul Bremer's Coalition Provisional Authority (CPA). The third factor is the decrease in resistance forces since January 2007 under General David Petraeus' security plan. Currently, the proposed security agreement would continue to keep Iraq under American influence by placing it under American protection.

The next administration's policy has to allow Iraqis the choice between continuing affairs in their country under American tutelage, or bringing American influence to an end and beginning their own path.

The incoming administration's policy in Iraq has to allow Iraqis the choice between continuing affairs in their country under American tutelage, or bringing American influence to an end and beginning their own path. However, the politically dominant Iraqi groups – whether in government or the opposition – are concerned with preserving the gains that have been made, and are seeking to expand them by remaining close with their American allies. This disregards the public's interest and the true desires of Iraqis that are prevalent in the opinion towards the security agreement with the United States. Representatives of the three main groups, Shiite Arabs, Sunni Arabs and Kurds, who came to power through the American formula for the Iraqi political system, cannot renounce the American influence without risking their own political future. Meanwhile, the Petraeus plan was able to pacify the resistance forces, especially among the Sunnis. This allowed Sunnis to enter into fierce political competition with the dominant Shiite and Kurdish powers in attempts to translate loyalty to the United States into further gains in the division of power and wealth.

Perhaps the best gauge of the confusion and uncertainty of Iraqi political groups is their varying stances towards the security treaty with Washington. While these groups are supporting the proposed treaty because it secures their current political balance and keeps them in power, they are worried that the treaty will leave Iraq with limited sovereignty that is dependent on American protection.

Problems Facing the Next President

The incoming administration's successful Iraq policy will have to rely on an objective, realistic understanding of the political and security situation, as well as the outcome of the political process. In order to avoid a misunderstanding of the Iraqi political status, it is important to lay out the following facts facing the next administration before proposing a solution:

Continuation and success in eliminating militias and armed groups cannot be guaranteed without building up the state on a foundation of national consensus and participation.

1. The current American administration has failed in rebuilding the Iraqi state and society for several reasons. These include its poor war planning, the occupation's mismanagement, the imposition of unrealistic schemes, and resorting to haphazard experimentation to solve problems. Contrary to the missionary message touted by the occupation, the experience of the past five years is evidence that the rebuilding of countries under occupation, especially Japan and Germany, cannot be carbon copied for use in the Iraqi case. This is due to the absence of many conditions present in Japan and Germany that do not exist in Iraq (also social and cultural reasons), as well as occupation policies and the international and regional situation. Instead, Iraq's experience showed occupation to be destructive to both the Iraqi state and society, in addition to diminishing its chances of surviving this national crisis. The relationship between the United States and Iraq is one of dependence, laid out by security, strategic, oil and cultural agreements which will solve neither the United States' nor Iraq's problems. These agreements worsen the problems by making Iraq a prolonged issue in American domestic politics, while also deepening Iraqis' mistrust and hatred towards Americans.

2. The security gains that have been achieved are fragile and their continuation and success in eliminating militias and armed groups cannot be guaranteed without building up the state on a foundation of national consensus and participation. While the armed Sunni and Shiite groups are retreating and decreasing in visibility due to advances made by the Iraqi Army, supported by the American military, these groups are taking on different forms such as the Sunni "awakening" groups, militias loyal to the Mahdi Army, or the armed tribal groupings whose influence is increasing. Simultaneously, the Kurdish peshmerga forces have total control over the Kurdish north without any Iraqi Army or national policy presence, while the Badr Organization – loyal to the Supreme Islamic Iraqi Council that dominates the ruling coalition – is infiltrating the army and security forces.

3. The political process in its present form does not offer firm ground for national consensus, rather creates a fierce, cutthroat atmosphere encouraging further

conflict. Despite claims made by the American and Iraqi government, so far there has been no genuine consensus building between the different Iraqi factions. Instead there has been a "cut and paste" process aiming at pacifying the groups. Now the country is more divided than ever before due to the separation walls erected around Baghdad neighborhoods and cities, which have turned each individual section into isolated islands ruled by armed sectarian groups. The only alternative that the current Iraqi government is working on is to enhance the sectarian quota formula for the division of wealth and power between the dominant groups, while marginalizing broader Iraqi nationalism politically and socially.

4. The situation in Iraq cannot be separated from the region and will remain intertwined with the situation in the Middle East, the Persian Gulf region in particular. Therefore any proposed solutions to the Iraqi crisis must work in a comprehensive regional framework taking into consideration the tensions of the region that are either a result of the war in Iraq, the fall of Saddam, or a cause of the war. The most obvious example is the growth of Sunni-Shiite tensions between and within the countries of the region and the escalating conflict between the United States, the West, and Israel against Iran. These crises have polarized the region between "moderate" pro-Western and hard-line anti-Western camps. This tense environment has only two possible outcomes: either a clash on the broader regional scale or a "grand deal." In either case, Iraq is likely to end up losing.

Sooner or later, the incoming American administration will realize that it cannot keep U.S. forces in Iraq indefinitely. Likewise, the Iraqi political players will grasp that they cannot remain forever submissive to the American administration. The incoming administration will need to seriously rethink other options that will create an honorable exit strategy, one that provides Iraqis with a chance for national reconstruction on the basis of genuine reconciliation, not a sectarian quota system. The experience of the past years has proven that the Americans and Iraqis cannot escape from this cycle alone. There have been several successful historical precedents of countries under foreign

The incoming administration will need to seriously rethink other options that will create an honorable exit strategy, one that provides Iraqis with a chance for national reconstruction on the basis of genuine reconciliation, not a sectarian quota system.

occupation that were able to leave behind their bitter experience with help from the international community.

International Trusteeship as a Solution

The international community's involvement in a genuine and effective attempt to rescue Iraq is as much a political and legal duty as it is a moral responsibility. It is also necessary in order to avoid dangerous repercussions for the region and the world, especially in the worst case scenario of Iraq's total collapse. I propose putting Iraq under an international trusteeship, which would offer a temporary legal and political exit from the Iraqi crisis, until the groundwork is laid to rebuild Iraq in a way guaranteeing equality among its religious and ethnic components. The reconstruction of the Iraqi state, society and national identity in a political, legitimate and consensual framework in the interests of all Iraqis is no longer possible to achieve under the current formula.

The need for an international trusteeship in Iraq comes from the necessity of safeguarding its very survival and the protection of Iraqis' lives, human rights and natural resources, all of which the occupation authorities and current administration have failed in doing. Additionally, international peace and security must be guaranteed in light of fears that the internal Iraqi conflict will turn into a broader regional free-for-all.

Through both the Security Council resolution on the occupation of Iraq and the U.N. Charter, there is a legal foundation for imposing a temporary international trusteeship on Iraq. An international trusteeship can be imposed so occupied territories and failed states can be enabled to achieve self-determination, not according to the occupier or the forces in power.

Iraq should be put under an international trusteeship, which would offer a temporary legal and political exit from the Iraq crisis until the groundwork is laid to rebuild Iraq in a way guaranteeing equality among its religious and ethnic components.

Unfortunately in Chapters 11, 12 and 13 of the U.N. Charter, the core of the necessary legal foundation for a trusteeship is spelled out. Under these rules member states like Iraq are exempt from falling under a U.N. mandate. Yet the Iraqi state is currently nonexistent on the ground, and a government that does not possess effective sovereignty in protecting its citizens' lives, property and national wealth meets the conditions for applying a trusteeship as stated in the charter. The goal of the trusteeship is to provide security and stability, thereby pursuing national interests and beginning to rebuild under true independence and legitimacy.

Furthermore, Security Council resolutions related to the Iraqi war provide convenient rationalizations for the international community to become involved in Iraq. Resolution 1483 stipulates that the U.N. "should play a vital role in humanitarian relief, the reconstruction of Iraq, and the restoration and establishment of national and local institutions for representative governance." Resolution 1546 also provides similar justifications to help Iraqis complete the political process. Most importantly, Iraq still falls under the Chapter 7 of the U.N. Charter regarding the invasion of Kuwait and the 1991 Gulf War, which put Iraq under the effective power of the Security Council.

The goal of the temporary trusteeship must be to achieve security and stability in a way that paves a road for a new political process, with the final goal of peacefully rebuilding the state and nation in Iraq and ending the foreign presence in all its forms. This goal cannot be reached through the powers currently dominating, whether the occupiers themselves or both the Iraqi government and the opposition groups, all of whom share responsibility for the appalling results of the war. Along with the international trusteeship, there must then be an international administration with a mandate to impose peace and security, followed by a political process based on political and social forces legitimately representing Iraq, rather than elites with questionable loyalties, sectarian and ethnic militias, or terrorist groups. ■

Palestinian-Israeli Conflict

Searching for Peace on the Roadmap

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PALESTINIAN INTEREST IN THE U.S. PRESIDENTIAL ELECTION is expected to increase as the race enters its final stages. Eager followers of American politics in the region have weighed the candidates against one another since the primaries. Although a decided majority support Democratic nominee Barack Obama, it is unclear what Palestinians hope to see from a new U.S. administration, Democrat or Republican.

Many methodological difficulties complicate addressing Palestinian expectations for the next U.S. administration. Listed below, these challenges provide an objective framework through which the subject can be understood.

- Palestinian leaders prefer public speeches and press announcements over written statements, making it difficult to find citable sources of Palestinian political stances.
- Popular political slogans replace politics rather than convey them, often reflecting a competition among factions for popular support.
- There is a prevailing hostile attitude toward the United States among Palestinians stemming from long-term U.S. support of Israel.
- The single term "Palestinians" fails to accurately reflect demographic divisions including socioeconomic and political polarization within the territory, undermining analytical objectiveness.

- Palestinian expectations are inherently flawed in that they are confined to hypothetical aspirations, a phenomenon to be analyzed later in this article.
- Palestinians' expectations depend primarily on observations of U.S. foreign policy, without accounting for influential domestic factors.

These methodological difficulties provide a framework for discussion and analysis of former U.S. presidential policies toward Palestine.

Former U.S. Presidents and Palestinians

Past administrations' policies typically form Palestinian expectations regarding the future direction of U.S. policy, hence the assumption that the United States will continue to favor Israel at the expense of Palestine. Pervasive anti-American sentiments in the region mean U.S.-led advancements in the peace process are generally disregarded.

Under President George H.W. Bush, the PLO met all American conditions for negotiations, which began in Tunisia on Dec. 16, 1988. It was there that the PLO embraced a peace initiative based on the Two-State Resolution. Following the first Gulf War, Bush devoted his efforts to the October 1991 Madrid Conference, in which a joint Palestinian-Jordanian delegation participated. Although not announced publicly, the Palestinian delegation consisted mostly of leaders with known PLO loyalties. When the two parties later reached a stalemate in Washington, both Israel and the PLO decided to start secret direct negotiations in Oslo.

Negative past administrations' policies typically form Palestinian expectations regarding the future direction of U.S. policy.

President Bill Clinton, in office from 1993 to 2000, gave his blessing to the Oslo agreement and sought a more effective U.S. role in sponsoring the peace process and implementing the Oslo agreements. Frequently intervening in order to salvage the peace process, Clinton personally sponsored the Wye Plantation summit talks where the Wye River Memorandum was signed by Prime Minister Netanyahu and President Arafat. When the Oslo agreement expired before the commencement of final status negotiations, President Clinton became the first American president to visit the Gaza Strip. By the end of his second term, Clinton was the first U.S. president to directly participate in negotiations between Palestinians and Israelis at Camp David. Though the Camp David meeting failed to achieve its goal of a comprehensive deal for the final political settlement of the Palestinian-Israeli conflict, it yielded The Clinton Document, outlining the political settlement agreement between

the Palestinians and Israel. Unfortunately this document was marginalized in later negotiations involving Israeli Prime Minister Ariel Sharon and U.S. President George W. Bush.

U.S. presidents have gradually become more sympathetic to the Palestinian issue, though the process has been characterized by decline and stagnation.

American foreign policy under the Bush administration was heavily influenced by two events: the ascent of the neoconservative agenda and the events of Sept. 11.

Initially refraining from direct engagement in the Palestinian-Israeli conflict, Bush assumed a more active role in the peace process on Clinton's recommendation following Sept. 11. In November 2001, Bush delivered a speech to the U.N. General Assembly declaring his support for the establishment of an independent Palestinian state. Shortly after that, on March 28, 2002, the Arab Summit Conference in Beirut issued the Arab Peace Initiative. Following the summit, Americans began active interventions in the Palestinian-Israeli issue. Former Sen. George Mitchell headed the Mitchell Report, an evaluation of the first stages of al-Aqsa Intifada, and then CIA director George Tenet created a plan for ceasefire and security. Bush also appointed an American envoy, former Gen. Anthony Zinni, to visit the region, along with personal contributions from Colin Powell, then U.S. Secretary of State. June 24, 2002 marked a turning point, as Bush enacted his road map peace plan, a goal-driven initiative authorizing a two-state solution and the establishment of a peaceful, democratic and sovereign state of Palestine. Bush's administration set conditions for the Palestinian Authority, including democratic reforms, reapportionment of authorities, working to end the violence and dismantling the structure of armed organizations, but refrained from comment on the 14 reservations the Israelis put on the road map. On April 16, 2004, Bush violated the plan by sending a message to Israeli Prime Minister Sharon asserting decisive positions on issues still in dispute, such as borders, settlements and refugees. The road map plan called for resolution of these issues through negotiations between Israel and the Palestinian Authority. In November 2007, President Bush launched a last-ditch attempt to save the peace process by arranging an international meeting in Annapolis.

U.S. presidents have gradually become more sympathetic to the Palestinian issue, though the process has been characterized by decline and stagnation. Overall, American presidents' opinions on the issue are moving in a positive direction. It is necessary to restudy this improvement, as it is a prelude to building realistic expectations among Palestinians. Ignoring such developments, a tendency some attribute to Palestinians' attachment to ideologies, only serves to harm Palestinian foreign relations. Others

Developing rational expectations among Palestinians regarding the next U.S. president requires more understanding of the U.S. policy-making framework.

believe progress in Palestinian perception of U.S. policy is inhibited by the culturally ingrained climate of coercion and intellectual terrorism, preventing expression of dissenting opinions.

Several factors shape the stances of American administrations on the Palestinian issue, contributing to previously outlined trends in progress and setbacks. These can be reduced to three key elements:

a. *Israel's place in American policy*. There is an inverse relationship between the degree which a U.S. president considers Israel a strategic asset and the president's level of support for the Palestinian cause and the peace process. Therefore, the strategic value the next U.S. administration places on Israel will also determine its policy toward the Palestinians, though the stance of the future administration may be swayed by the growing perception that unconditional support for Israel without positive improvements in the peace process will hinder U.S. interest in the region.

b. *The U.S. role in the international community*. The United States' position in the international community exerts a heavy influence on U.S. policies. Examples of this include President Truman's change in support for the Partition Plan at the beginning of the 1948 Arab-Israeli War, Nixon and Carter after the Yom Kippur War, Reagan after the 1982 Lebanon War, George H.W. Bush following the first Gulf war, and George W. Bush after Sept. 11 and the Iraq war. This factor may gain importance in light of the growing threats posed by nuclear military technology in Iran, and the possibility of war in Lebanon and Syria.

c. *The Arab role*. Arab states, especially if the peace process moves positively, play key roles in encouraging American support for the Palestinian issue.

Developing rational expectations among Palestinians regarding the next U.S. president requires the acknowledgement of these three elements and the degree to which they interact within the U.S. policy-making framework. Internal American determinants including the balance between both houses of Congress, the influence of pressure groups (AIPAC) and the Committee of U.S. Interests in the Middle East, and

the assessments of the Pentagon and the State Department, in combination with the character of the president, will shape future U.S. policy.

Expectations should not be formed based solely on trends in the attitudes of former American presidents, as this may lead to an unrealistic assignment of these opinions to the next president. New developments and their impacts on American policy-making and the Palestinian issue must be taken into consideration.

American Pressure on Israel

Palestinians make a mistake of building expectations on the assumption that American pressure on Israel is the only effective mechanism for progress in the peace process.

Occupying a prominent theme in Palestinian political rhetoric, the theory of American pressure on Israel forms the cornerstone upon which Palestinian expectations are constructed, resulting in disappointment and frustration in each new administration's failure to carry out this expectation. This theory may be rectified through a three-tiered revision:

Palestinians make a mistake of building expectations on the assumption that American pressure on Israel is the only effective mechanism for progress in the peace process.

The first level is acceptance of the need to review this theory, as Palestinian insistence on recycling it has achieved little success. Repeated reliance and failures indicate that the Palestinian collective should reconsider their basis for the theory.

The second level involves the Palestinian political interpretation of U.S. presidents' failure to pressure Israel. The primary facet of interpretation is the belief that the Zionist lobby dominates the American president's decisions. The second factor is that Israel plays a major strategic role to U.S. interests in the Middle East. Although these interpretations are founded, they neglect complexities critical to developing a full understanding of the issue.

The third level is the Palestinian inability to abandon this theory and replace it with a more realistic doctrine that provides an appropriate base from which to build expectations regarding a new American president.

What do Palestinians Expect from the Next U.S. President?

Palestinians' expectations for the next U.S. president lie in two spheres: the first, referred to as "current expectations" or the "traditional" sphere, examines the current Palestinian grievances with U.S. policy. The second is the "creative Palestinian expectations" or "virtual" sphere.

Traditional Expectations

Palestinian expectations of the next U.S. president, even implicit ones, are based on several hypotheses:

1. The formula for conflict-settlement between the Palestinians and the Israelis has reached a critical point. Either decisive action needs to be taken or there will be a return to crisis management. These conditions will compel the next U.S. president to make these crucial decisions.

2. Achieving U.S. interests in the region is increasingly connected to the decisions of the new U.S. administration regarding the settlement of the Palestinian-Israeli conflict. (Recommendations No. 13, 14 of the Baker-Hamilton Committee)

3. Despite the persisting gap in negotiations, the Israelis and the Palestinians have reached agreement on several contentious issues. The remaining controversial issues will not be solved through bilateral negotiations unless the U.S. administration plays a decisive role.

For the purpose of this article, the use of the general term "Palestinian expectations" does not adequately represent the entire Palestinian population. Palestinian public opinion may be divided into three groups, each with its own vision and expectations:

Led by the President of the Palestinian Authority Mahmoud Abbas, the first group pushes to finish negotiations of the final stage of the peace process during President Bush's remaining time, but not according to the three stages of the road map. When an agreement is reached, this group will appeal to a popular referendum. If the settlement is established under Bush, they will expect the new president to use his power to support and stabilize the final settlement agreement. If the final settlement is not completed, the new president will be expected to continue the momentum of the negotiations without backtracking. Although President Abbas has not stated an official opinion, it is still possible to infer his expectations of the new president as follows:

If Republican presidential candidate John McCain wins the election, his position will be heavily influenced by the Israeli government coalition. Israeli public opinion polls indicate that the Likud party, headed by Benjamin Netanyahu, is the most likely party to form a coalition government with the collaboration of the right-wing national religious parties. In this case, Abbas' group will not expect a significant shift in McCain's policy. Anticipated McCain policy toward Palestinians will be gener-

ated based on the assumption that he is unwilling to pressure Israel. Should McCain choose to complete the peace process in accordance with the road map peace plan, he is expected to integrate the Likud reservations and Sharon's letter to Bush, while remaining strict on the reform conditions in the road map.

McCain may instead decide to overlook the road map and adopt the "regional solution," ignoring the situation imposed by Hamas in Gaza, and the pressure to link Gaza with Egypt. He may also adopt the united economic triangular formula, linking Israel, Jordan and the West Bank.

If Democratic candidate Barack Obama is elected, Abbas will expect him to embrace Clinton's formula of pursuing a solution through face-to-face negotiations, and will hope that while in office he will abandon pro-Israeli campaign rhetoric.

Hamas, the second group, is a main rival to Abbas' PA. The groups share an ultimate objective of a "two-state solution;" the real disagreement lies in the dispute over the right to represent and lead the Palestinians.

Hamas is a pragmatic movement, having proven itself to be politically flexible under pressure. In June 2005, they entered the Palestinian elections, accepting the truce they had formerly rejected. Hamas has no objection to forging a relationship with the West; on the contrary, it seeks to establish public relations with the United States and exercises caution in its criticism of U.S. policies. During a recent meeting with former U.S. President Carter the group declared its approval of the two-state solution. Reports indicate that there have been several secret communications between various American parties and Hamas. Dr. Ahmed Youssef, adviser to Hamas Prime Minister Ismail Haniya, appeared on an Israeli television channel on the first anniversary of the capture of Israeli soldier Gilad Shalit, assuring viewers that he conveyed a message from Shalit to his family through an American Jew. Youssef has also been quoted as saying, "We prefer Mr. Obama and hope that he wins the elections," allowing McCain a chance to attack Obama for being soft on terrorism, which in turn prompted harsh criticism of Hamas from Obama.

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Should McCain win the elections, Hamas will expect him to continue listing them as a terrorist organization, considering them part of the global Jihad. Hamas would also expect pressure from a McCain administration to comply with the terms of the International Quartet. Despite these negative expectations, McCain's position on the

settlement might strengthen Hamas because any disruption of the settlement would weaken Abbas' group.

In the case of an Obama victory, Hamas would expect less rigidity and more dialogue. Expectations would also include, however, increased U.S. backing of Abbas as a partner committed to peace. Obama is likely to urge active U.S. intervention in negotiations under conditions that could weaken Hamas' influence. These odds lead to speculations along the lines of the one made by Israeli *Ha'aretz* newspaper on April 22, 2008: Hamas' declared support for Obama was in fact meant to bolster McCain's chance at the presidency.

Representing the third group, Palestinian Prime Minister Salam Fayyad has been succeeded in carving out a distinct path between Fatah and Hamas, despite not belonging to any specific faction or militia. Fayyad offers a liberal model in contrast to the radical approach adopted by Hamas in Gaza. Backed by American, European and international support, Fayyad calls his plan the "proto-state." This model fulfills the international conditions for establishing a democratic administration with transparency, and fair institutional and political power. Preventing any form of double authority, the proto-state also suspends the right to carry arms with the exception of government security forces, whose rights are limited to securing the population for the public good. Fayyad asserts that pursuit of his model is advantageous to Palestinians and it could ultimately result in an independent Palestinian state.

In contrast with statements made by Mahmoud Abbas, Fayyad, has said more than once that he does not anticipate reaching an agreement with Israel before the end of 2008. He expects increased support for his position from both candidates in the face of bilateral attempts by Fatah and Hamas to isolate and overthrow him. Fayyad's expectations also include a more active American role in loosening Israel's military grip on the West Bank, and enabling the Palestinian authorities to assume an active role in halting settlement activity and dismantling settlement outposts, developing economic resources and gradually returning to the conditions in place before the Operation Defensive Wall invasion of the West Bank in 2002.

Nontraditional Expectations

Divided Palestinian opinion yields a much weaker influence on American decision-making compared to the sway held by the Israelis. Thus, the expectations held by the three Palestinian groups may have no choice but to adapt and harmonize to the foreign policy adopted by the next U.S. president, John McCain or Barack Obama.

It may be necessary for an independent Palestinian party to propose a unifying set of expectations that will overcome current divisive factors. New expectations

could bridge the distance between theoretical expectations and the reality of achieving them.

The following two such options hold promise of appealing to both the Palestinian parties and the American administration.

Moving to the theory of "Guarantee-Settlement"

Palestinian expectations are based on the belief that American pressure on Israel is the key to success. This theory maximizes U.S. advantage in the Middle East working through Israel while at the same time asking the United States to contradict itself in pressuring Israel. It also strengthens the Israeli lobby bond by reinforcing the importance of Israel's role as a strategic asset of the United States. In other words, Israel is exempt from responsibilities or obligations that should come in return for generous U.S. support. Some lobbyists take this argument a step further, asserting that the United States is in debt to Israel for its strategic support. Therefore, it is politically infeasible for an American president to exert pressure on Israel. This theory can be of little use in Palestinian expectations and must be replaced by a more realistic model.

U.S. national consensus ensures the existence of Israel and protects it as the only established democracy in the Middle East. Despite this arrangement, partisan disagreements exist. Historically, Democrats display greater inclination to involve international parties in resolving regional conflicts, whereas Republicans have a tendency to use coercion to pressure adversaries.

The "guarantee-settlement" theory provides an alternative basis for Palestinian expectations. Built around offers of guarantees and incentives, this theory avoids exerting pressure on Israel. A popular idea in the 1970s, this idea has long been a topic of discussion in American security circles.

The theory has to balance two major problems for Israel: security and settlement. Suggestions on how this can be achieved include maintaining Israeli military superiority through American legislation to ensure U.S. commitment to Israeli security, granting Israel membership to NATO, and developing an integrated system of international guarantees to Israel. Palestinian guarantees may also be integrated into such a system. Studies conducted by Yazid Sayegh, Ahmed El Khaledi, Hussien Agha and Samir Ghattas suggest that the Palestinian state should possess limited armaments, that both Palestinian and Israeli security should be ensured by a third party such as the United Nations or NATO, and that Palestine should be part of a regional security system with Israel.

These ideas are based on objective convictions that an independent Palestinian state will not possess the military strength to guarantee its own strategic security.

Militarization should be avoided as it often causes damage to civil society and exhausts limited economic resources through spending on security institutions. Instead the Palestinians should do their utmost to ensure the security of the independent Palestinian state according to a more realistic plan.

Integration of the Arab Peace Initiative announced by the Arab League summit in Beirut on March 28, 2002 offers a potential pathway for implementing the "guarantee-settlement" option. There was a renewal of commitment to this initiative at the 2007 Riyadh summit and again at the 2008 Damascus summit, and it was also approved by the Organization of the Islamic Conference (OIC). Such support indicates that the "guarantee-settlement" plan is a viable option for the foreseeable future.

Internationalization Now

Palestinian expectations must be rational in order to be fulfilled. This means that Palestinians need an understanding of the inner workings of the United States, and must employ this knowledge to adapt their expectations with changing conditions. Democratic policies historically exhibit greater understanding of the Palestinian issue. If Barack Obama is elected president, the Palestinian internationalization initiative will have a much better shot at attracting global attention.

Uncertainty of Palestinian expectations motivates internationalization, as the current settlement will achieve no progress by focusing on the politics of step-by-step negotiation and partial solutions. The Palestinian issue has been handled on an international level - the U.N. General Assembly resolution No. 181 in 1947 recognized the right of Israel to exist.

Thus, the internationalization approach, based on voluntarily dissolution of the Palestinian National Authority under international and Arab consensus, is a feasible option. This model places the occupied Palestinian territories since 1967 under the authority of an "international trusteeship" system for a limited time and forms an international custodianship assembly with Arab and Palestinian participation in which international forces supervise and replace the gradual withdrawal of Israeli forces. Institutional development and economic growth of an independent, democratic Palestinian state capable of coexisting with Israel would fall under the supervision of the international trusteeship, which would use the Geneva document as a framework

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for the settlement. There is significant support for an internationalization initiative among American policy-makers, including support from former U.S. Ambassador to Israel Martin Indyk, Robert Malley, and Dennis Ross, who was influential in advising both George W. Bush and Bill Clinton on Middle Eastern affairs.

In the end, Palestinian expectations of American policy are trapped in a cycle of disappointment, reinforced by the continuing belief that each new administration will act in accordance with past precedents. From a Palestinian perspective, lacking information and understanding of internal American power shifts, the U.S. stance remains static. Failure to adjust expectations shapes in turn the crystallized Palestinian perception that U.S. pressure on Israel is imperative to precipitating change. In order to move forward in the peace process, Palestinians must first recognize the need to re-evaluate expectations and come to the negotiating table with an objective perspective regarding constraints on American policy-making, as well as the nuances of the international balance of power. Without such a transformation, further progress will remain inhibited by irrational expectations based on infeasible solutions. ■

Improving U.S. Standing in the Arab World

Can Public Diplomacy Do the Trick?

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LEAVING BEHIND AN ERA MARKED BY FAILED EXPERIMENTS, the world looks forward to a renewed American foreign policy as the next administration enters the White House. International observers, particularly in the Middle East, hope for substantial change. Though perhaps seemingly insignificant for Arabs and Muslims in the Middle East, aside from representing a peaceful transfer of power in a fashion to which they are not usually accustomed to in their own countries, the election has significant international implications. A closer look reveals that the recent Bush administration profoundly transformed the American image both in the Middle East and around the world.

Many hope American actions in the coming period will represent a shift in focus from the war on terror to demonstrate U.S. ability to learn from past mistakes, exhibiting tolerance for global pluralism by respecting cultural differences. Standing on the threshold of a new era, the need to remedy the previous administration's errors is apparent, especially in use of public diplomacy. Despite being a primary vehicle through which the Bush administration endeavored to improve the U.S. image among Arabs and Muslims, their efforts failed to receive practical support, political backing or persuasive moral justification from Washington.

This essay attempts to offer a preliminary assessment of U.S. public diplomacy during President George W. Bush's two terms. Raising questions about fundamental issues which beg answers from the next administration is necessary if improvements

are to be made in U.S. relations with Arabs and Muslims. Political and cultural dynamics must be improved in a manner consistent with the U.S. role as a world leader, ensuring fulfillment of mutual interests and aspirations. It should be noted that this essay does not address the tools of public diplomacy, a dimension which has been studied extensively by American academia. Instead, it will address the foundations and assumptions governing such diplomacy, presenting an Arab perspective on this aspect of U.S.-Arab relations.

The new U.S. administration must formulate a strategy recognizing diversity, neutrality and freedom as the cornerstones of American foreign policy.

Extraordinary advancements caused by globalization revealed weaknesses in U.S. diplomacy, which until recently dominated political achievements in international relations. American statements predicting the end of nations and theories regarding state sovereignty fail to account for new phenomena in the international system. Old American diplomacy has collapsed in response to the changing face of international relations and modern models of foreign policy. To compensate, the new U.S. administration must effectively integrate traditional diplomacy with public diplomacy, leaving no visible divisions between the two, as seamless integration is a precondition for this platform's success.

"Public diplomacy," like most political terms, is problematic because its open-ended nature allows for multiple interpretations. Although our goal in this essay is not to define the term, constructing an effective model for future public diplomacy requires careful examination of past experiences, analyzing and capitalizing on knowledge of historical successes and shortcomings.

Traditional diplomacy focused on fundamental issues including trade, financial markets, intellectual property, illegal immigration, drug trafficking, weapons of mass destruction, the environment, disease and terrorism to serve national interests and erase the artificial division between foreign affairs and domestic policy. Globalization, foreign and domestic overlap, and multiplicity of actors compels diplomats to exercise a new type of diplomacy that deliberately integrates all these variables. Such diplomacy requires new tools, proficient utilization of the latest information systems and methods of educating domestic staff about foreign relations, histories and cultures. Demanding nontraditional ambassadors to lead unconventional missions, a variety of organizations should be reconstructed to better serve national interests through domestic and foreign agendas.

Among the fundamental problems facing U.S. public diplomacy is the historical divide between policies and political practices and the rhetoric of public diplomacy.

This gap resulted in a hit to public diplomacy's credibility, taking the fallout for negative repercussions of American policies. Further, this discrepancy put public diplomacy at odds with other U.S. foreign policy actors, as the traditional diplomatic apparatus pushed public diplomacy to the margins of U.S. relations with the Middle East.

This does not imply, however, that public diplomacy today lacks significance or effectiveness. Success in repainting the United States' international image as a pioneer of multiculturalism, embracing diversity and remedying biased policies – the essence of public diplomacy – will incentivize the communication necessary to bridge the gap between the United States and the Arab and Islamic world. However, this belief assumes public diplomacy based on acknowledgement of U.S. innovation and leadership, simultaneously preserving Arab and Muslim rights to contribute. Improving America's image in the region will be impossible, however, if the next administration continues to pursue current trends in U.S. foreign policy. As a result, Arab and Islamic nations will face the difficult task of proving their legitimacy through strengthening capacities to defend their rights to sovereignty, independence, safety and dignity, even if this entails direct conflict with a superpower.

Identifying challenges in U.S.-Arab and U.S.-Islamic relations are among the primary tasks facing the incoming U.S. administration. Public diplomacy's critical role in this endeavor begs several subsequent questions about how the United States can prevent religious, ethnic, historical or cultural exclusion of the other and what strategies will shape a U.S. foreign policy based on tolerance and coexistence between civilizations. Pluralism as a concept does not contradict the conditions of modern American global leadership. The new U.S. administration must therefore formulate a strategy recognizing diversity, neutrality and freedom as the cornerstones of American foreign policy.

Other issues that must be addressed include: Have American goals for public diplomacy been achieved, or have such efforts produced unanticipated results? Was American public diplomacy created with a specific mission, or did it simply emerge to fill a gap in traditional diplomacy? Does the image of U.S. dominance among Arabs and Muslims facilitate appropriate conditions for clear communication or crystallize Arabs' state of decline and helplessness in the face of American hegemony? German philosopher Ludwig Andreas Feuerbach perhaps captured the essence of public diplomacy with the statement, "Our era prefers the sign to the thing signified, the copy to the original, fancy to reality, the appearance to the essence ... for in these days illusion only is sacred, truth profane." Perhaps American public diplomacy is conceived to produce such a facade. Moreover, traditional diplomacy facilitates confusion among both the American and Arab and Islamic publics, shaping the image each holds of the

other, often misinforming to represent a specific agenda.

Opinion polls illustrate near consensus that U.S. foreign policy under the current administration contributed to increasing opposition to American interests in the Middle East, within NATO and in some Latin American countries. These growing movements raise questions concerning this phenomenon's motivations as well as its implications for America's future status in the rapidly transforming international system. Post-Sept. 11, 2001 studies indicate a deteriorating U.S. international image trend especially prevalent among Arabs, calling American democratization initiatives in the region into question. Arabs generally harbor skepticism toward U.S. policy, pointing to double standards and ulterior motives.

"The U.S. foreign policy during the war on terror has adversely impacted the international standing of the United States," concludes the report of the Subcommittee on International Organizations, Human Rights and Oversight at the House Committee on Foreign Affairs issued on June 11, 2008, under the title "The Decline in America's Reputation: Why?" Delineating causes of growing international resentment toward U.S. policies, the report names the American war on terror, as well as controversial principles including pre-emptive strikes, the division of the world into axes of good and evil, and "clash of civilizations" rhetoric as shaping factors.

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The U.S. "war on terror" provoked backlash among Arabs and Muslims linking the American campaign to a clash of civilizations between Islam and the West. Many Arabs interpreted the war on terror as a product of contradicting American and Islamic values. Bolstered by the conflict, accompanying American discourse including provocative terms such as "crusade" and "axis of evil" furthered this understanding.

Public diplomacy's role must therefore be expanded to eliminate the negative mutual perceptions between the West and Islam perpetuated by the war on terror. An open dialogue transcending extremism and predetermined political-cultural agendas will be necessary to productively ease resentment between the two parties.

The new U.S. administration must act with the conviction that the war's moral cost is no less significant than its human and material expenses. Recent analysis indicates that this moral cost has damaged the U.S. image in the Middle East. Therefore reconsideration of the war's nature and mechanisms is crucial for rectifying America's image and should be a primary focus in future U.S. public diplomacy.

Many Arabs interpreted the war on terror as a product of contradicting American and Islamic values.

An examination of the Bush administration's mistakes regarding the war on terror would inform the new administration's decisions, preventing repeated errors. First, the current administration ignored the fact that Muslims, not Westerners, constitute the vast majority of victims of terrorist acts. The exact number of Iraqis and Afghans killed since the U.S. invasions is not known, nor is there a record of the number of Algerians killed by terrorists since 1991. Certainly, the sum figure for the first two cases far exceeds the number of Americans killed during the Sept. 11 attacks in New York and Washington. Human and material losses suffered by Arabs and Muslims due to terrorism are greater than those incurred by the United States.

Furthermore, the Bush administration ignores some of terrorism's inevitable causes, including absence of rule of law and individual rights in addition to large-scale destruction caused by military-political regimes, destroying lives and ruining economies. Consequently, terrorism emerged through such economic and social conditions, propagated by regimes acting under full U.S. knowledge and sponsorship.

Acknowledging and addressing gaps in American understanding of terrorism will constitute a critical element of success for policies pursued by the incoming administration. The U.S. concept of terrorism centers around military and security perspectives, yet Americans continue to limit their understanding of terrorism's causes to sources confined to the Arab and Islamic worlds, thereby overlooking external influences including U.S. policies. If the United States fails to comprehend the precise nature of the phenomenon it is fighting, it cannot expect to effectively eradicate it. Furthermore, the direct and collateral effects of these morally reckless wars will render it impossible for public diplomacy to improve America's image.

Despite Washington's obsession with defining and theorizing the ominous international security climate, defining terrorism and determining how to best combat it have not received appropriate attention. Social phenomena are typically explained in order to eradicate them; defining terrorism, however, is being neglected, allowing the problem to become rampant.

None of the numerous American explanations for terrorism provide an objective or comprehensive explanation of its true causes. This neglect is perhaps motivated by fear that exploring terrorism's causes could make Americans vulnerable to sympathizing with its perpetrators. The avoidance of comprehensive and objective interpretations safeguards against unintentionally legitimizing terrorism. This concern is logical. If American discourse justifies its opposition's actions, the United States compromises

its ability to mobilize popular support to counter an enemy it may lack even the military strength to defeat. The new administration must realize, however, that further postponing objectivity comes at a cost. Until policy-makers assume a realistic outlook, terrorism cannot be effectively confronted.

Deterioration of the U.S. image among Arabs and Muslims is also attributable to long-term American support for authoritarian Arab regimes and absolute backing of Israel over Palestine. Public diplomacy, if implemented effectively, may prove a useful tool for healing these wounds, as contradictions in American policy precipitating declining U.S. credibility in the Middle East occurred primarily in two areas: American democratization rhetoric, and discourse regarding Arab rights in the Arab-Israeli conflict.

Without an honest effort by the next U.S. administration to redefine the war on terror, reconsider American support for authoritarian regimes and revise American policy regarding the Arab-Israeli conflict, public diplomacy will not succeed in rectifying the United States' image in the Middle East. A failed attempt would equate to nothing more than a bundle of lies to beautify a deteriorating image and poorly planned policies.

While public diplomacy is not the only strategy the incoming administration may pursue in reshaping American policies, it is among the most important tools for reforming America's image in parts of the world that associate the United States more with oppression than with justice. The traditional vision of American public diplomacy employed the struggle of minds as a tool in the struggle of arms, adopting democratization as a weapon against terrorism. Though the American counterterrorism strategy has spawned many misconceptions in the Middle East, Washington persists with its policy of selective containment.

Likewise, U.S. domestic discrimination toward Arabs and Muslims conveys little hope of American justice to those watching from abroad. Concomitantly, the Bush administration pushed Arab and Islamic countries to adopt Western customs, especially those advocating democratization. Thus, Westernization became the primary indicator of modernization, which came to be measured for the most part through political development. The obsolescence of cultural characteristics, religious values and determinants of social justice in this definition cemented the development of a material political culture in which the youth sector is a valuable resource for carrying this transformation into the future.

American public diplomacy espouses its own approaches, the foremost of which is an imitation strategy similar to the Soviet model. Failing to integrate elements of local cultural innovation, American public diplomacy operates on stereotypes, applying

prescribed policies to widely varying realities. Terms including "war of minds," "battle of ideas," "spreading democracy," "modernizing Arab and Islamic societies," "changing cultural patterns and educational curricula" and even "modernizing Islam," are products of this concept. Generating feelings of humiliation and feelings of subjugation to the West among Arabs and Muslims, such rhetoric implies that Arab civilizational heritage is anachronistic and should be replaced with Western values. Developing amidst the rising pressures of expanding conflict against an enemy vaguely defined as "terrorism," floundering American policies exacerbate this cultural clash. The greatest challenges facing American public diplomacy are misguided policies implemented by the United States itself.

Traditional public diplomacy thus acted as a foreign policy façade, incongruent with aggressive U.S. behavior toward Arabs and Muslims. Using carrots and sticks in an attempt to impose an image of a benign America, this perspective disregarded the pivotal role of Arab and Muslim populations. Understandably, this strategy found no audience for this image or a conceptual framework to support it.

American public diplomacy will remain useless until it achieves a greater degree of correlation with U.S. policies. An effective strategy will engage in reality-based dialogue through convincing, objective logic, leaving space for innovation in a U.S. partnership with the Arab world, integrating issues pertinent to ensuring a future of social justice in the region. Such a revision should be based on the precept that the individual is simultaneously the means and the end of public diplomacy, acknowledging the pivotal role of public opinion in foreign relations.

Without an honest effort by the next administration to redefine the war on terror, reconsider American support for authoritarian regimes and revise American policy regarding the Arab-Israeli conflict, public diplomacy will not succeed in rectifying the United States' image in the Middle East.

The prevalent misconception that Western philosophical heritage is synonymous with human thought is perpetuated by Western propaganda and talk of American hegemony. To address this mistaken relationship, Western philosophical heritage, in the same vein as Islamic, must be acknowledged as one tributary among many contributing to human thought.

This conclusion is supported by reports and studies on the results of American public diplomatic efforts, in addition to numerous opinion polls. All confirmed that Washington suffers from a drastic misunderstanding of Islamic political culture. American interpretations of terms such as "salafi," "jihadi" or "extremist" vary widely

and often fall far from their true definitions. U.S. policy-makers fail to account for disparities between Islamic currents, emphasizing evidence of radical religiosity and often disregarding moderate reformists. By doing so, Americans preclude developing partnerships with those most capable of curbing radical Islamic tendencies. Only U.S. support for moderate groups through consistent and conciliatory political messages backed by a genuine American understanding of Islamic interests will shape American behavior to be effectively consistent with public diplomacy.

U.S. complaints against Arab media must be complemented by an acknowledgement of bias within the American media. While it holds immeasurable potential as a conciliatory tool of public diplomacy, American media instead continues to exacerbate negative public images of Arabs and Muslims, in spite of efforts by U.S. government-funded initiatives such as television network Al-Hurra and the radio station Sawa to ameliorate such negative perceptions in the United States.

The glaring question facing U.S.-Islamic relations today, then, is why the blame for America's image problem in the Arab world falls increasingly on Arab media. This phenomenon is perpetuated through accusatory rhetoric in American dialogue, correspondence and testimonies which blame Arab media for distortion of America's international image and portraying it as an obstacle to U.S.-led regional reforms. American policy bears primary responsibility for distorting the U.S. image in the Arab world. Improvements to American policy, acknowledgement of the responsibility of American media and a rejuvenated effort at realistic public diplomacy represent the best chance of salvaging America's deteriorating image. Criticisms of Arab media by the United States reflect a double standard; Arab news sources cannot be expected to disregard unjust American policies. Failures in American-Muslim relations can be best addressed through objective discussion of misconceptions contributing to mutually held negative images.

Conclusion

The new American administration must commit to shaping American strategy through a genuine understanding of Arab and Islamic cultures in order to craft an effective public diplomacy congruent with U.S. policies. The relationship between American media and decision-makers as well as its influence on U.S. public opinion requires re-evaluation to coincide with new policies and public diplomacy recognizing diversity among Islamic currents. Success in this endeavor requires a new, balanced approach to U.S. foreign policy. ■

Ending the Darfur Crisis

A Sudanese Perspective

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SUDAN HELD LITTLE STRATEGIC SIGNIFICANCE for U.S. policy-makers before the early 1990s. Over the preceding three decades, U.S. administrations adopted a pragmatic approach to dealing with Khartoum regimes, adjusting to constantly shifting and often contradictory priorities. The resulting vague American policy objectives resulted in confusion among the Sudanese political elite, generating conspiracy theories suggesting hidden American agendas.

Democratization and human rights, for example, two of the Bush administration's top Sudan policy objectives, for decades were not top American priorities. American policy did little, in fact, to facilitate democratization in Sudan, and took minimal notice of opposition forces calling for democratic reforms. From the late 1970s through the Carter and Reagan administrations, Washington maintained close ties with Jaafar Numeiri's military regime, a relationship that extended to intelligence cooperation countering Muammar el-Qaddafi's Libyan regime and Sudanese participation in the joint American-Egyptian Bright Star military exercises during the early 1980s.

Democratically held general elections, a year after Numeiri's regime was overthrown by a 1985 popular uprising, put Sadiq al-Mahdi and the Umma Party in power. Washington did not extend the warm welcome al-Mahdi anticipated; not only did the Reagan administration fail to offer the expected aid package to Sudan's emerging democracy, it cut off previous military and economic aid arrangements citing concerns that al-Mahdi had ties to Libya and Iran.

A 1989 military coup placed power in the hands of current president Omar al-Bashir. The George H.W. Bush administration refrained from taking a harsh stance against the new regime, contenting itself with citing Amendment 513 of the Foreign Assistance Act, cutting off economic aid to regimes that come to power by overthrowing a democratic government, though in reality, U.S. aid to Sudan stopped during al-Mahdi's democratic regime.

The coup left Washington torn between relief at the overthrow of the elected prime minister and apprehension to openly endorse the overthrow of a democratic government. America's regional allies, particularly Egypt and Saudi Arabia, facing no such constraints, hastened to mobilize international recognition for al-Bashir's government.

George Bush Sr.'s administration maintained normal political relations with the al-Bashir regime until Iraq invaded Kuwait in August 1990, and the al-Bashir government backed opposition to the U.S.-led coalition to liberate Kuwait. As the regime's Islamist leanings became apparent during this period, Khartoum became a safe haven for groups opposed to American policy in the region. Dr. Hassan al-Turabi, the al-Bashir regime's spiritual leader, founded the Popular Arab and Islamic Conference, joining hard-line nationalist and Islamist movements. Osama bin Laden relocated to Sudan the same year, precipitating a general shift in Washington's attitude toward the regime and Sudan's addition to the U.S. State Department's list of states sponsoring terrorism under the Clinton administration in August 1993.

The Clinton administration, along with Saudi Arabia, responded unfavorably to al-Bashir's 1996 offer of Sudanese cooperation in fighting terrorism and reaching an agreement regarding Osama bin Laden. Matters were resolved with the U.S. Embassy in Khartoum closing its doors and bin Laden's relocation to Afghanistan in the same year. The American-Sudanese showdown escalated in early 1997 when Ethiopia, Uganda and Eritrea launched a three-front attack on Sudan from the southeast using armed opposition groups as proxies, provoking President al-Bashir to accuse the Clinton administration of backing the attack and attempting to overthrow him militarily.

The Clinton administration responded unfavorably to al-Bashir's 1996 offer to hand them Osama bin Laden.

Washington continued to pressure al-Bashir, imposing November 1997 economic sanctions in response to allegations of Sudanese involvement in terrorist activity. The situation peaked on Aug. 20, 1998 with the American cruise missile bombing of a pharmaceutical factory in the heart of Khartoum. The attack, based on claims the factory was linked to Osama bin Laden, came in retaliation for bombings of the American embassies in Nairobi and Brunei two weeks earlier.

Sudan and the Bush Administration

The al-Bashir government breathed a sigh of relief with the return of a Republican White House in 2001. The Bush administration immediately accepted the Sudanese intelligence cooperation offer Clinton had rejected since the mid-1990s. Sudanese intelligence agencies opened their doors and dossiers for their American counterparts in full-scale cooperation with the fight against terrorism just four months into Bush's first term. The move, coming just a few months prior to Sept. 11, 2001, was fortuitously timed for Sudan, allowing Khartoum to safeguard itself from suspicion of any role in the al-Qaeda attacks and ensuring that Sudan would not be targeted in the aftermath. Salah Abdullah, the head of Sudanese intelligence, stated shortly after Sept. 11 that the intelligence cooperation agreement saved his country from Washington's vengeance.

Also to the Sudanese government's relief, the George W. Bush administration adopted a set of recommendations put forth by a February 2001 report from a Center for Strategic and International Studies (CSIS) expert panel on Sudan entitled "U.S. Policy to End Sudan's War." Critically, the administration heeded the panel's advice to re-examine American policy toward Sudan, citing the failure of Clinton's containment and isolation policy to end the war and reform the ruling regime. The CSIS recommendations advised that positive engagement with Bashir's regime would be most effective in halting the war in southern Sudan.

Missing this chance, the report cautioned, would tip the civil war balance of power in favor of the Bashir government, since Khartoum's military capability to quell the southern rebellion was growing thanks to oil revenue, which it had exported since 1999. In accordance with the recommendations, President George W. Bush appointed Sen. John Danforth as the special envoy to Sudan on September 6, 2001, in order to jumpstart the peace process.

The Bush administration's rewards to the Bashir regime during its first year in the White House did not stop there. The United States allowed the passage of a U.N. Security Council .

Resolution that lifted the sanctions imposed on Khartoum since 1996, when Sudan was accused of sheltering suspects in a June 1995 failed assassination attempt on Egyptian president Hosni Mubarak in the Ethiopian capital Addis Ababa.

Bush's appointment of Danforth marked a change of course in the southern Sudanese civil war, which had displaced millions. Danforth jumpstarted the war's political resolution through negotiations between the government and the rebel Sudanese People's Liberation Movement with the aim of establishing two regimes within a single state, a solution also proposed by the CSIS study. Beginning in June 2002, talks were finally concluded with a comprehensive peace agreement reached in 2004 and signed

in the Kenyan capital of Nairobi on Jan. 9, 2005, symbolizing an end to more than 20 years of civil war and a struggle between North and South that had begun even before Sudan gained its independence in 1956.

Although the direct negotiations between the two sides were facilitated by Kenyan intermediaries, the Bush administration undoubtedly played a pivotal role in the agreement. Former Secretary of State Colin Powell's promise to consider lifting the sanctions, conditional on Khartoum's cooperation in fighting terrorism, during his October 2003 visit to the negotiation site further improved Sudanese-American relations.

However, the situation in Darfur escalated in 2003, just as peace negotiations with the southern rebels were approaching a conclusion and the al-Bashir government was hoping to finally free itself from American sanctions, clear its name from the list of states sponsoring terrorism and enjoy normalized bilateral U.S. relations. By 2004, within a matter of months, the Darfur problem became a major global issue.

This sudden development caught Khartoum by surprise. Tribal warfare and conflict over limited natural resources had existed in Darfur for decades, and were usually resolved internally according to tribal customs. Unrest in Darfur was exacerbated by struggles over power in neighboring Chad, due to cross-border tribal affiliations, as well as the Libyan-Chadian conflict of the 1980s, which had turned Darfur into a hotbed for weapons dealers and armed looting. Nonetheless, foreign actors quickly internationalized the latest chapter in the Darfur problem, failing to account for the conflict's history.

As peace negotiations with the southern rebels were approaching a conclusion and the al-Bashir government was hoping to be finally freed from American sanctions, the Darfur problem became a major global issue.

The speed with which the Darfur question was internationalized raised global speculation and talk of conspiracy theories. Fifty years of conflict in southern Sudan, in which horrible atrocities were committed and the death toll reportedly reached 2 million with more than 5 million displaced, failed to attract the level of American and international attention Darfur did. Current reports indicate the Darfur conflict has left 200,000 dead and nearly 2 million displaced.

As the Bush administration led a positive, practical resolution to the southern Sudan problem, its involvement with the Darfur issue was taking the opposite course. Rather than working toward a comprehensive political settlement similar to the one reached in the southern Sudan, the White House pressured the Bashir government, prioritizing international troop mobilization to handle the crisis. Political settlement,

Ending human suffering in Darfur should be an absolute priority, the longer the conflict lasts; the steeper the price paid by the people of Darfur for mistakes made by politicians behind closed doors.

to which Washington paid little attention, was stalled by armed rebel groups, who rejected the Abuja Agreement (reached under U.S. oversight), yet Americans did little to encourage a return to negotiations.

International Criminal Court charges against al-Bashir alleging involvement in war crimes, genocide and crimes against humanity in Darfur are the most worrisome development, carrying grave consequences for the Sudanese situation. Although not a member of the ICC, the U.S. position on the issue was conveyed by special presidential envoy to Sudan, Richard Williamson, as a condemnation of the Darfur crisis, while also asserting that no one should have immunity from justice. Donald Payne, head of the House Foreign Affairs Subcommittee on Africa and Global Health, said that the House welcomed the ICC prosecutor's decision in hopes that the Darfur genocide would end. Ending human suffering in Darfur should be an absolute priority; the longer the conflict lasts, the steeper the price paid by the people of Darfur for mistakes made by politicians behind closed doors.

Officially supporting charges against al-Bashir, the Bush administration is throwing its weight behind the ICC prosecution. Yet it is unclear whether the administration's support for the ICC is for the sake of justice or simply another means of pressuring the Sudanese for concessions to facilitate Washington's agenda in Khartoum.

The United States, Great Britain and France, the three Western states most concerned with Sudan, clearly communicated to al-Bashir that a deal could be reached to avoid trial by an international court if he "understood the message," as French President Nicholas Sarkozy put it bluntly. These states demand that al-Bashir relinquish two Sudanese citizens accused last year of committing war crimes in Darfur to the ICC, make concessions to the armed movements in Darfur to end the crisis there and permit the full deployment of international peacekeeping troops.

Though the al-Bashir regime's relationship with the Bush administration is highlighted by the achievement of the comprehensive peace agreement in South Sudan, the Darfur question evokes tension, due to Washington's complaints about Khartoum's slow implementation, especially in deployment of international forces.

The U.S. Agenda in Sudan: Big Stick, No Carrot

The Bush administration claims its aims in Sudan are promoting peace and democracy, carrying out the comprehensive peace agreement in the south, facilitating political

settlement, deploying an effective peacekeeping force, offering aid to the displaced and impoverished in Darfur, and guaranteeing justice in addressing grave human rights violations. The Bush administration describes Sudan as its primary concern in the African continent, surpassing other regional priorities including aiding countries emerging from conflict like Liberia and the Democratic Republic of the Congo, and strengthening relations with regional powerhouses like South Africa, Nigeria and Kenya.

Tracing concern with Sudan to the repression and genocide against innocent civilians in the country, President George W. Bush clarified Washington's concerns in his September 2007 speech before the U.N. General Assembly.

The Bush administration's policy towards Sudan cannot be criticized from a theoretical angle; it objectively addresses issues of dire concern. The problem, however, lies in the tools used to carry out this policy, principally sanctions. Economic sanctions have come to define American policy in Sudan, rather than acting merely as instruments of it, and have turned from a incentive for cooperation in achieving the previously mentioned measures into a counterproductive source of pressure. Insistence on handling the al-Bashir regime by wielding a "big stick" leaves America's policy toward Sudan sorely lacking proverbial "carrots." The only incentive currently available to the Sudanese regime is to avoid harsher punishment, and no one in Sudan expects Washington to offer anything more.

Dependence on force and threat is among the fundamental problems in Sudanese-American relations, especially under the Bush administration. Prolonged aggressive American policy has culminated in a lack of trust between the two states, and a growing belief amongst Sudanese that the United States has no intention of offering any real incentive for bilateral cooperation. Washington's policy towards Khartoum reversed the ends and the means to the point where the resulting misunderstandings were inevitable. Interpretations based on conspiracy theories are also prevalent in Sudan. The Sudanese point to implicit threats such as that voiced by the American charge d'affaires in Khartoum, Alberto Fernandez, in a scripted lecture presented to members of the Sudanese elite earlier this year, in which he stated, "There are other options of course but the Bush administration has not decided to use them at this time."

What Bush Can do in Darfur

George W. Bush's few remaining months in the White House still leave enough time to play a decisive role in settling the Darfur crisis, conditional on achievement of peace, rather than American control of Sudan's natural resources, being his true intention.

Many believe Bush's real aim in backing ICC allegations against al-Bashir is to

The next administration should prioritize the political negotiating process, recognizing that the conflict, at its essence, is a political one. Political settlement would undoubtedly facilitate the resolution of other dimensions of the crisis.

force an end to the Sudanese government's stalling. The United States appears to have lost its patience with administrative barriers established by the Sudanese regime to buy time, as well as technical objections rendering nearly meaningless the Security Council's resolution on deploying joint U.N.-AU peacekeeping troops in Darfur. No real change in the makeup of the international forces which replaced the African troops has occurred since the beginning of this step's implementation, in what is known as the United Nations – African Union Mission in Darfur (UNAMID) hybrid operation in the beginning of 2008 – the troops simply exchanged their green berets for light blue ones.

Simultaneously, the United States must recognize that any pressure on Sudan should be carefully calculated, as excessive threats could result in regime collapse, leaving the country torn with no means of maintaining stability. Such a crisis would also threaten gains made by the peace agreement in southern Sudan, reshuffling political cards once again, resulting in negative repercussions affecting Sudan as well as its nine neighbors.

If the White House amends its priorities and is attentive to the political process, the crisis may still be defused in the Bush administration's final months. Negotiations, frozen since last year due to leading rebel factions' refusal to join the U.N. and AU-sponsored talks in Sirt, Libya, may recommence if Washington pushes armed groups in Darfur toward diplomatic engagement. The Sudanese government has already announced its willingness to hold unconditional talks with these groups.

History of previous negotiations between the two parties increases chances of a settlement. Prolonged U.S.-mediated talks between the parties involved held in Nigeria ended in May 2006 with the signing of the Abuja Agreement, yet some factions refused to sign because of disagreements over specific articles including compensation for displaced persons.

If negotiations were resumed and an agreement reached, concerns motivating American demands related to deploying peacekeeping troops would be alleviated, as the necessary security would be established to repatriate displaced persons, allow the flow of humanitarian, reconstruction and development aid, and to create a just division of power and wealth, while guaranteeing rebel groups' participation in the central government.

What Can the New Administration Do?

But it is entirely likely that George W. Bush will leave the White House in January with the Darfur crisis still unresolved. The evaporation of this golden opportunity for settlement would mean an extension of Darfur's suffering as the new administration established its policy.

If this is the case, it indicates a dramatic failure on the part of the departing administration to attain its objectives in Sudan. The new administration, Democratic or Republican, should approach the crisis from a new angle, reprioritizing and relying on pragmatic tools, as George W. Bush did during his first term. Had Bush not revised Clinton's containment and isolation policies of Sudan in favor of positive interaction with the ruling regime in Khartoum, the comprehensive peace agreement could not have been reached, ending the longest-lasting, most brutal conflict in the world.

As it undertakes such a revision, however, the new American administration should account for some key points:

1. The United States must recognize that Omar al-Bashir's regime truly desires normalized U.S.-Sudan relations, being fully aware of the high cost of continued tensions. Delays and maneuvering reflect al-Bashir's frustration at receiving no incentives from Washington despite Khartoum's many concessions, and empty American promises of normalized relations.

   The current government is historically among the most U.S.-friendly Sudanese regimes. The al-Bashir regime engages in political and security cooperation with the United States, yet still lacks normalized ties with Washington. American reciprocation has failed to meet the al-Bashir regime's expectations; the Sudanese government has been met, instead, with a constantly shifting American agenda and demands. Every time Khartoum believed it had met Washington's conditions, it was greeted with a new hoop to jump through.

2. It is also critical that the new administration recognize that the al-lBashir government, despite its Islamic background, should not be classified as a hard-line theological regime. It proved its readiness to review its more extremist proposals from the time it entered office. The peace process in southern Sudan is proof of such concessions, demonstrating the al-Bashir regime's willingness to reconsider the relationship between religion and the state by exempting southern Sudan from Shariah law. Approaching Khartoum as a religious regime, or from the perspective of the war on terror, would be imprecise and unconstructive for a new American administration.

3. Despite the importance of revising the tools used in managing the American relationship with the Sudanese government, preservation of the comprehensive peace treaty addressing problems in the South Sudan is also imperative. The treaty, which ended the civil war in the southern Sudan, remains in a transitional stage lasting until 2011, when a referendum will determine the fate of South Sudan. The next administration should build on this framework, preserving internal balances to facilitate an effective settlement at the end of the road.

4. Ending human suffering in Darfur should be an absolute priority. The debate between justice for perpetrators of human rights violations and achieving peace by securing the Darfur population must end; the longer it lasts, the steeper the price paid by the people of Darfur for mistakes made by politicians behind closed doors. Likewise, time is only wasted in arguing over whether to send international troops before or after the peace process has begun.

The prolonged crisis in Darfur demonstrates a failure to prioritize on the part of the Bush administration. An inconsistent approach resulted in wasted time and effort, placing too great an emphasis on expediting the involvement of international peacekeeping forces. The next administration should prioritize the political negotiating process, recognizing that the conflict, at its essence, is a political one. Political settlement would undoubtedly facilitate the resolution of other dimensions of the crisis, as the comprehensive peace agreement did in the south, though the southern conflict was more prolonged and complex than the one in Darfur. The most important lesson which can be drawn from southern Sudan's experience is perhaps that arranging priorities is critical to resolving any conflict; political settlement may pave the road for security and military arrangements as it did in South Sudan, opening the door for a relatively seamless dispatch of international peacekeepers to the region. ■

The Future of U.S.-Arab Relations

Sinking in Oil?

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CONTINUING INCREASES IN THE PRICE OF OIL GUARANTEE a far-reaching geostrategic impact that will affect the relationships between producing and consuming countries, and among consumer countries themselves. While it is a dynamic of particular importance between the United States and emerging Asian powers, its implications for future U.S.-China relations solidify its position as a critical international power determinant; this article will specifically examine the role of oil prices in rectifying the Arab-American petroleum relationship.

Improving this relation is primarily dependent on oil privatization as a finite commodity. Accelerated oil production is detrimental to the interests of both the consumer and the producer, as it depletes reserves available to exporting Arab states. This depletion problem is best avoided by assigning oil product-specific prices which account for inflation and the devaluation of the dollar. This article will discuss the means by which this may be accomplished and other variables to consider in its implementation.

First: Exchange Price Control Between the Producer and the Consumer

Major Western companies had dominated the global oil market in the quarter-century that had elapsed prior to the October 1973 Yom Kippur war between Israel and the Arab coalition led by Syria and Egypt. Petroleum shares for exporting countries fell by about 90 cents per barrel in 1970, which is equivalent to 30 cents in 1948, the year that the United States became an oil importing country.

Oil still represents the most vital and serious topic of Arab-American Relations.

Reduced shares in Arab exporting states combined with a steady low-priced oil supply supported increasing Western reliance on oil over coal. Skyrocketing from one million barrels per day (bpd) in 1950 to about 22 million bpd in the mid-1970s, the jump in oil production revealed a logical imbalance: As demand grew, prices dropped, eroding the shares of oil producers. Middle East oil arrived at U.S. ports valued at lower prices than domestically produced oil. On top of that, the United States imposed restrictions requiring import licenses sold at a U.S. market price equaling the difference in exchange rates. This situation remained until the first and second Geneva-Tehran Conventions (1970-1972), which resulted in slight price increases and higher shares for producing states. The increase, however, soon eroded because of overwhelming inflation during that period (see Table 1).

Adjustments resulting from the October 1973 war, increased per barrel prices from around $3 to $11.65 starting in 1974. Strengthened by the 1979 Iranian Revolution, exporting countries' petroleum shares rose accordingly, raising the nominal price as high as $33 in 1981. Accounting for inflation, however, this price converts to $15.55 in 1973 dollars (see Table 1). Oil-producer production and price control was short lived – in less than a decade, the United States and Western industrialized nations designed and implemented plans to reclaim control. The 1974 establishment of the International Energy Agency (IEA) was among their most important developments. Established to facilitate coordination among consumer countries and develop systems for petroleum storage within industrialized nations, the IEA enables economic world leaders to respond to crises. Furthermore, the agency encourages importing oil from non-OPEC countries, creating an 8 million bpd increase in oil production. It also developed and implemented oil use restrictions, reducing consumption by 6 million bpd. The resulting price erosion during the early 1980s led to the 1986 collapse with the nominal per barrel price dropping to $13.50, equivalent to $5.50 in 1973.

OPEC productive capacity declined by nearly 15 million bpd from 31 million bpd in 1979 – the year that strategic storage peaked – to 15 million bpd in 1986 as a result of Western-imposed policies. Falling production capacity, aided by pressure from the United States and Western industrialized nations, brought prices down.Thus, the nominal price remained stable near $18 between 1986 and 2003, though the real price did not exceed its 1973 value of $5.

With both nominal and real oil prices on the decline, local petroleum taxes imposed on products refined in Western oil importing countries escalated. This trend was especially strong in Europe, where such taxes rose from $22 in 1986 to about

$65 throughout the 1990s until 2005. Indeed, the final price to the consumer in the European Union, which had been near $100 per barrel from the 1990s through 2003, jumped to $117 in 2004 and then to $133 in 2005, leaving consumers to bear the brunt of the burden of increasing crude oil prices. Despite subsequent tax reductions and prevalent anti-OPEC media propaganda their governments were responsible for rising prices, resulting in mass popular protests.

In the meantime, OPEC productive capacity decreased between 1986 and 2007 due to rising exports (from 15 million bpd to 29 million bpd) and increasing domestic

Table 1:
Evolution of the price of oil per barrel (nominal and real) and export earning of OPEC oil

Date	Nominal Price U.S. dollars	Real price U.S. dollars in 1973	Exporting state share, nominal price	OPEC exports (bpd)	Export revenues, billions of U.S. 1973 dollars
1970	$1.80	-	0.91	22.10	7.34
Oct. 1, 1973	3.01	3.05	2.00	-	-
January 1974	11.65	9.68	9.21	28.80	80.44
July 1, 1977	13.66	8.67	12.16	29.06	81.86
July 1, 1979	18.00	9.04	Price-Cost	28.58	94.30
1980	28.64	13.26	"	24.51	118.63
1981	32.51	15.55	"	20.21	114.71
1984	28.20	14.66	"	13.92	74.49
1986	13.53	5.50	"	15.46	31.04
1987	17.73	6.25	"	15.00	34.22
1988	14.24	4.71	"	16.66	28.64
1991	18.62	5.18	"	20.39	38.55
1994-1999	16.85	4.86	"	24.03	42.62
2000	27.60	7.79	"	25.83	73.44
2001	23.12	6.58	"	24.59	59.05
2003	28.10	6.51	"	24.03	57.10
2004	36.05	7.58	"	26.79	74.12
2006	61.08	12.19	"	27.78	123.91
2007	69.08	12.62	"	28.66	132.00

Source: Dr. Hussein Abdullah, *The Future of Arab Petroleum* (Beirut: Centre for Arab Unity Studies, 2006), and OPEC Annual Statistical Bulletin 2007.

consumption in OPEC countries (from 3.4 million bpd to 6.4 million bpd).[1] Petroleum investments had no expansive impact on the productive capacity of oil. Falling prices and declining revenues, both nominal and real,[2] caused the oil surpluses of petroleum exporting states to translate to growing debts in the international capital markets.

Falling prices and declining revenues during 1990s caused the oil surpluses of petroleum exporting states to translate to growing debts in the international capital markets.

Increasing demand for oil coupled with unprecedented global economic growth boosted petroleum consumption since 2002 from 78 million bpd to about 85 million bpd (averaging a 1.9 percent annual growth rate). Spare oil capacity took a drastic hit, falling to 2 million bpd due to the upset balance between demand and availability. Heavy oil from Saudi Arabia, difficult to market due to its weak demand, comprised the majority of available spare oil. The depletion carried severe implications, as spare capacity is a significant factor in price-setting, determining supplier confidence in future production.

This imbalance in market fundamentals – supply, demand and production capacity – coupled with the U.S. occupation of Iraq and threats to strike Iran, created tensions in the Gulf region, home to two-thirds of the global oil reserves. Additionally, recent weakness of the dollar encouraged speculators to shift to commodity speculation based on the paper barrel, which is dealt daily in the world stock exchange at more than ten times the real deal wet barrel. As a result, OPEC nominal prices skyrocketed from $28 in 2003, to $36 in 2004, $50 in 2005, $61 in 2006, $69 in 2007, then finally averaged $104 during the first half of 2008. In early July 2008, prices hit $140 per barrel, and then it decreased to reach $115 by the beginning of September 2008.

What is the Fair Price of Oil?

The real price of oil must be determined using three rules established in the international petroleum agreements. Despite the fact that these agreements are expired, they serve as guides in developing an accurate estimation.

1 OPEC production of liquid petroleum reached about 35.2 million bpd in 2007. Of this, 4.3 million bpd of liquids were derived from natural gas production LNGs, not classified as crude oil and thus not subject to the OPEC quota system. In 2007, OPEC production included Ecuador and Angola, which were separated and then returned to the group.

2 For more on the subject of petroleum investments, see the author's "Global Investments in Energy with a Focus on Oil," Strategic Economic Trends 2005 (Al-Ahram Center for Political and Strategic Studies, January 2006).

These controls are:

1. The oil price increase should be set at 2.5 percent to account for inflation, as established by the 1971 Tehran agreement between OPEC and the international oil industry.

2. Accelerating depletion of nonrenewable reserves entitles producer companies to additional compensation. The principle price increase rate of 2.5 percent annually should be supplemented with a bonus, given the accelerated rate of oil wealth depletion coupled with increasing global demand. This provision was pushed by developing countries where oil wealth drove growth at the convention preceding the Tehran agreement.

3. Oil prices should be adjusted according to the changing value of the dollar, as it significantly impacts other major international currencies. Approved by the first Geneva Convention in 1971, this provision caused an 8.5 percent increase in oil prices following the floatation and devaluation of the dollar in December of that year, as well as an 11.9 percent increase after the dollar's second devaluation on June 2, 1973, with monthly corrections according to currency fluctuation.

Adopting these principles will estimate an annual rate of increase, preserve real value by accounting for the nominal price of oil, as well as compensate for rapid depletion. Although the Tehran and Geneva conventions are no longer in effect, the principles endorsed through extensive negotiation between oil companies and state governments still provide an appropriate framework. Assuming oil depletion continues as expected, oil prices are set to reach unpredictably high levels, and the price spike could come earlier than expected in the case of an international political or economic crisis.

Adopting known principles will estimate an annual rate of increase, preserve real value by accounting for the nominal price of oil, as well as compensate for rapid depletion.

OPEC estimated the impact of only two of these factors, inflation and devaluation of the dollar. The final nominal price appreciation, $50.84 bpb in 2005, did not exceed its 1973 real dollar value. Accounting for the impact of these factors, the real value was approximately $10.39, equivalent to approximately 20.4 percent of the nominal price. Although the nominal price averaged $65.08 dur-

ing 2006-2007, it did not exceed its equivalent in 1973 real dollars, coming to $12.40 accounting for the aforementioned factors, equivalent to approximately 19.1 percent of the 2006-2007 nominal prices (See Table 1).

The OPEC estimation, however, failed to include the impact of the Tehran convention's accelerated depletion factor. This provision came as oil producing countries' responded to consumer countries' demands for increased production.

Inserting this factor adjusted the real price to $11.65 per barrel following the 1973 October war, which should be used as the base price on which the 2.5 percent per annum increase rate on average over 35 years (1973-2008) is built. It follows that today the real price should be approximately $27.65 bpd, expressed in 1973 dollars. After accounting for the impact of inflation and the fluctuating value of the dollar, the OPEC estimation indicates that today's real price represents approximately 19.1 percent of the 2006-2007 nominal price as indicated earlier. The nominal OPEC oil price, which should have been reached during those two years, averaged $144.80, a far cry from $65.08. Yet this price legitimately fell just under market competition, with market prices driven by high oil demand from Western petroleum importers.

Arab control of oil production and pricing under OPEC was short-lived, lasting less than 10 years before a U.S.-led coalition of Western industrialized nations regained control.

Traditional U.S. support for Israel is inextricably tied to Western attempts to keep oil prices low. Since 1948, when the United States crossed the threshold from oil exportation to importation, Western industrialized nations have rallied around Israel as a thorn in the Arabs' side. Western use of Israel as a pawn to tighten its grip on Arab oil drove regional tensions, leading to Arab political and military conflict with Israel.

Demonstrating the influence of the Israeli role, oil prices were not liberated from downward pressure exerted by Western industrialized nations until following the 1973 Arab-Israeli War. In an attempt to correct exporting states' eroding petroleum shares, a delegation from the Gulf states met with oil companies in Vienna on October 8, 1973. The companies offered to raise the price per barrel from $3 to only $3.45, even after consulting with Western governments. Yet the resulting economic shock erupted in a battle over the Suez Canal. Oil exporting countries associate price-setting autonomy with national sovereignty, explaining the resolve of Arab negotiators to reject oil companies' offers. For the first time in the industry's history, the Arab countries and Iran have dictated a price increase from $3 to $11.65.

Arab control of oil production and pricing under OPEC was short-lived, as previ-

ously mentioned, lasting less than 10 years before a U.S.-led coalition of Western industrialized nations regained control. These states used a package of policies, including arrangements to re-arm Israel, to orchestrate reclaiming control of oil prices. Consequently, nominal price collapsed to $13 in 1986 then fluctuated until 2004, when it stood near $18, yet real price never exceeded $5 measured by the 1973 standard. Simple calculation accounting for inflation and devaluation of the dollar demonstrates the sum of gains made by Western oil-importers and losses by OPEC countries between 1986 and 2004 to be $7.5 trillion at the current dollar value.

Financial, political, and military support to Israel is clearly not gratuitous, but rather acts as payment for Israel's role in guarding Western interests in price negotiations for Arab oil.

Source Depletion and the American Grapple for Arab Oil

There are several indications that the date of oil depletion may arrive earlier than expected. Western industrialized nations are developing strategies to continue filling their needs for oil at low rates following OPEC depletion, and in particular, exhaustion of Arab Gulf oil. Here we should consider two facts; first, significant uncertainty surrounds the estimates of the size of oil reserves. Second, the Gulf states, in the case of oil depletion, will lack a means of preserving their customary standard of living. Most existing industries, including petrochemicals and seawater desalination, depend on the abundance of oil and gas. Without continual petroleum revenues, regional standards of living are likely to plummet. Adequate preparation for oil depletion requires economic structural changes and diversification of sources of economic growth. There is a tall order for the immediate or short term, while such a transformation is difficult to expect even over the long term before oil wealth is depleted.

Oil depletion predictions have spawned two distinct opinions. The first expects a continued abundance of oil through the foreseeable future, followed by either a downward trend or a gradual upward trend in prices. The U.S. Energy Information Administration (EIA) is this optimistic position's primary proponent. The opposing side expects increasingly scarce oil supplies to create an inability to meet the steady rise in global demand, resulting in acute conflict among states over energy security and a sharp rise in prices.

The first group relies primarily on the argument that prospecting and production costs for oil will continue to decrease due to technological advances. Thus, the owners of marginal fields with high alimony will contribute increasingly large proportions of international markets, igniting competition among producers, thus lowering prices. Three-dimensional seismic surveys, horizontal drilling techniques and deep-water

drilling developments contribute to such advancements. Progress in oil field recovery has in some cases risen from an average of 35 percent to exceed 50 percent, contributing to this argument's viability.

Technological improvements did not yield significant declines in expenditures on research and development prior to the mid-1990s. The reasoning behind this optimistic argument is correct, but insufficient for arguing that prices in the future will decline. In spite of these advances, oil reserve discovery has not increased. Untouched fields comparable to those discovered in the Arabian Gulf no longer exist. Newly discovered fields have dropped in size from an average of 200 million barrels during the 1960s Middle Eastern expeditions, to approximately 50 million barrels during the 1990s. As a result, global oil detection rose from 70 billion barrels annually in the 1960s to 120 billion barrels during the 1990s, an insufficient increase to compensate for the drain on reserves due to the growth of worldwide oil production. Global production jumped from 75 million bpd during the late 1990s to 85 million bpd at present. It is expected to reach 118 million bpd by 2030, which, under the influence of growing consumption, is estimated at about 1.6 percent growth annually on average.

A recent report by an IHS Energy Group found that twelve states responsible for one third of global petroleum production were unable to replenish the vast majority of depleted reserves between 1992 and 2001. The same report found that major producing countries including Russia, Mexico, Norway and Great Britain, had compensation rates ranging from 15 to 31 percent.

Many geologists specializing in global petroleum oppose the claim that oil reserves have risen over the past 20 years, describing the increase as fictitious. Asserting that the world has been unable to compensate for crude oil extraction over the past 20 years, they cite the fact that many supposed increases in the size of oil reserves were merely paper increases; re-estimates by OPEC states during the 1980s resulted in recorded increases of reserve volume by up to 70 percent. States used such exaggerations to bargain for greater shares in the quota system, which OPEC began using to preserve production and prices in 1982.

The era of oil abundance is over and the world has started down the path towards depletion. Despite low prices, increasingly scarce supplies fail to meet growing global demand.

Data from the 2002 U.S. Geological Survey (USGS) confirmed that proven global oil reserves were estimated at 959 billion barrels, 11 percent smaller than OPEC estimates. The USGS estimated OPEC oil reserves to be around 612 billion barrels, 28 percent smaller than the announced number.

Table 2:
EIA Estimates - U.S. Production of liquid petroleum (in million bpd, 1990-2030)

Productive capacity of liquid petroleum	1990	2005	2020	2030
	Quantity A/ %	Quantity B/ %	Quantity C/ %	Quantity D/ %
CONVENTIONAL OIL				
OPEC	24.9/38	34.7/42	44.8/46	54.1/50
Rest of the World	40.8/62	47.2/58	51.7/54	53.1/50
Total	65.7/100	81.9/100	96.5/100	107.2/100
UNCONVENTIONAL OIL				
OPEC	00	0.6	1.9	2.7
Rest of the World	0.6	1.8	5.4	7.8
Total	0.6	2.4	7.3	10.5*
TOTAL PETROLEUM LIQUIDS (conventional and unconventional)				
Total	66.3	84.3	103.8	117.7

Source: EIA, International Energy Outlook, 2007.

Experts do not discount the possibility of discovering large new fields, but most believe such fields could only exist in difficult areas to access and at high cost. Total global consumption is nearing one-third of total oil resources; attempts at further extraction will confront increasingly high costs and difficult circumstances.

The International Energy Agency's 1998 World Energy Outlook report warned of a projected shortage of oil resources by the year 2020. Distinguishing conventional from unconventional oil (such as liquefied natural gas (LNG), gains from refining, liquids derived from oil shale, tar sands and coal), the report projects conventional oil production to peak by 2015, then begin to decline. By 2020, the report concludes, the total global oil supply, conventional and unconventional combined, will be unable to meet the growing global demand. By that year, it estimates the global deficit may reach 19 million bpd, which would require compensation with alternate energy sources.

The EIA is an international organization representing Western industrial interests. They are explicitly stating that the world is on the verge of petroleum depletion. Warning that an oil crisis would carry grave security consequences, the agency called on its members to take the necessary measures to cope with this situation.

The era of oil abundance is over and the world has started down the path towards depletion. Despite low prices, which remained below $5 per barrel throughout

Table 3:
Petroleum Concentration in Exporting Countries (in million bpd)

Productive capacity of liquid petroleum	2005	2020	2030
	Quantity A/ %	Quantity B/ %	Quantity C/ %
OPEC - conventional oil	34.7	44.8/46.0	54.1
OPEC - unconventional oil	0.6	1.9	2.7
OPEC - wholesale petroleum liquids	35.3/41.9	46.7/45.0	56.8/48.3
Russia	9.5/11.3	10.7/10.3	11.5/9.8
Caspian States	2.1/2.5	4.8/4.6	5.7/4.8
Productive capacity of the 17 states	46.9/55.6	62.2/60.0	74.0/62.9
Total	**84.3**	**103.8**	**117.7**

Source: EIA, International Energy Outlook, 2007.

* 3.6 million bpd of oil sands and 2.4 million bpd of oil are extracted from coal; 1.7 million bpd of bio-fuels made from plant products such as sugar cane and maize comprise ethanol, making it difficult to use in large quantities in practice. Also included are high-density oil (mostly in Venezuela, an OPEC member) and liquids from natural gas (notably in Qatar, another OPEC country).

the 1990s measured by the 1973 base value, increasingly scarce supplies fail to meet growing global demand.

Tables 2 and 3 demonstrate the effects of growing petroleum scarcity: increased production control and limitations on the number of petroleum exporters concentrated in the OPEC states as well as Russia and three Caspian countries. Yet these Energy Information Administration (EIA) estimates appear optimistic compared to other available studies, as they predict that relative oil abundance and low prices will persist into the foreseeable future. This is clearly not the case, especially considering projected acceleration of demand. Consumption of both industrialized countries and members of the Organization for Economic Cooperation and Development (OECD) is expected to increase from 50 million bpd to 57 million bpd between 2006 and 2030. The spike will affect both the conventional and unconventional liquid petroleum markets. Total American domestic petroleum production today is 22 million bpd, and is not expected to exceed this level in 2030. Thus, the projected oil shortage will increase from 28 million bpd to 35 million bpd, raising dependence on imports from 53 to 61 percent during that period.

In comparison to other Western industrialized nations, U.S. consumption is growing rapidly. Americans alone consumed 20.6 million bpd of liquid petroleum in 2006,

Table 4: Importers' Levels of Dependency
Measured by petroleum imports to total domestic consumption of oil (2004-2030)

State/Region	2004	2015	2030
Members of OECD industrialized nations	56%	62%	65%
United States	64	69	65
Europe	58	75	80
Japan	100	100	100
China	46	63	77
India	69	77	87

Source: EIA, International Energy Outlook, 2007.

equivalent to 25 percent of global production. Furthermore, U.S. net imports totaled $12.3 million bpd, equivalent to 24 percent of the 52.6 million bpd total world imports. U.S. consumption of liquid petroleum is expected to reach 26.6 million bpd by 2030, while domestic production will remain below 9.7 million bpd. The net U.S. oil deficit could rise by as much as 12 to 17 million bpd between 2006 and 2030, increasing U.S. dependence on imports from 60 to 64 percent, according to optimistic EIA estimates.

Table 4 presents (IEA) International Energy Agency estimates, which are less optimistic and more realistic than expectations of IEA, of exporting countries' dependence on importing petroleum to fill the deficit in the era of future oil needs (2004-2030).

The shares of OPEC, Russia and the Caspian states comprise no less than three-quarters of world petroleum exports. Economic logic of shared interests and mutual benefits necessitates an agreement between producers and consumers accounting for a rational policy to determine the reserve supply of liquid petroleum, taking real value of reserve erosion. This explains U.S.-led attempts by the industrial West, to acquire custodial guardianship – voluntarily or forcibly – over Arabian Gulf oil. Comprising two-thirds of world oil reserves, this supply is expected to fulfill 35 percent of global petroleum needs by the year 2030, comprising almost half of global exports in that period.

This framework explains Western efforts to expand OPEC production capacity and raise the out-take rate, a measure of annual production divided by discovered reserves and development, from its current annual level of 2 to 4 percent or higher.

Whether optimistic or conservative reserve estimates are used, Western demands mandate a 2- to 4-percent increase in OPEC countries' annual depletion rates. This would halve the lives of those reserves, depleting them in 25 years rather than 50 years. In response to these demands, producing countries will no doubt suffer severe consequences in terms of both pricing and the supply-demand relationship.

Conclusion

Given this analysis, the incoming U.S. administration should approach the oil issue with consideration of long-term humanitarian interests and account for the needs of both producers and consumers. This strategy requires two components:

First, the oil price determination must account for the depletion factor, meaning the nominal price must be corrected to be commensurate with changing energy security as determined by decreasing oil reserves. As the market transitions to depletion, higher prices should result as the natural market response to shortages, and as competition for energy resources among states intensifies. Iran translated this convention into practice by implementing a 2.5 percent annual price increase as compensation for states producing at a high rate of depletion due to increased demand. Nominal price should be determined using factors identified by previous conventions, particularly accounting for inflation and adjustments to the value of the dollar.

Second, this vision requires a downsized global demand for oil. This entails two basic steps. The first is decreasing international demands pushing petroleum exporters to raise production ceilings, forcing prices down. Such pressure highlights two critical mistakes in the U.S. relationship with the Arab petroleum exporting states. These mistakes are that the United States ignored the fact that the nominal price fell below the real price, and that increased production accelerates depletion, which is detrimental to both producers and consumers. As previously stated, real prices of petroleum products, based on inflation, the dollar exchange rate and depletion, should be above their current levels

Minimizing oil use should ensure its greatest viable added value in the long run. Optimally, this may be accomplished through increased petroleum use for petrochemical production, as opposed to fuel.

More importantly, that added value of oil must be distributed evenly among petroleum exporting states. Progress can be made through guaranteeing fair oil prices and encouraging expansion of the Arab petrochemical industry, rather than arbitrarily imposing tariff restrictions on Arab exports.

Finally, if the United States seeks to improve its international image, its policies toward the Middle East, particularly military and oil strategies, must be re-evaluated. The general Arab consensus is that Gulf oil is the primary motivator driving American regional military presence, particularly the U.S. occupation of Iraq. Exporting countries' rights must not be undervalued. The United States should treat Gulf oil states as merchants of two-thirds of the world's petroleum reserves, in accordance with free market principles, and dealing in prices established independent of political or military pressure. ■

Arabs, Iran and Nuclear Weapons

Balancing the Equation

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ALTHOUGH THE CIVILIAN NATURE OF THE CURRENT WAVE of nuclear energy programs under development in eight Arab countries plus the Gulf Cooperation Council (GCC) is clearly stated, and these countries are fully aware that the programs' benefits and feasibility are dependent upon their civilian nature, they inherently retain strategic significance. Highlighted by foreign parties weary of potential nuclear militarization and proliferation scenarios, the strategic aspect of these programs is also propagated by sectors of the Arab public. The dream of the "Arab bomb," a cultural status symbol, gains importance as regional insecurity grows around Iran's civilian-military nuclear program. Add to that the Israeli nuclear issue, which is still far from resolution. Some Arabs go so far as to advocate coexistence with Israel as a de facto nuclear state, and there is a strong argument for this option.

Strategic dimensions are intrinsic in the implications of Arab nuclear energy programs. Due in part to regional instability, nuclear reactors in the Middle East exceed their purposes of electricity generation and water desalinization to become strategic commodities. The concern, however, is not the weaponization of a civilian program. No state to date has militarized a civilian program. Publicized blueprints of the planned Arab reactors suggest militarization would be impracticable. The new programs will most likely transform the dynamics of the regional strategic environment, possibly leading to a denuclearized Middle East.

This article will answer two questions about the new wave of Arab nuclear programs. Firstly, what is behind this new wave? Secondly, and more importantly, what can the incoming U.S. administration and Arab states do to address the possible strategic ramifications of the Iranian program?

The Iranian Factor: A Reconsideration of Arab Calculations

Arab civilian programs automatically assume strategic significance due primarily to the Iranian program's influence on the regional security environment. Programs developed by primary regional actors initially appeared as reactions to Iranian nuclear activity. Should Iran acquire nuclear weapons, the reactions of influential states, including Egypt, Saudi Arabia and Turkey, remain in question. Most have given no indication of intended retaliatory behavior aside from publicized assessments that Iranian nuclear militarization would constitute a significant security threat. The November 2007 U.S. National Intelligence Estimate on the Iranian nuclear program assuaged some fears, leading many analysts to predict a "cooling-off stage" for Arab nuclear programs. Yet this line of thinking assumes that the Iranian program is the sole factor propelling proliferation in the Middle East. There is more to the story.

Since the early 1980s, most Arab countries have pursued at least tentative plans to establish civilian nuclear programs. While media attention focused on secret atomic weapons programs in Iraq and Libya, Egypt, Algeria, Jordan, Morocco, and even Tunisia and Syria, created civilian programs including nuclear research components and plans to build nuclear power plants. Inauspicious domestic circumstances, foreign obstacles, and safety concerns following the 1986 Chernobyl catastrophe put such plans on hold. These impediments to progress continued until recently. In previous decades, leading Arab countries like Egypt and Algeria focused on advancing nuclear research capabilities. Public and nuclear institutional pressure continuously pressures states to revive their halted nuclear energy programs.

The dream of the "Arab bomb," a cultural status symbol, gains importance as regional insecurity grows around Iran's civilian-military nuclear program.

Two-thousand three marked a turning point as Iran's already tense relations with its neighbors were further strained when the country achieved breakthroughs on two fronts. First, the Bushehr civilian reactor neared completion and Iran began preparations to bring it on line. Second, militarized nuclear activity was uncovered at Natanz and Arak. It took about two years for Arab countries to grasp that, in the words of Jordan's King Abdullah, "the rules of the game have changed," and consequently,

lessons from the Iranian discoveries provided motivation for the revival of nuclear programs. Though the Bushehr reactor and discoveries at Natanz and Arak brought the nuclear issue to the forefront of Arab attention, the decision to revive the programs at that stage was not in hopes of developing military capabilities connected with the potential emergence of a nuclear Iran. The Arab calculations focused on the following:

Should Iran acquire nuclear weapons, the reactions of influential states, including Egypt, Saudi Arabia and Turkey, remain in question.

First, the United States acknowledged, for the first time in Middle East-U.S. relations, a distinction between military and civilian nuclear programs. The development of the Bushehr reactors brought about this evolution in American policy, and Arab countries which had long desired civilian nuclear programs were able to move forward without major foreign opposition.

Second, Iran's possession of dual-use nuclear capabilities instigated a regional security dilemma. Regardless of whether Iran intended to acquire atomic weapons, President Mahmoud Ahmadinejad's talk of a nuclear Iran as a great regional power constituted cause for concern over the strategic implications of his country's nuclear capabilities. With Iranian intervention in the internal affairs of some five Arab countries, as well as increasing Shiite power in the region, Iranian advances became a primary concern for Arab leadership.

Thus, aspirations to neutralize the impact of Iranian political rhetoric were among the primary strategic dimensions governing regional nuclear development, especially in the Gulf, Egypt and Turkey. Iran's use of its nuclear capabilities as a status symbol constituted a threat to regional power dynamics and political stability. Iran treated its nuclear reactors not simply as energy sources but as strategic elements of power. The deployment of strategic capabilities to counterbalance Iranian political and nuclear rhetoric was among the primary goals of Arab countries seeking nuclear power.

Iran treated its nuclear reactors not simply as energy sources but as strategic elements of power. The deployment of strategic capabilities to counterbalance Iranian political and nuclear rhetoric was among the primary goals of Arab countries seeking nuclear power.

Energy Security: An Additional Motivation to Develop Arab Nuclear Programs

The energy shortage another pertinent factor, surfaced soon after, pushing oil-poor countries like Egypt and Jordan to initiate nuclear programs. Tunisia and Morocco followed suit, making nuclear energy a regionwide trend which other countries like Su-

dan and Yemen were unable to resist in the face of public pressure. Anticipating future needs, even oil-rich countries like Libya and Algeria were compelled to take similar steps. A sharp energy crisis precipitated by soaring oil prices coincided with Iranian nuclear progress, burdening oil-poor countries' economies with additional expenses from energy subsidies and imports and sparking debate in many oil-rich countries over future generations' rights to oil. In the escalating search for alternative energy sources, nuclear energy was the solution.

Egypt subsidizes energy with $7.25 billion, more than the national expenditures on health, education, and culture combined. Jordan is the only country in the world spending more than 25 perent of its GDP on energy.

Still, many outsiders balk at the idea that the energy problem could be sufficient motivation for Arab countries to seek nuclear reactors. Within the Arab world, the energy question had little popular resonance at first, but when the hard truth about finite oil availability became apparent, the mainstream public's primary focus shifted from Iran toward energy concerns. For governments, energy security moved from its typical place as a public policy concern to the list of national security threats. In 2006, for instance, energy subsidies in Egypt reached 42 billion Egyptian pounds ($7.25 billion), more than the national expenditures on health, education and culture combined, while Jordan found itself the only country in the world spending more than a quarter of its GDP on energy.

Gulf countries fared better. Bahrain, the first Arab country to discover oil, lost its status as a net oil exporter, while Dubai considered building its own nuclear reactors separately from the joint GCC plan. Discussion of nuclear incentives nearly halted, and the idea that there was enough reason to follow the nuclear path, whether to neutralize Iranian nuclear capabilities, offset a future energy shorage, simply to possess nuclear technology, or to keep up with the regional nuclear curve, became the mainstream view. Regardless of strategic impact, the implementation of nuclear programs represented a final decision, especially for countries where economic incentives were of primary importance.

Drawing on lessons from the Iranian case, Arab countries worked to maintain transparent nuclear programs in order to alleviate international fears of militarization. Observations from the Iranian case led to two conclusions which serve as general guidelines for Arab nuclear development:

First, pursuing dual-use uranium-enrichment technology – as with the Natanz project – is unacceptable to the international community, and furthermore is eco-

nomically impractical unless a state is not operating at least six nuclear reactors. Consequently, Arab nuclear plans do not include uranium enrichment facilities, though Saudi Arabia suggested establishing a multilateral nuclear fuel facility in the region.

Second, over-politicization of nuclear programs often delays the construction of civilian reactors, as was the case with Bushehr, where the reactor is still not fully operational even though construction started in 1975. Most Arab countries, Syria arguably being the lone exception, are unopposed to the international status quo, and even Syria avoids hard-line ideological stances and appears prepared to negotiate.

Arab decision-makers now insist that foreign intervention in civilian programs developed in cooperation with international partners and under the supervision of the International Atomic Energy Agency (IAEA) is unacceptable. Such public assertions target domestic public opinion as much as the international community.

Statements along these lines are not quixotic; the general Arab consensus is that international agreements governing Arab civilian nuclear development are in a test phase, and that nuclear suppliers are not fully prepared to cooperate. Many fear that current partners will become more reluctant with time. The prospect of additional protocols for Arab countries' nuclear safeguard agreements with the IAEA is considered humiliating, especially since Israel has yet to join the nuclear Non-Proliferation Treaty. Currently, however, Arab states possess peaceful intentions as well as valuable experience handling international pressure – negotiating tools that give the region a greater strategic advantage today than at any point in the past.

Drawing on lessons from the Iranian case, Arab countries worked to maintain transparent nuclear programs in order to alleviate international fears of militarization.

Nightmare Scenarios

Other factors aside, the prominent question of Iranian nuclear militarization remains. This possibility, long discussed but now a more realistic prospect than ever before, would bring about key shifts in regional power dynamics. Iranian weaponization would transform the Middle Eastern power structure, currently based on an Israeli nuclear monopoly, to a bipolar system. Consequently, instead of a single Israeli nuclear threat, the region would have two threats. The release of the U.S. National Intelligence Estimate on Iran did little to ease fears; the overriding sense in the Middle East is that it is too early to predict the outcome of the Iranian dilemma.

Thus, repercussions of nuclear arms proliferation in the region will be politically complex:

First, the countries proposing a denuclearized Middle East will find this a difficult path to pursue, as Israel's incentive to scrap its nuclear arsenal will be reduced if not eliminated. The regional power structure will resemble that of South Asia, forcing states to develop proliferation management policies. "Banning proliferation" will lose all viability as a framework for resolving regional nuclear concerns.

Nuclear militarization does not appear a likely option for the Arab world in the near future. Arab states are considering, at most, adopting the Japanese or South Korean model.

Second, Arab countries will confront a bipolar system of two non-Arab, nuclear-armed powers, both chronically at odds with their neighbors. Iran and Israel will dominate regional affairs, and neither a conflict nor a mutual understanding between the two would bode well for the Arab world.

No leading Arab country has announced a plan of action for dealing with Iranian weaponization, though Egyptian president Hosni Mubarak declared that his country will not stand quietly on the sidelines without putting up a defense. Such assertions do not indicate that Arab countries intend to engage in a regional arms race; rather, they suggest an impending security dilemma with no easy solution. Mubarak most likely intended to give early warning of a possible security dynamic that would force Arab countries to consider the Iranian nuclear threat in starker terms.

Nuclear militarization does not appear a likely option for the Arab world in the near future. Egypt and other influential Arab states are considering, at most, adopting the Japanese or South Korean model: acquisition of civilian nuclear capabilities to decrease their susceptibility to the influence of regional nuclear hegemony, resisting pressure to engage in a nuclear arms race. This model allows a regime to maintain a strong image and preserve popular legitimacy while minimizing the instability inherent in the nuclear security dilemma.

But Arab states still face a problem: there is a factor missing in their treatment of the crisis. They may believe that stepping up civilian nuclear programs will neutralize the political impact of the Iranian nuclear program and that these programs will have an inherent strategic use if Iran acquires nuclear weapons. If Iran does not move in this direction, they may hope that the spread of civilian nuclear technology in the region will provide an avenue for nuclear regulation. Thus, civilian nuclear technology seems to be a sufficient Arab response that could be beneficial in all scenarios.

Nevertheless, the problem remains: there are still Arab concerns about the possible course the crisis may take. At some point, it may reach a decisive juncture, if, for example, relations spiral out of control and Iran does move towards weaponization.

Such a case opens up three possible courses for the new U.S. administration.

First, the United States may decide that the evils of Iran's possession of nuclear weapons outweighs the evils of a war against it and, in turn, launch a fourth war in the Gulf. Indeed, it does appear that Iran's possession of nuclear weapons constitutes a red line for the Americans, both for the current administration and for the incoming one, whether Republican or Democrat. There is also the question of what Israel would do at this critical juncture.

Second, the United States may decide that the negative consequences of a war against Iran outweigh the consequences of Iran's possession of nuclear weapons. It may be determined that Iran is incapable of using nuclear weapons regardless of the militancy of the political regime and so deterrence may be viewed as sufficient to neutralize the impact of an Iranian nuclear threat. An effective missile-defense system may be developed and Iran may acquire nuclear weapons.

Third, negotiations may be an option if the crisis is so severe that no party is willing to go to war or able to withstand the consequences of weaponization. As a result, the situation in many Arab states will be predicated on an acceptance of Iranian influence and views. There are pragmatic indications that the United States could deal with nations of the "other axis" [Iran and Syria].

None of these scenarios are good for Arab states. They illustrate the missing Arab role in managing the crisis and point to a settlement to avoid an unwanted war that involves the actual development of Iranian nuclear weapons, which will frustrate Arab national calculations, or a deal that will have an impact on perceived national interests. Arab analysts have often suggested that Arab states should follow the approach applied by the five states (the United States of America, the People's Republic of China; the Republic of Korea, the Russian Federation, and Japan) in dealing with the North Korean nuclear threat, within the framework of six-party talks.

But the problem in the Middle East is more complex than that. Iran itself has given no indication that it would accept a regional role in resolving the crisis, and it has not responded to any Egyptian or Saudi proposals for such a resolution. Nor has it offered Kuwait reassurances regarding the environmental impact of the Bushehr civilian reactor and it probably will not do so. This leaves Arab states with two choices: to pressure Iran to reconsider in order to resolve the crisis or to join American efforts in an attempt to influence its management of the crisis, as Europe and even Israel are doing.

Thus far, Arab states have been pursuing two simultaneous actions. Based on their common opposition to a war, they continue to meet with Iranian officials while remaining inflexible on the question of the Iranian possession of nuclear weapons. At the same time, they are coordinating with or following the U.S. administration without

Ultimately, the dangers posed by nuclear proliferation can push countries toward mutual understanding, establishing the framework for a cooperative regional security arrangement.

appearing to want to take part in a war against Iran. In their dealings with both parties, the Iranians and the Americans, Arab states are distinguished by their refusal to accept any deal that affects their interests in the region.

Although Arab nuclear programs are primarily motivated by a quest for energy security, this does not rule out a nightmare scenario of acquiring nuclear military capabilites if Iran acquires it.

In fact, Arab states do not have many other options and, practically speaking, they are acting much like South Korea and Japan in South Asia. But at some point, if the crisis reaches levels that pose difficult choices for everyone, Arab states may play an active role that is needed by Iran or they may pay a price that the U.S. administration needs – that is, if logic continues to govern the management of the crisis.

The New U.S. Administration and the Need for a Different Kind of Thought

The Middle East is witnessing important developments on two fronts: Iran's insistence on continuing its nuclear program amid international suspicions about the nature of the program and its own failure to dispel these doubts, and the emergence of a new wave of Arab nuclear energy programs. Although Arab nuclear energy programs are primarily motivated by a quest for energy security, this does not rule out a nightmare scenario in which Iran acquires nuclear military capabilities. This will undoubtedly spark significant strategic transformations in the region, as noted above, putting Arab states and the United States before a strategic dilemma.

The question is: what should the incoming U.S. administration do to prevent such a scenario?

We propose that the new U.S. administration think differently about how to deal with nuclear issues in the Middle East, including the issue of Iranian nuclear weapons and legitimate Arab fears – not through using armed force to make Iran abandon its nuclear program, but by bringing pressure to bear for a realignment of the nuclear situation in the region in a way that will guarantee regional stability, specifically through a nuclear security arrangement that will ultimately regulate nuclear weapons.

It is important to examine possible nuclear security arrangements in the region not only because of Iran and military nuclear threats, but also because the spread of civilian nuclear programs will entail other nuclear dangers and all states have a common interest in dealing properly with these.

Among these are nuclear risks including: a wartime attack on a nuclear reactor; safety concerns regarding nuclear power; unsafe disposal of nuclear waste; a catastrophe involving a meltdown or atomic pollution; security breaches to nuclear materials safeguards; nuclear terrorism; domestic instability threatening the security of nuclear facilities; and military use of radioactive waste during armed conflict.

Most of these problems have already been addressed in the Middle East, even though few small nuclear reactors currently exist in the region. Two bombings of Middle Eastern nuclear facilities occurred during the 1980s – Israel heavily damaged Iraq's Osirak reactor in 1981 and Iraq repeatedly attacked the Bushehr reactor during the Iran-Iraq war. In the Algerian case, legitimate concerns over safeguarding reactors exist due to internal instability, while concerns have been raised about the possibility of nuclear leaks from Israel's Dimona reactor. Gulf countries, including Kuwait, frequently express anxiety over the potential for an accident, caused by either military or civilian materials, at Bushehr. Tensions would undoubtedly escalate with an increase in nuclear reactors in the region.

Ultimately, the dangers posed by nuclear capabilities proliferation can push countries toward mutual understanding, establishing the framework for a cooperative regional security arrangement. The agreement between Pakistan and India not to target nuclear reactors in the event of armed conflict is an example of this model in practice. Regional arrangements may include varying levels of understandings among subsets of members to deal with specific issues such as nuclear materials, waste, disasters, or armament.

In any case, whether the development of nuclear programs in the Middle East leads to additional tensions or serves an impetus for cooperative frameworks, the region is most likely headed toward the nuclear threshold, which will irrevocably change the current map. This will have serious strategic repercussions, regardless of how the Iranian nuclear crisis develops. ■

Resolving the Syrian Question

Why and How to Engage

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THE RECENT THAW IN SYRIAN-EUROPEAN RELATIONS gives rise to an important question: Could tensions also ease between Syria and the United States under the coming American administration? Improvements in Syrian-European relations are indeed indicators of the possibility of a similar development in U.S.-Syria relations.

France took the lead in Europe's diplomatic opening with President Nicolas Sarkozy's invitation to Syrian President Bashar al-Assad to attend a summit held July 13, 2008 in Paris, the day after the anniversary of the French Revolution, to launch the "Union for the Mediterranean." Sarkozy's token of friendship comes as a deviation from typical relations between the states, following an era dominated by mutually escalating suspicions. Yet the move is only a small step toward normalization of Syrian-Western relations. Syria took steps toward a rapprochement by pursuing Turkish-moderated indirect negotiations with Israel, a move applauded by U.S. and European officials upon its announcement. Other early indicators include the successful June 19, 2008 Israel-Hamas truce in Gaza and the May 2008 resolution of the Lebanese presidential crisis at the Lebanese national dialogue conference held in Doha, Qatar. Precipitated by significant readjustments in Syrian foreign policy, these developments signal a reorientation in relations with the West.

Strong incentives exist to reconsider traditional policies in both the Syrian administration and the incoming U.S. administration. On the American side, the current Bush administration's hardliner policy has failed to bend the Syrian regime on major

regional issues such as Iran, Lebanon, Hezbollah and Hamas. Though these failures did not come at much cost to the United States, neither did they yield significant gains for Syria. On the Syrian side, the potential benefits of normalizing relations with the West, the United States in particular, are numerous, the foremost being perpetuation of the existing regime. Also important to Syria is the preservation of Syrian influence in Lebanon, and negotiations with Israel regarding the return of the Golan Heights. To achieve these ends, the need for Syrian concessions is also evident. Syria must express readiness to scale back relations with Iran, and facilitate or at least refrain from interfering with the establishment of internal consensus in Lebanon, and reduce Syrian support for Hezbollah and Hamas.

The Bush administration's hardliner policy has failed to bend the Syrian regime on major regional issues such as Iran, Lebanon, Hezbollah and Hamas.

European policies that exhibit openness to Syria, however, do not equate to indicators of potential changes in U.S. policy toward an isolationist Syria. The European incentive, rather, is to build pressure on Iran to abandon its nuclear ambitions. This tactic requires a two-pronged approach. One is a restructuring of Middle East politics; the other interdependent factor is a renovation of European Union policy in the region. New E.U. policy relies on the hope that Syria can be returned to the ranks of the West, denying Iran an axis that stretches from Tehran to the Mediterranean through Syria, Lebanon and Palestine. European hopes are to regain a pivotal Syrian alliance through weakening Iran, while preventing Syria from attaining status as a team player with influential Western powers. The United States, prone to a similar approach, may use the E.U.-Syria opening as an entrée to establishing a diplomatic presence in Iran.

Achieving stable Syrian-Western relations will require a confidence-building period, as a necessary step toward opening rational dialogue rather than confronting differences with threats and military confrontations. Even given such a development, the cessation of disagreements between Syria and the United States, or Tehran and Washington, remains uncertain.

U.S. Preconditions

Deterioration of current U.S.-Syria relations is not the result of poor U.S. assessments of Syrian behavior, which would have made effective adjustments to U.S. policy difficult to implement. The fallout, rather, resulted from a limited set of American political choices beginning with the 2003 occupation of Iraq. Also, talk of the Syrian regime becoming the next target in the U.S. campaign to "discipline" Arab rulers and

Washington's labeling of Hezbollah in Lebanon and Hamas in Palestine as terrorist movements contributed to Syrian estrangement.

Bilateral efforts will be required to amend root causes of the U.S.-Syria confrontation and rebuild normal relations between the states. A departure from the current Bush administration's Middle East policy is a necessary step to achieve a normalized relationship. Syria must in turn rebalance its foreign policy objectives, a difficult feat as fear of Western pressure drives policy-makers to the contrary response. A product of that fear, the Syrian-Iranian strategic axis places a real challenge before Washington and its allies, increasing fears of destabilizing an already volatile region. This fear has already caused U.S. intervention in the region under the Bush administration, and motivated the formation of the Iranian-Syrian alliance and its associated connections to Hezbollah and Hamas, in turn fostering an atmosphere resembling a regional Cold War.

A U.S. retreat from current policy is a necessary precondition for a regional détente. U.S. foreign policy continues to fail in Iraq, Syria, Palestine, Lebanon and Afghanistan; the current U.S. administration does not appear capable of galvanizing a new strategy. Effective change will require more than a retreat from aggressive, pre-emptive neoconservative policy, especially if a Republican administration enters the White House in 2009. Washington must acknowledge the role of foreign interference in aggravating regional conflicts and confront the challenge of finding viable solutions. The Palestinian-Israeli conflict lies at the heart of the regional instability, yet U.S.-backed peace initiatives come at Palestinian and Arab expense. American policy must retreat from coercive imposition of U.S.-Israeli interests to negotiate a just settlement with the Arabs, guaranteeing basic rights for all parties.

Achieving stable Syrian-American relations will require a confidence-building period as a necessary step toward opening rational dialogue rather than confrontation.

Fair settlement requires a change of course from the archaic strategy of compartmentalization – which means working separately to solve the region crisis – a tactic which has only deepened disputes, guiding U.S. policy since its implementation by Henry Kissinger. The new administration should instead pursue a plan of "comprehensive rapprochement," involving all parties in dialogue on occupation, regional security, development and democratic transformation together without ignoring one at the expense of the others.

Regional détente can be achieved only through U.S. policy based on multilateral pursuit of a comprehensive solution. Such negotiations are in the best interest of the

European Union, United States and Syria, which has a fundamental interest in the return of the Golan Heights and economic development in tandem with the Arab world. Current U.S. policy has deepened the crises and impeded democratic reform rather than advancing relations with Damascus, Tehran or contentious radical forces in the region.

Syrian Preconditions

Syria, a pivotal state in engendering the necessary regional preconditions for an effective peace settlement, heavily influences regional political climate and holds keys to encouraging more moderate American and European policies.

Despite its acknowledgment of Washington's pivotal role in settlement negotiations and statements of willingness to cooperate, Syria's *modus operandi* is the source of friction vis-à-vis both its allies and opponents. Effective Syrian foreign policy should rely on internationally accepted political tactics within the current balance of power rather than on misgivings toward the West. Such a shift will earn the Syrian regime the credibility it lacks, building popular trust and improving pan-Arab, regional and international relationships. Abandoning its isolationist attitude and condemnable actions, Syria may regain international respect as a legitimate regime willing to engage in rational negotiations. Without such a change of direction, Syria risks embroiling itself in regional and international conflicts, thus depriving it of the benefits of Arab solidarity, a movement whose cohesion Syria, as a leading Arab state, is responsible for promoting.

In this vein, the Syrian regime must distance itself from its victim complex and equivocal attitude. Repeated equivocation bred distrust for Syrian policies, leading international actors to approach the regime with negative preconceptions. While such impressions may have been based on circumstantial evidence, they are frequently reinforced by Syrian behavior, a recent example being the Syrian treatment of the U.N. International Independent Investigation Commission (IIIC) of former Lebanese Prime Minister Rafik Hariri's assassination. Instead of refusing cooperation with all IIIC operations to eliminate skepticism regarding Syrian involvement in this crime, Syrian officials should have enlisted international cooperation to initiate a transparent internal investigation before the matter was ever brought to the Security Council. After the IIIC was mandated by the Security Council, the Syrian regime should have cooperated fully. Such transparency would have given the commission reason to approach the investigation with less suspicion, rather than working from the outset, as it has, under the assumption that Syrian security forces are entangled in the crime.

Adjustments must be made not to the goals of Syrian policy, rather to its imple-

mentation. The Syrian response to hostility from Washington should be based on a transformation of tactics to pursue Syrian interests without escalation of diplomatic tension. Through creative diplomacy, Syria could act as a regional leader in facilitating dialogue regarding block policies of military intervention, as well as political and economic strategy between international and Arab forces. For such a shift to be successful, Syria has to make the initial move on the wager that it can regain international confidence through demonstration of goodwill.

Damascus cannot escape its leading role in the Arab block; collective Arab action cannot occur without a Syrian investment. A shift away from the axis structure between Damascus and Tehran, which repels U.S.-allied Arab states, is necessary to restore regional cooperation. Syrian-Iranian rapprochement concurrently prevents the normalization of relations with Europe and the United States, making reconsideration of this relationship a necessary precondition for correcting Syrian relations with both the West and the Arab world.

The Syrian response to hostility from Washington should be based on a transformation of tactics to pursue Syrian interests without escalation of diplomatic tension.

This is not intended to mean Damascus must end its friendship with Tehran, rather that a Syrian-Iranian alliance should not substitute for close cooperation with Arab states and the West. Creative diplomacy and negotiation may allow Syria to make political gains in its Western and Arab relations as well as with Iran, possibly easing tensions between all parties. Through international cooperation, Damascus could renew relations with its Arab neighbors, and would undoubtedly benefit from resulting progress in pursuit of pan-Arab interests.

Until Damascus succeeds in winning the confidence and respect of the international community, which is the basis for successful foreign policy relying on peaceful means, it must commit to political solutions, negotiation and domestic legislation. Syrian diplomacy remains unconvincing and ineffective without legitimacy, thus building a positive international image must begin with mending the domestic policy structure. In addition to its ramifications abroad, internal reform signifies government sincerity in defending national interests.

Political reform means establishing the sovereignty of the Syrian people, their right to political participation via an unbiased multiparty system, and regular elections with respect for civil and political rights. Strengthening the roles and effectiveness of republican institutions would bolster popular confidence and enhance the legitimacy of the domestic government, exonerating the Syrian regime of charges of dictatorial rule

serving only limited group interests. Not only would this strengthen Syria's regional and international position, it would also embarrass those who advocate severing relations with the Syrian regime in the name of defending the Syrian people's right to political freedom.

Economics, the backbone of reform in modern societies, is a logical place to start. But the economy, before investments and statistical indicators, is a national, social and political issue. It is impossible to reform relying solely on economic instruments. Social preconditions for strengthening the middle class and opening prospects for a mobile business class, a necessity to generate jobs needed to absorb rising unemployment, must bolster popular confidence before implementation of economic adjustments.

Syrian-Iranian rapprochement concurrently prevents the normalization of relations with United States, making reconsideration of this relationship a necessary precondition for correcting Syrian relations with both the United States and the Arab world.

Yet such a reform presupposes agreement between the state and the public on key political issues. First, determining the nature of the system – should it be a republican presidential system or a parliamentary, socialist or democratic form of government? A one-party or multiparty state? Second, the state's role in the economy must be specified. How closely should the state monitor business? Should it govern commerce closely, adopt a liberal hands-off approach, attempt to guide investors under a social democratic framework, or control all economic sectors similar to the way it did under Soviet regimes?

Third, what is the state's role in politics? To what extent is authority independent of society, or, conversely, a contractual framework facilitating consultation between government and elements of society to achieve mutual goals essential?

Finally, what is the state's role in society? Should it proselytize specific doctrines? Or, is the state responsible for providing education, preserving freedom of opinion and unlocking intellectual talents?

Social reform, like constitutional reform, is necessary to redefining state structure. Syrian reform must take hold by altering the state role via popular resolution, and renewing the foundations upon which civil and familial structures stand. Given that internal reform is a prerequisite for a balanced foreign policy, it is the duty of the international community to support the Syrian regime in its efforts to accomplish this reform. The correction of U.S.-Syria relations and U.S.-Arab relations are therefore inseparable – neither can occur without the other, and successful rapprochement will require sustained effort from all parties. ■


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Greasing the Presses

Money and Journalism in Egypt

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WITH THE GROWTH OF PRIVATIZATION in all areas of Egyptian society, it is no surprise that private capital has become prominent in Egyptian media in recent years. Whether through providing funds, owning new private newspapers, buying existing papers or editorial advertisements in national and political party papers, the presence of the private sector can be felt throughout the Egyptian press. The pressure exerted on the press by private capital now rivals that of the state. This article discusses determining factors governing the business-controlled press in Egypt by focusing on the economic and political context in which this press appeared, the legal framework governing press laws, the Egyptian society's reactions to this type of journalism, and what the future holds for journalism in Egypt.

The Economic Context: Corporate Journalism is the Product of an Era

As the Egyptian society continues to liberalize it brings about privately owned newspapers for the second time in Egypt's recent history. Contrary to the common perception that major Egyptian media organizations originated from the state, most state-run organizations were created by private enterprises. What Egyptians call the "national" (state-controlled) newspapers (*Al-Ahram*, *Al-Akhbar*, *Al-Gomhouria*), originated from individual initiatives, and in their early days enjoyed greater success, popularity, and credibility than they do today as state owned ventures. *Al-Ahram* was founded in 1875 by the Tekla family, *Rose al-Yousef* was established by the journalist Fatma Yousef

and her son Ihsan Abdel Qaddous. *Akhbar el-Youm* was begun by two brothers, Ali and Mustafa Amen, and the Dar al-Hilal publishing corporation was started by Jorge Zidan. However, these early private newspapers became state-owned in 1960, when a press law was instituted nationalizing the Egyptian press. Later the national press was put under the control of the ruling political party "Socialist Union," and eventually oversight moved to the Shura Council, the upper house of Parliament, which remains the press' governing body today.

The Legal Framework

Initially, Egyptian private journalism was governed by law # 148/1980, which allowed corporations to form and publish newspapers. Three joint-stock publishing corporations resulted: Dar al-Horiya, which has yet to publish a newspaper, Al-Maydan, which manages the newspaper of the same name, and Al-Naba' al-Watani Inc., owner of *Al-Naba'*. For a period of time, this law was amended to require Cabinet approval for the establishment of publishing companies. Nonetheless during this time, two more publications, the newspaper *Al-Zaman* and the monthly magazine *Al-Kotob wa-Waghat Nazar*, were founded. Subsequently an Egyptian Supreme Court ruling declared the prerequisite of Cabinet approval to be unconstitutional, and once again approval was required only from the Higher Council of Journalism.[1]

The new generation of private Egyptian newspapers came in the wake of Law 96/1996. Article 52 of the law delineated the permissible forms of newspaper ownership in accordance with existing regulations on political party ownership, private and public legal entities. Newspapers published by legal entities were required to take the form of cooperatives or joint-stock corporations, and in both cases all the stock had to be owned by Egyptians alone. Publishing companies furthermore were obligated to deposit their own capital in an Egyptian bank before commencing operations. The law required that a company's capital be no less than one million Egyptian pounds for daily newspapers, 250,000 pounds for weekly papers, and 100,000 pounds for monthly publications. The law also required that an individual and his relatives own no more than 10 percent of the company. Under this law, *Al-Usbou', Saut al-Umma, Al-Masri al-Yaum, Al-Fagr, Al-Gamahir*, and *Al-Dustour* all were published for the first time.[2]

1 Ossam al-Islambouli, "The Legal and Real-world Situations for the Newspapers of the Parties, Companies, and Foreign Licenses," paper presented to the Fourth Congress of Journalists, "Towards Reforming the Situation of Journalism and Journalists," Cairo, February 23-25, 2004.

2 Khaled al-Sargany, "The Private Press in Egypt and the Limitations of Reality" in *Ahwal Misriya*, Al-Ahram Center for Political and Strategic Studies, Cairo, vol. 36, Spring 2007, 57-59.

Interestingly, the Journalists' Syndicate Law bans overlap between owning newspapers and journalistic work, as reflected in the Press Law (96/1996), which stipulated that journalists could not own stock in companies that publish newspapers. This could prove problematic in the future, especially if the national print media institutions were privatized. Journalists working within them would consequently be forbidden from buying stock. The law also restricts the freedom of journalists to found private newspapers.

Widespread Debate

The influence of business on the press has not produced a unified or coherent response from the public. Rather two different opinions have emerged. The first opinion argues that, in light of recent changes in the Egyptian economy, corporate ownership of newspapers is a natural epiphenomenon of the private sector's growing share of GDP.[3]

The general trend in privatization of all industries precipitated the privatization of the media. The business climate of the time allowed private media to buy and sell shares in media companies without the hindrance of government restrictions or party pressure. Proponents of this viewpoint argue that the fear of business-owned newspapers was a product of 1960s, and does not suit the 21st century mentality. They dismiss fears over the privatization of the media, pointing to major international newspaper organizations partly owned by businessmen that have retained their intellectual and political freedom as well as their professionalism. The second opinion, comprised of many sectors of Egyptian society, view the privatization of the press in a negative light.[4] Opponents of privatization are concerned that the urge and ability to use press outlets to promote private industry will undermine corporate transparency and honest reporting. While this is a reasonable concern over the effect of privatization on the press, the average Egyptian holds this view, based on decades worth of stereotypes of businessmen as self-interested, greed, conmen promulgated by press.

Between Liberalism and Serving Businesses' Interests

Until the recent reemergence of a robust private press in Egypt, print media was dominated by the semi-official national press and opposition group publications. The former reflexively defend government policies, and in doing so have forfeited their credibility with the jaded public. Ironically, opposition publications have suffered a

3 Abdel Muniam Said, "Reform by the Sector and Wholesale," *Nahdet Misr,* Cairo, December 7, 2003.
4 Talat al-Maghrebi, "Businessmen's Image," in *Ahwal Misriya*, Al-Ahram Center for Political and Strategic Studies, Cairo, vol. 4, Spring 1999, 104.

similar fate, since they predictably and unrelentingly oppose any state policy. Thus the new wave of private newspapers have benefited from this dynamic by providing a comparatively unbiased view of the government. Unsurprisingly, these papers developed a broad readership relatively quickly posing a genuine threat to both the national and opposition press. The new private papers ultimately reshaped society's interaction with Egypt's leaders – both those in power, and those aspiring to unseat them – by breaking the oligopoly that official and opposition publications held, and allowing an intellectual trajectory that is neither simply pro- nor anti-state.

Private newspapers have reinvigorated debate about domestic concerns like average quality of life and the state of Egyptian civil society, as opposed to traditionally dominant foreign policy issues.

Furthermore, private newspapers have reinvigorated debate about domestic concerns like average quality of life and the state of Egyptian civil society, as opposed to traditionally dominant foreign policy issues. Notably, some journalists and editors have risen to national prominence writing for private papers, having left their previous posts at both national and opposition papers.

None of this is to say that the current wave of private media in Egypt will proceed unhindered. Their foremost obstacle is the influence of business interests on papers' editorial biases. Trade or advocacy publications are a natural extension of a free press in even liberal societies, however for these publications to masquerade as objective reporting outlets compromises their readers' ability to discern fact from opinion. While there is nothing wrong with a publication maintaining a specific bias, when the press becomes a tool for defending narrow self-interests or for managing conflicts among competing business interests, rather than simply expressing specific economic, social, and political interests, the integrity of the media comes into question. Another factor mitigating the value of the private press to the average Egyptian is the heavy use of editorial advertising; that is paid editorials that advocate a particular business interest. Though these are common in the national press as well, the close ties between private papers and business concerns have allowed them to proliferate.

Many journalists work and write in a pro-government paper in the morning, then in the evening go work for a private paper – even one opposed to government policies they championed in the morning.

Another critical issue facing the private press is the level of professionalism within the field of journalism. Due to a dearth of qualified independent journalists the private press relies heavily on journalists from within the longstanding national press,

especially the ones closest to the government, such as *Al-Ahram*, *Al-Akhbar*, and *Al-Gomhouria*. This phenomenon has earned the label "journalists with two pens" or "taxi driver journalists," since they are individuals who are solely concerned with making a living.

Between Expressing Liberal Development and Aiding Foreign Infiltration

The launch of private newspapers, *Nahdet Misr* and *Al-Masri al-Yaum*, was accompanied by an alarmist campaign in mainstream media. Traditional journalists questioned the intentions of these newspapers, noting that their establishment coincided with escalating foreign pressure for Egyptian political reform. Conspiracy-minded cultural commentators pointed to the U.S.-Middle East Partnership Initiative, which included funding for reform-oriented Arabic-language newspapers and satellite television stations in order to bolster regional democracy.[5] These commentators held that publications emerging on the heels of such programs should be considered likely instruments of U.S. designs for Egypt and its Arab neighbors.[6]

Advocates of this conspiracy theory have called the new papers' editors "Arab neo-conservatives" and proponents of "the American trend within the Egyptian elite."[7] Egyptians who believe this conspiracy theory hold that the media should be purged of such private newspapers, because their ultimate goal is to make Egypt a U.S. proxy in the region.[8] Notably, many Egyptians consider the liberal private papers to be preachers of defeatism and surrender to the United States.[9]

Of course, such conspiracies are too simple a framework to adequately explain the new wave of private newspapers flowing over the Arab world. But conspiracies have been put forward to explain countless modern phenomena in the Arab world, not only regarding trends in journalism. Ironically many Arabs readily accept conspiracies as fact precisely because the Arab press is so unreliable. Ultimately, however, other factors better explain the emergence of liberal trends in private publications. Most importantly, the porosity and penetrability of Egypt's intellectual milieu played the biggest role in the shift.[10]

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5 Moataz Salama, "Political Reform: American Policy and Arab Responses," in the Strategic Papers series, Al-Ahram Center for Political and Strategic Studies, vol. 153, 2005.

6 See for example Fahmy Huweidi, "Year of Infiltration," *Al-Ahram*, Cairo, December 28, 2004.

7 See Nabil Zaki, "The Arab Neo-Conservatives," *Al-Wafd*, January 5, 2004; Mohammed Abdel Hakim Diab, "Egyptian Neo-Liberals and their Zionist-American Enterprise: The Goal of Change," *Al-Quds al-Arabi*, London, August 22, 2004.

8 Also see Al-Sayyid Yassin, "Political Reform the American Way," *Al-Ahram*, Cairo, October 1, 2004.

9 Magdi Shandy, "The Neo-Liberals," *Al-Usbou'*, December 6, 2004.

10 Mohammed Abdel Salam, "School of Schemes in Egypt," *Nahdet Misr*, November 5, 2003; Abdel Muniam Said, "The Infiltration that did not happen," Nahdet Misr, Cairo, April 21, 2004.

Although, Western influence has been an important factor in shaping the editorial stance of private publications, it is not the sole motivator. The absence of reform in the Arab world, seemingly unrivaled among developed states, made it vulnerable to pressure and hypocritical criticism from abroad: the United States, Europe, and both NGOs and IGOs. The U.S. drive for democracy in the Arab world post Sept. 11, 2001 was also an influence despite the fact that the United States' credibility as an advocate of reform was doubtful at the beginning due to past U.S. policy favoring stable dictatorships over promoting reform.[11] At the same time, internal dissent also played a role, causing both internal and external influences on editorial stances.

Conspiracy-minded commentators pointed out that the United States is funding reform-oriented Arabic-language newspapers and satellite television stations in order to bolster regional hegemony.

Even with U.S. influence, the role that the new private press could theoretically play in changing the image of the United States in Egypt and elsewhere in the Arab world is extremely limited, making it even less likely that foreign powers are pulling the editorial strings. The high levels of illiteracy (to say nothing of cultural illiteracy) in Egyptian society, and the drop in newspaper circulation figures, even amongst educated Egyptians, makes the power of the written word largely insignificant in influencing public opinion.

Also the declining approval ratings of the United States in Egypt and other Arab countries is due to American policies in the region, as affirmed by numerous opinion polls run by American and Arab think-tanks and academic institutions. Therefore, the ability of any private newspaper – regardless of its performance and circulation numbers – to change public opinion will remain limited. Changes in the image and approval ratings of the United States are directly tied to American policies in the Middle East.[12] It is doubtful that public opinion of the United States will dramatically shift in the near future, despite the U.S. public diplomacy push in the region and the creation of various media outlets such as, Radio Sawa, *Hi* magazine (which ceased publication in 2005), and Al-Hurra TV, in addition to Arabic-language versions of *Newsweek* and *Foreign Policy* magazines. Nonetheless, the influence of this media is still almost negligible, and the sensitivity of public opinion in Egypt and the Arab world is much greater toward change in U.S. policy itself than it is towards what the press and media

11 Hassanein Tawfiq Ibrahim, "The US and the Issue of Democracy in the Arab World," in the Strategic Papers series, Al-Ahram Center for Political and Strategic Studies, vol. 130, 2003.

12 Khaled al-Sargany, "The American Infiltration of Journalism…a Reading in the Cultural Scene," Islam Online, November 15, 2003.

say about U.S. policy.

The recently emerged liberal newspapers in Egypt like *Al-Masri al-Yaum* and *Nahdet Misr* should not be seen as part of the American propaganda machine. Rather, these newspapers are an expression of a liberal trend that is alive within Egyptian society, despite its weakness and retreat during recent years. Liberalism in Egypt never died; rather it periodically waxed and waned throughout the 20th century.[13] In this vein, the privately owned *Nahdet Misr* came along to revive the liberal ideology of the past with a vision for the future or as its slogan suggests, "Liberalism is our path to the future."

Liberalism in Egypt

The decline of liberals' influence in Egypt can be attributed to relentless attacks in the media, whether from Salafists accusing liberals of being unbelievers, nationalists labeling them traitors, or leftists who still see liberalism as synonymous with cultural dependency on the West. Furthermore, one cannot separate the suspicion with which many Egyptians view the liberal current from the historical connection between liberalism and Western colonial expansion. More immediately there is the link between present American calls for reform and the occupation of Iraq, which gives liberalism a detrimental connection with American policies. Finally, liberalism in Egyptian minds is also associated with moral decay.[14]

The problems of liberalism are not only foreign. On the domestic level, the views described as liberal are often no more than intellectuals offering their own scattered views on politics, economics, culture, and ideology, through the lens of various topics such as democracy, holding competitive elections, respecting human rights, strengthening civil society, empowering women, and defining citizenship. "Liberal" policies that have been enacted in Egypt since the 1990s have little in common with true liberalism. Even now, liberal policies are concentrated in the economic realm, while liberalism elsewhere is simply left to follow. This gives an impression of liberalism as an economic system seeking to protect the interests of certain classes, not a philosophy aiming for a comprehensive renaissance in society.[15]

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13 Mona Makram Obeid, "The Liberal Trend in Egypt ... a Needed Awakening," *Al-Hayat*, London, October 9, 2004.

14 In this regard, see: Hala Mustafa, "Lost Arab Liberalism," *al-Dimuqratiya*, Al-Ahram Foundation, Cairo, Vol. 10, Spring 2003, p. 5; Wahid Abdel Magid, *Patriotism and Political Excommunication ... the Beginning and End of the 20th Century in Egypt* (Cairo: Al-Ahram Center for Political and Strategic Studies, 1999), 11.

15 Gamal Abdel Gawad, "The Liberal Trend in Egypt at the Dawn of a New Century," in *Alaa Abu Zeid*, ed., Modern Egyptian Political Thought, Acts of the 15th Annual Conference for Political Research, February 16-18, 2002.

Major Private Newspapers in Egypt

Newspaper	First Published	Parent Company	Chairman of the Board
Al-Maydan	March 16, 1995	Al-Maydan, Inc.	Mahmoud Al-Shennawi
Al-Naha'	March 26, 1996	Al-Naba' al-Watani, Inc.	Hatem Mahran
El-Ushou'	Jan. 20, 1997	Al-Usbou' for Journalism, Inc.	Mustafa Bakri
Saut al-Umma	Dec. 6, 2002	Dar Saut al-Umma	Ossam Ismail Fahmy
Nahdet Misr	Oct. 22, 2003	Good News International	Emad al-Din Adeeb
Al-Masri al-Yaum	June 19, 2004	Al-Masri for Journalism, Printing and Publishing, Inc.	Kamel Tawfiq Diab
Al-Gamahir	July 11, 2004	Saut al-Gamahir, Inc.	Moataz al-Shazli
Al-Dustour	March 23, 2005	Al-Dustour, Inc.	Ossam Ismail Fahmy
El-Fagr	June 3, 2005	Al-Fagr for Printing and Publishing, Inc.	Nasif Wahib Qazman
Al-Karama	Oct. 12, 2005	Dar al-Karama for Journalism	Mahmoud Magdi al-Muasarawi
El-Badeel	Aug. 18, 2007	Progress Company for Journalism, Media and Advertising	Adil al-Mashd

Moreover, liberal economic reforms are taking place through agreements concluded by the state with international financing institutions and donor countries. Therefore liberal economic policies appear to be imposed from abroad, begetting the popular view of liberalism as a "disreputable idea." As if this were not enough, the liberal political parties are disorganized, with prominent internal divisions, and are not prepared to draft a coherent liberal platform.

In light of how liberalism is viewed in Egypt, it is not hard to see why both the public and political segments of Egypt hold negative attitudes towards private, liberal-leaning newspapers. It also explains the quick success these papers achieved within the liberal segment of Egyptian society.

Conclusion

The trend toward privatization of the press raises a number of important questions about the controversial relationship between business interests and private newspapers, corruption, foreign influence and the overall state of Egyptian journalism.

Egypt's new private newspapers warrant more analytic criticism and a more precise study, especially given the vast variety of management styles and political viewpoints they possess. While some fear the influence that private interests have on the press, privatization and economic forces do not translate directly to a lack of professionalism, autonomy and integrity. Given the diverse role the media plays in politics, culture, and society, it is particularly difficult to navigate the complexities governing the relationship among the media, reform and finances. As many Egyptian newspapers face financial hardship and need a substantial influx of private capital, it has become increasingly important to examine and clarify the relationship between business interests and the media. ■

Social and Political Change

In the Wake of the Oil Boom

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OIL IS AMONG THE MOST IMPORTANT INFLUENCES on political, economic, social and cultural development in Gulf Cooperation Council (GCC) countries. In 2005, GCC countries accounted for 22 percent of worldwide oil production and possessed about 40 percent of global proven oil reserves. Furthermore, four GCC countries (Saudi Arabia, Qatar, Kuwait and the U.A.E.) are members of the Organization of the Petroleum Exporting Countries (OPEC). Oil continues to comprise these states' leading source of revenue. As the primary engine for economic growth, the booming oil sector enabled major developments in GCC infrastructure, education, health and housing over the past 10 years. Despite recent trends toward alternative energy, most studies indicate that oil will remain the primary global energy source in upcoming decades, and that oil-producing Arab countries, especially the GCC and Iran, are most capable of fulfilling the anticipated increase in global demand for oil in the foreseeable future.[1]

Oil also exposes the Gulf region to the ramifications of international conflicts. A pivotal factor in most recent regional wars, the oil dynamic places Gulf countries on the frontlines of international affairs.

Aware of the benefits of economic diversification, GCC countries have made concerted efforts to achieve economic growth outside the oil sector, with varying

1 Bassam Fattouh, "The GCC Oil Sector Market Developments," *Gulf Yearbook 2006-2007,* Christian Koch and Hassanain Tawfiq Ibrahim, eds. (Dubai: Gulf Research Center, 2007), 135-136.

results. Regardless, oil remains the primary player in GCC economies. The Iraq war triggered the current boom, characterized by an unprecedented spike in oil prices surpassing $140 per barrel. Excess oil revenue solidifies its position as a prominent economic factor in the GCC, and increases GCC influence in regional and international politics.

This article examines the current oil boom's political and social impacts on the GCC in the following areas:

- Implications for state-society relations in the Gulf
- Impediments and catalysts to political reform
- Effects on civil society in the Gulf
- Changing dynamics of foreign relations, as U.S. political and military regional presence expands, and oil demand in China and India soars

Several points must be taken into consideration in establishing a framework for this discussion:

1. Despite the abundance of writings about the ongoing oil boom, most articles focus primarily on the causes of rising prices, estimating revenue gain and the economic consequences for oil-producing countries. Political, social and cultural impacts are rarely examined. This article seeks to measure the oil revenues' impact on these areas in GCC countries, considering economic, political and security interdependence in the Gulf.

2. The current boom coincided with the installation of reformist GCC heads of state, except in the Sultanate of Oman. In Qatar, turnover occurred through a bloodless 1995 coup, while in Bahrain, Saudi Arabia, the U.A.E. and Kuwait transfers of power were precipitated by a predecessor's death. Approaches to reform varied, but all were characterized by top down political reform designed by the ruling elites, with economic and educational components.

3. Following the implementation of GCC modernization programs, today's boom is shaped by their repercussions. Rising tensions and instability in the Gulf push oil prices upward, while Iraq faces all-too-familiar security, economic, political and social crises, and the region falls at the vortex of regional and international power struggles. The Iranian nuclear question leaves the potential of war looming in the background. Finally, regional countries suffer from

acts of terrorism at varying degrees as well as ethnic, religious and sectarian conflict. All of this makes the question of energy security one of the central issues, both in the Gulf and at the global level.

Resurgence of the Rentier State in a Different Context

"Rentier states" rely on external sources for a sizeable portion (often set at 40 percent) of net income. The name derives from the perception that this process is equivalent to "economic rent," encompassing such external sources as export products like oil, as well as tourism and foreign aid. The rentier state fundamentally depends on external sources of income rather than building local economies. Gulf oil exporters constitute prime examples of this phenomenon, as oil profits from the global market comprise their major source of revenue.[2]

Ruling authorities in rentier states manage wealth by receiving economic rent, such as oil revenue, and distributing it through public spending programs. The Gulf countries adopted ambitious social welfare programs during the 1970s and early 1980s, offering their citizens services at no or little charge. This earned them the description "allocation states" or "welfare states," which rely most heavily on spending policy, as opposed to "production states," which manufacture finished goods.[3]

The demographic imbalance is one of the biggest challenges facing the GCC today. Unemployment resulted from expansion of education with no regard for linking educational institutions' output with the labor market's needs.

Rentier states have been under severe stress since the mid-1980s due to several factors, including: (1) dropping oil prices, which remained at historically low levels until 2003, and (2) growing financial strain on the GCC states from the Iraqi invasion of Kuwait, as well as from increasing expenditures on arms, security and defense. Iraq's occupation of Kuwait and its ramifications exposed the Gulf states' vulnerability. Limited revenue from low oil prices imposed steep financial burdens, leading GCC countries to pursue a variety of solutions: liquidating assets held abroad, lowering public spending, setting fees for previously gratuitous goods and services, and borrowing from national and international financial institutions, privatizing domestic industries among them. Despite these efforts, economic

2 Hazem Beblawi, "The Rentier State in the Arab World," *The Rentier State*, Hazem Beblawi and Giacomo Luciani, eds. (New York: Croom Helm, 1987), Ch. 2.

3 Giacomo Luciani, "Allocation vs. Production States: A Theoretical framework," *The Rentier State*, Hazem Beblawi and Giacomo Luciani, eds. (New York: Croom Helm, 1987), Ch. 3.

turmoil and budget deficits continued.[4]

The current oil boom revived the Gulf rentier state phenomenon in a new cultural context. Economic, social and political modernization policies pursued by GCC countries in prior decades resulted in varying conditions. The millions of migrants drawn to the Gulf by social welfare programs created a new middle class, making up the backbone of civil society. The resulting demographic imbalance is one of the biggest challenges facing the GCC at present, especially in the U.A.E., Qatar and Kuwait. Furthermore, unemployment resulted from expansion of education with no regard for linking educational institutions' output with the labor market's needs. Reforms implemented in the early 1990s also restructured the regional political environment.

While oil prices skyrocket and government coffers overflow, the great irony of the second oil boom is that the standard of living still suffers from rising inflation.

Today's surging oil revenues solidify the divide between governing elites and the general population in the GCC. Boom revenues enable governing elites to settle long-standing economic imbalances, repay debts and finance measures to ease citizens' cost of living as inflation increases and Gulf currencies' purchasing power (tied to the dollar) declines. Such measures include increasing government salaries, government subsidies of products and services (such as fuel in Saudi Arabia or weddings in the U.A.E.), provision of free housing and home loans, increased pensions, welfare payments and public spending for services like education and health. The impact of inflation, however, continues to overshadow these measures, meaning little to no increase in real purchasing power for most of the population. While oil prices skyrocket and government coffers overflow, the great irony of the second oil boom is that the standard of living still suffers from rising inflation.

A return to old welfare policies is unimaginable for today's GCC states. Regimes, appearing to have absorbed the lessons of the first oil boom, are investing a portion of the current boom's windfall in diversifying revenue sources. This is evident in increasing purchases of foreign assets, industrialization projects in energy-intensive fields (such as petrochemicals, aluminum, iron, steel and cement), recently expanding stock market investments and real estate holdings, and the funding of projects in the service

4 Hassanain Tawfiq Ibrahim, *Al-Nuzum Al-Siyasiya Al-'Arabiya: Al-Ittijahat Al-Haditha fi Dirasatiha*, (Arab Political Regimes: Modern Trends in their Study) (Beirut: Center for Arab Unity Studies, 2005), 211. Giacomo Luciani, "Oil Rent, the Fiscal Crisis of the State, and Democratization," Democracy without Democrats? *The Renewal of Politics in the Muslim World*, Ghassan Salame, ed. (London: L.B. Tauris Publishers, 1994).

sector and tourism infrastructure.[5]

The Boom and Gulf Political Reform: An Incentive or a Handicap?

The first oil boom unquestionably resulted in impediments to GCC political reform. Increased returns reinforced government autonomy from the respective populations, and outside revenues buffered officials from political pressure, especially since external rent substantially weakened the traditional influence of the merchant class. The rent also relieved states' need for taxation; the result being an implicit social contract based on the principle "no taxation and no representation." Control over oil income distribution also enabled ruling elites to buy citizens' loyalty, resulting in economic and social rentier classes. Political and social development processes established by reformist governments were rendered ineffective, preventing social demands from crystallizing through political participation.[6]

Precipitous declines in external rent after the mid-1980s pushed Gulf countries into an economic crisis. Suddenly in need of revenue from taxation, many states turned to political reform. Regimes built popular legitimacy by adopting carefully controlled, "top-down" liberalization policies. A growing GCC middle class, and internal demands for reform, especially following the second Gulf war, influenced reform movements, as well as the growing communications revolution, global trends toward democratization and civil society, and the repercussions of Sept. 11, 2001.[7]

Political reform took on several forms in the Gulf, including:

- Issuing legal or de facto constitutions
- Holding regular elections
- Loosening constraints on civil society organizations
- Improving human rights
- Granting political rights to women
- Increasing freedom of opinion and expression

Full democratic transformation was inhibited by top-down reform implementa-

5 In *Gulf Yearbook 2006-2007*, Christian Koch and Hassanain Tawfiq Ibrahim, eds. (Dubai: Gulf Research Center, 2007).

6 Giacomo Luciani, "Resources, Revenues, and Authoritarianism in the Arab World: Beyond the Rentier State" in *Political Liberalization and Democratization in the Arab world*, Rex Brynen, Bahgat Korany, and Paal Noble, eds. (London: Lynne Rienner Publishers, 1998).

7 Vahan Zanoyan," *After the Oil Boom: The Holiday Ends in the Gulf*," Foreign Affairs 74, no.6 (November / December 1995); Hassanin Tawfiq Ibrahim, Political Reform in the Gulf Cooperation Council States (Dubai: Gulf Research Center, 2006).

tion, meaning that Gulf elites retained the majority of their previously held autonomy and none of these states transformed into true constitutional monarchies.[8]

The current oil boom, though it could conceivably increase chances of genuine democratic transformation, is likely to have, at best, a limited impact in this regard. First, the increase of resources at the disposal of the ruling elites means increased autonomy for the ruling regimes. Second, democratic transformation is tied to a number of factors other than economic comfort, including the nature of societal demand for political and democratic participation and the readiness of political leadership to bear its cost. These elements are either absent or low in all GCC countries with the possible exceptions of Kuwait and Bahrain. In addition to these factors, democratic transformations are propagated by the spread of democratic culture through civil society, which is fragile and underdeveloped in the Gulf and would require decades to take root in Arab societies. As security concerns are top priority for GCC countries, regional instability creates another significant impediment. The second oil boom will enhance the elites' ability to limit political liberalization from creating impediments to government autonomy. Revenue from the boom will also further insulate governments from popular pressure, since taxation is no longer necessary as a means of generating income. Reversal of political liberal reforms implemented since the mid-1990s, however, is extremely unlikely given its high political and social cost.

Control over oil income distribution also enabled ruling elites to buy citizens' loyalty, resulting in economic and social rentier classes.

Continuing State Control over the Economics and Civil Society

Clearly, the current oil boom will increase states' grasps on both the economy and civil society, increasing the likelihood of a re-emergence of rentier states. Despite the privatization trend among GCC governments, states remain the primary economic players, owning many major corporations. The GCC private sector, though it has grown and evolved, still lacks true autonomy from the state. Business instead remains dependent on government contracts, tax and customs exemptions, and other concessions. The second oil boom will only continue to increase the private sector's dependence on the state.

8 Anoushiravan Ehteshami, "Reform from Above: The Politics of Participation in the Oil Monarchies," *International Affairs* 79, no.1 (2003).

Modernization policies under the first oil boom shape the GCC middle class that currently constitutes the core of civil society, making the current oil boom an especially pivotal factor in influencing the development of civil society today. The first boom was followed by the emergence of women's organizations, professional syndicates, worker's unions and human rights advocacy groups. However, as oil contributed to changing social structures and the emerging civil society it also reinforced state autonomy. Governments strengthen this culture of reliance on the state through offering citizens free or highly subsidized services, in turn limiting incentive to participate in volunteerism and civil society activities.[9]

Despite the privatization trend among GCC governments, states remain the primary economic players, owning many major corporations.

Thus, the ramifications of today's oil boom indicate little likelihood of advancing liberal reforms. Legal, administrative and security restrictions, as well as financial support for civil society organizations, grant the state significant control over social development. Increasing structural problems including low participation and funding, bureaucratic oversight and internal disagreements limit GCC civil society associations' growth and influence.[10]

The Oil Boom and International Relations

Today's oil boom also plays an influential part in shaping the GCC role in the world, by:

1. Solidifying the status of GCC countries in global oil and financial markets, as they control most of the world's spare energy production. Saudi Arabia, for example, holds an influential position as the only producer able to control the market balance by exploiting its huge reserves.[11]

2. Drawing attention to energy security as an international concern. Possible threats to energy supply include terrorist attacks, a disruption of navigation in

9 See Hassanain Tawfiq Ibrahim, "al-mujtama' al-madani fi duwal majlis al-ta'aawun al-khaliji: nazra 'aama" ("Civil Society in the GCC Countries: A General Overview") in Majallat Araa' Hawl Al-Khalij, no. 37 (October 2007): 23-25.

10 Adnan Abdel Hai al-Qorashi et al, Al-Mujtama' Al-Madani fi Duwal Majlis Al-Ta'aawun Al-Khaliji: Mafahimuhu wa Mu'asasatahu wa Adwarahu Al-Muntazara (Civil Society in the GCC Countries: Its Concepts, Institutions, and Expected Roles), (Manama: Executive Office for the Council of Ministers of Labor and Social Affairs in the GCC Countries, 2006).

11 Bassam Fattouh, "The GCC Oil Sector Market Developments," Gulf Yearbook 2006-2007, Christian Koch and Hassanain Tawfiq Ibrahim, eds. (Dubai: Gulf Research Center, 2007): 135-136.

the Strait of Hormuz in the case of a war, and the possibility of Iranian strikes on GCC oil facilities to undercut the United States and its allies. Such threats make regional energy security a pressing issue for oil producers and consumers alike, precipitating peaceful nuclear energy initiatives in Gulf countries.

3. Increasing arms spending to counter regional threats such as instability in Iraq, Iranian nuclear ambitions, floundering American policies in the Middle East, and ongoing terrorist attacks. Lavish arms spending has not supplied GCC states with adequate security measures. In many cases, U.S. security guarantees provide the first line of defense for GCC countries. Active U.S. military presence in the region includes military facilities such as the U.S. Central Command forward base in Qatar and the Navy's Fifth Fleet headquarters in Bahrain.

4. Pushing GCC countries to pursue an "eastward-looking strategy," including closer ties to Asia as demand for Gulf oil in the region, led by China, India and Japan, increases. GCC countries continue to broaden their Asian investments with more diverse and lucrative opportunities, yet such economic ties have not translated into security arrangements. GCC countries also seek to strengthen security, economic, and political links to the EU. Despite new efforts to diversify international relationships though, GCC countries continue to depend on the U.S. economic and security arrangements for the foreseeable future. Though under heavy criticism for regional policies, the United States remains the leading international actor in the Gulf, and GCC countries carefully maintain close ties with Washington for economic, political, security and counterterrorism reasons.[12]

Conclusion

Though it is early to attempt an integrated analysis of the impact from the second oil boom on political and social conditions in GCC countries, it is likely that the boom will revitalize rentier states in the region, while tightening state control over the economy and civil society, and reinforcing ruling elites' ability to restrict political reforms.

12 In *Gulf Yearbook 2006-2007*, Christian Koch and Hassanain Tawfiq Ibrahim, eds. (Dubai: Gulf Research Center, 2007), Section 4.

Surging inflation, which coincides with spiking oil prices, will limit popular benefit from increased oil revenues at its current rates, thus countering nominal increases in income. Widening the GCC role on the international stage, the boom provides incentive for GCC states to diversify their foreign relations as energy security becomes a pivotal regional and global issue. ■

Egyptian Public Opinion

The Role of TV Satellite Stations

SOBHI ESSAILA

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INFORMATION MINISTERS FROM SEVERAL ARAB COUNTRIES, except those of Qatar and Lebanon, generated controversy with the February 2008 adoption of a charter designed to regulate satellite television and broadcasting in the region. The charter, titled "Principles for Regulating Satellite Television in the Arab World," drew questions from Arabs and abroad regarding government-imposed media regulations. Did the agreement signal a multilateral move toward curbing the rising influence of Arabic satellite channels on public opinion in the region? Were governments countering a perceived threat to political regimes and social structures by regulating channels of nationalist, radical and religious persuasions? Or did the agreement demonstrate government understanding of the real challenges in building public confidence behind state-owned media? The Egyptian information minister acknowledged his government's recognition of this complex phenomenon, telling *Al-Ahram* newspaper in an interview on March 1, 2008 that satellite channels control 80 percent of the viewers in the Arab world.[1]

Print, audio and visual media, both satellite and terrestrial, are all demonstrated factors in influencing regional public opinion on specific issues, and thus are often used to manipulate popular attitudes. Given that this holds true in both developed and developing countries, media regulation in varying degrees is a common gov-

1 Interview with the Minister of Information, *Al-Ahram* (Cairo), March 1, 2008.

ernment strategy. However, rapid growth of private-sector media in tandem with divergent ambitions within the industry, results in increasing constraints on government leverage.

72 percent of Egyptians depend on Egyptian TV as a primary source of political news. TV channels have the best shot at influencing the opinions of nearly 75 percent of Egyptians.

Arab countries traditionally resorted to direct media regulation; all media outlets were state-owned and served as important tools of social, political and economic control. Governments successfully concealed dissenting news and analyses from the public eye, and media became merely a mouthpiece for the regimes to broadcast their views. Lack of competition in combination with declining credibility pushed the competence of the Arab media industry into a downward spiral. Due in part to these two factors, audience confidence in state-owned media declined, and private sector endeavors achieved quick and easy success regardless of their content or professionalism. Advancements in the industry, such as satellite communications, therefore signified more significant losses for Arab states in the battle for public opinion than they did for developed countries, where state-monopolized media did not exist.

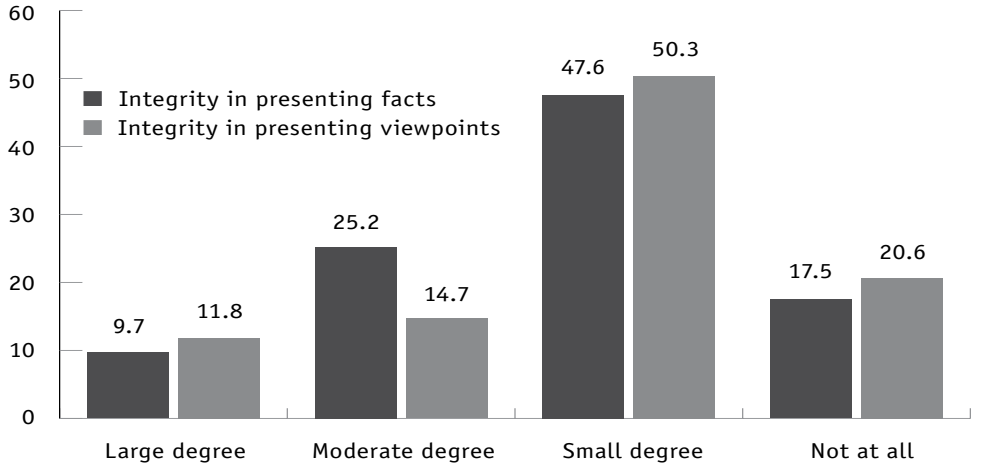
Received as a new attempt by Arab states to contain the drastic growth of non-governmental media, satellite channels in particular, the charter aims to reconsolidate state control of media-generated messages. Here, I interpret this controversial move by exploring a pivotal question: To what extent do satellite channels influence public opinion? I will focus on Egypt, given the centrality of Egyptian public opinion as an indicator of broader sentiments in the Arab world.

A few essential points to understanding the historical development of this phenomenon:

- *First*, the number of Arabic-language satellite channels has grown to exceed 400, controlling 80 percent of television viewership in the Arab world according to the Egyptian minister of information. Representing a steady increase over the past decade and a half, these numbers theoretically mean that the satellite channels wield four times the influence of state-run terrestrial channels. This number was derived without accounting for the satellite channels' higher credibility ratings among viewers.

- *Second*, a large percentage of Egyptians – 72 percent according to a 2005 field survey conducted by the Al-Ahram Center for Political and Strategic Studies –

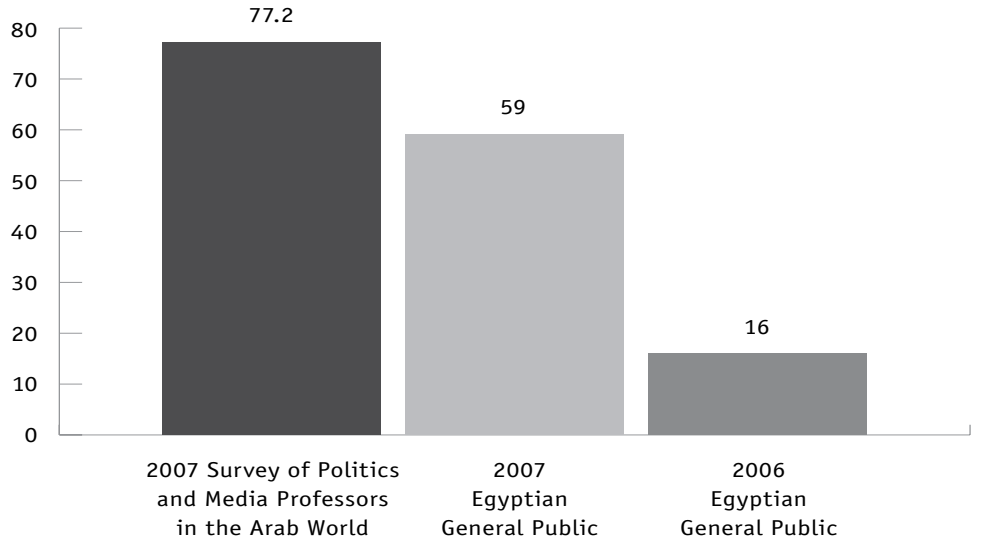
Figure 1:
Integrity in presenting facts and opposing viewpoints



still depend on Egyptian television as a primary source of political news. This means that television channels, as opposed to other media sources, have the best shot at influencing the opinions of nearly three quarters of Egyptians. Viewership of state-owned stations is also on the rise; a study conducted by the BBC and Reuters discovered that 72 percent of Egyptians view television news daily, and the viewership for Egyptian national stations nearly doubled between 2005 and 2007. This upsurge in government viewership is attributable to the fact that nearly a quarter of Egyptians lack access to satellite channels, as well as to the relative development of the news sector and Nile TV news station. Egyptian viewers' evaluations of their news sources reflect these elements. An opinion poll carried out by the Al-Ahram Center in 2007 indicates that 85.6 percent of Egyptians believe the government exhibits some degree of integrity in accurate presentation of facts, while 90.3 percent believe it possesses some degree of integrity in portraying variations of opinion (see Figure 1).

Despite relatively high ratings for state-owned networks, Egyptians increasingly prefer to get their news from the Qatari channel Al-Jazeera. While the 2005 Al-Ahram Center study found that only 16 percent of Egyptians and 22.5 percent of university students labeled Al-Jazeera their top preference, this rate grew to 59 percent by 2007 according to the BBC and Reuters survey. This would mean that as the percentage of Egyptians reached by satellite dishes grew, Al-Jazeera viewership nearly quadrupled in

Figure 2:
Egyptians' Preference for Al-Jazeera as a News Channel



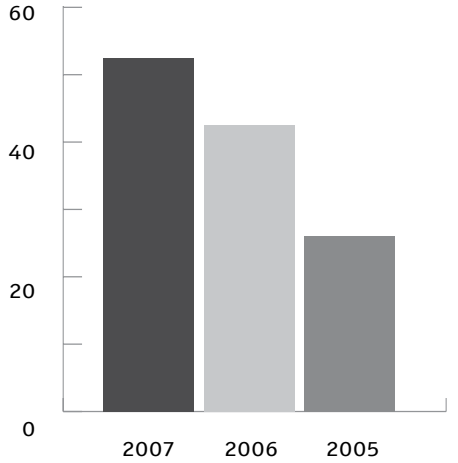
just two years. Furthermore, according to a 2007 Al-Jazeera sponsored questionnaire gauging Arab academic opinion on the network's professionalism, Al-Jazeera was by far the most watched channel. Seventy-seven point two percent of the survey sample gave it the top rating, a huge gap over the second-place channel (Al-Arabiyya), which in turn was 28 times more popular than the channel in third place.

Thus, it can be said that there is a steady increase in the number of Egyptians following the news, as reflected in the growing overlap between viewers of Egyptian television and Al-Jazeera.

Egyptian exposure to satellite channels is on the rise in the number of Egyptian-owned satellites and in terms of specialized channels. Owners of satellite channels provide their entertainment to customers via service providers' subscriptions to "links." Links transfer a specific group of satellite channels to their viewers. Government providers typically select these channels in accordance with their ideological leanings.[2] Increasingly specialized channels include news, religion, entertainment and sports networks. As seen in Figure 3, the number of Egyptians with access to satellite channels at home has more than doubled from 26.1 percent in 2005 to 52.5 percent in 2007. This system offers a broad range of channels, each specializing in a certain area,

2 The problem with using "links" as a way to provide channels to viewers is that individuals do not get to pick from all available channels. Instead, the service provider chooses which channels to provide. These channels usually include Al-Jazeera, Al-Naas, Al-Majd, music video channels and movie channels, and sometimes a channel with specific programs or movies.

Figure 3:
Egyptian Satellite Dish Ownership



confining viewer exposure to the set of networks selected by their provider. Furthermore, the government channels lacked the flexibility to acclimatize to the diversification trend. Private satellite channels, employing their extensive financial resources, won over the industry's most talented media personnel, hitting state-owned channels with even greater losses in credibility.

Despite positive ramifications from the spread of satellite channels in increasing media freedom and pushing political reform in the Arab world, their negative effects are both plentiful and dangerous. Satellite channels bring the offset of Western culture, frequently neglecting the values traditionally promoted by Arab societies. These satellite channels are unfiltered imitations of Western television, therefore not suited for unprepared Arab societies.[3] Furthermore, the yelling, quarreling and accusations promoted by the programming on these channels distort the audience's perception of the dialogue, as well as Arab and Islamic views on the concept of the "Other," in relation to Western culture and religions. They additionally allow sexual content considered taboo and contradictory to Arab customs. Most importantly, the proliferation of satellite channels creates a heightened tolerance for violence, promoting a "culture of violence," especially among young viewers.

Egyptians rely on television channels, both satellite and terrestrial, as significant sources of information and entertainment. The steady increase in satellite channels and in Egyptians' access to them is likely a combined result of increasingly specialized stations, developments in mass communications technology, and the dropping costs of encoded and general satellite dish options. Though there are no thorough studies to date, it appears that youths constitute the largest proportion of viewers. Possible explanations include increased levels of free time and education, causing heightened curiosity and an incentive to take advantage of new information offered by satellite

3 A 2004 study confirmed a relationship between the rising popularity of Arabic music videos and a rise in acceptance of Western values and patterns of behavior. There is also a relationship between economic and social classes and the eagerness to mimic the Western model promoted by the songs; the upper classes are more prone towards imitation, and men are more so than women. The study also found that there is an inverse relationship between age and the tendency to imitate these songs. (From *Ash-Sharq Al-Awsat*, June 11, 2004)

channels. Young people enjoy watching entertainment channels the most, simply because of their amusement factor. The religious channels serve as outlets for desperate and frustrated youth, implying that they are the largest viewership group and most heavily influenced by network content. Finally, the majority of Egyptian satellite news viewers choose Al-Jazeera, a strong indicator of the network's influence on Egyptian public opinion. As for entertainment channels, there has been no exhaustive study on viewer preferences, though research suggests that music video and movie channels receive the highest ratings.

How Might the Satellite Channels Affect Egyptian Viewers?

Media serves as a source of public information, influencing attitudes and opinion. Elizabeth Noelle-Neumann explains the relationship between media and opinion in her "spiral of silence" theory, arguing that media endorsement of certain views over a set period of time causes a shift in audience opinion in favor of those attitudes. Consequently, the public tends to perceive media propagated attitudes as majority opinion, especially those supported by television media, increasing incentive to conform to those attitudes and silence dissenters.

Despite some inconsistencies, the "spiral of silence" theory provides a generally applicable framework for an analysis of satellite channels' impact on public opinion, particularly among the youth Though satellite channels do not market themselves as unbiased news sources working to confront government-controlled media, viewer ratings continue to rise unabated.

The proliferation of satellite channels creates a heightened tolerance for violence, promoting a "culture of violence," especially among young viewers.

As viewership increases, audiences develop a sense of pride in the continually reinforced views perpetuated by satellite channels. Such intractability is reinforced by viewers' beginning to imagine themselves experts on topics shown on television. Satellite channels appear to offer an easy route to becoming an "intellectual," a dangerous shortcut for impressionable youth. Certain programs and channels, such as Al-Jazeera, are becoming trendy aspects of Arab youth culture.

A 2006 study of 400 young Arab men and women conducted by Mona Al Hadidi, a professor at Cairo University's College of Media, concluded that there is a positive relationship between political and general knowledge and exposure to satellite

television.[4] A telling conclusion, yet it should be noted that study subjects were a highly educated sample of students at the Arab League's Institute of Arab Research and Studies; presumably a group possessing above-average ability to filter and analyze information, as well as access other sources of information such as books, newspapers and magazines. This caveat implies that the correlation should be stronger among youth of lower education levels and economic status. A study examining the causes of the satellite television boom among Egyptian youth, conducted by the National Center for Social and Criminological Research in Egypt, found that higher levels of freedom and boldness portrayed by the satellite channels compared with the terrestrial stations constituted the primary differentiating factor for 45 percent, while 38.6 percent reported they were attracted to the satellite station because of its new offerings. Twenty-four point five percent claimed satellite programs were more serious than those aired by land-based stations, and 23.6 percent considered them an information source for international news. Twenty point seven percent watched satellite channels for the movies, 19.9 percent cited their incorporation of cultural information, and 18.4 percent took an interest in sports programming (see Figure 4).

The bottom line is that satellite channels fill the needs of impressionable teenagers by addressing subjects otherwise considered taboo in Arab culture. Youth appreciate the frankness offered by satellite stations, which they employ as vehicles to express rebellious reactions to excessive restrictions.

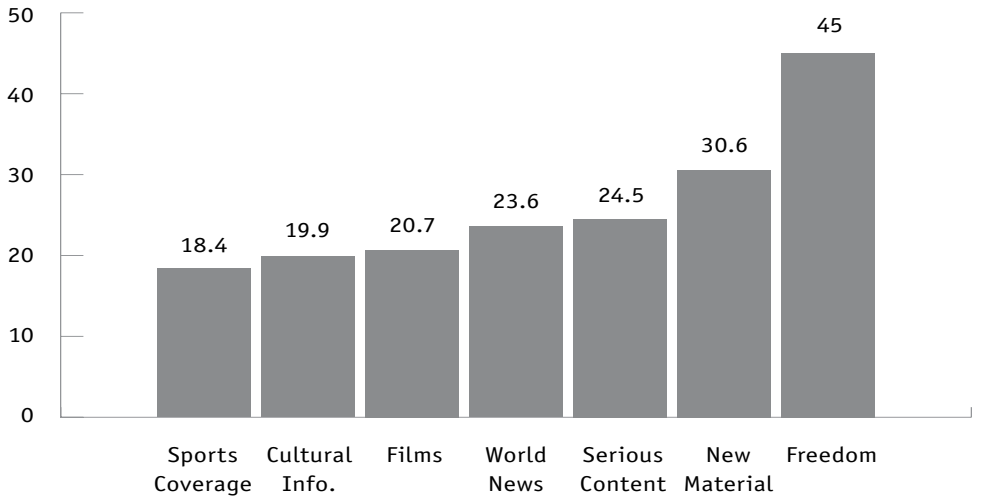
The fundamental fear in satellite television is that public opinion will fall prey to the international media outlet free-for-all, which creates competition for viewer loyalty. Arabic language channels hastened to imitate the Western model of media production and content in the scramble to attract viewers, often with complete disregard to collateral damage to public attitudes. Western media is marketable, even if it contradicts traditional Arab cultural values. Sensationalism also sells, leading to a wave of melodramatic shows, whether on the news, entertainment or religious channels. More and more scantily-clad entertainers appear in commercial ads and music videos, while realistic portrayals of Arab cinema, music and drama are noticeably absent from television.

Satellite channels fill the needs of impressionable teenagers by addressing subjects otherwise considered taboo in Arab culture.

All of this points toward the conclusion that the media exert an unquestionable influence on the values and beliefs of their audience. The media's role indeed goes

4 http://www.copts-united.com/08_copts-united_08/nrep.php/2008/02/25/2479.html

Figure 4:
Reasons for Watching Satellite TV



beyond mere presentation of opinions; they become, in their own right, key players in their formation. Media may support, change and even create entirely new viewpoints for their audiences. How to obtain an effective measure of the nature and depth of this media influence remains in question.

Satellite channels – through violent news, images, films, dialogues and songs – contradict social values and spread the so-called "culture of violence." Violence is largely an acquired behavior, proportionate to the level of violence to which a person is exposed, whether personally or on a television screen. The "culture of violence" encompasses self-inflicted violence and violence against the "Other," meaning those of different gender, religion or civilization. When such an aggressive culture assumes a dominant role in society, the result is a breeding ground for violent ideologies and a preference for countering communal challenges with radical solutions. Violence portrayed on television heightens individual, and by proxy, social tolerance for violence, promoting aggressive behavior in cultures and communities.

It should then have come as no surprise that schoolchildren began imitating the moves of professional wrestlers when Arabic language stations began airing pro wrestling matches. Observation of violence evokes a need for challenge and adventure in viewers. In Egypt, for example, the airing of films glorifying drugs corresponded with increased narcotics trafficking, as acts were transmitted from screen to reality.

Though it may be difficult to judge the extent to which satellite channels hold responsibility for increased violence among Arab youth, the spread of extremism and

superficial consumerism, they undoubtedly bear a portion of the blame. Promoting a culture of violence and extremist ideas, satellite channels legitimize and glorify aggression. They provide an avenue for youth to vent anger toward the corrupt regimes they hold responsible for the problems facing Arab societies. Additionally, the channels effectively manipulate the values, both social and political, held by audiences, as demonstrated by Al-Jazeera's instrumental role in broadcasting the ideology promoted by al-Qaeda and Osama bin Laden.

Satellite TV manipulates audiences' social and political values, as demonstrated by Al-Jazeera's instrumental role in broadcasting the ideology promoted by al-Qaeda and Osama bin Laden.

If satellite channels exert significant influence over public opinion internationally, then such influence is multiplied in countries like Egypt where illiteracy is high and education is limited. Egyptian audiences crave information that is new, interesting, and contrary to dominant cultural beliefs. Gaps existing between the private, global media elite and their government counterparts, whether in professionalism, freedom or the degree of public trust, contribute to the increasing likelihood that satellite channels will win the battle for public opinion. This outcome portends dangerous ramifications for national security and social stability in a country like Egypt, where public opinion could become a puppet in the hands of satellite channels.

Most importantly, youth always respond more strongly to media influence than other demographic groups, as young people tend more toward satellite channels, while also being the media's primary target audience. Impressionable youth are most susceptible to imitating observations in the media, particularly on television, as satellite channels present influential messages skillfully and subtly. At the end of the day, the resulting social unrest falls on the state. Perhaps such circumstances swayed Arab leaders toward issuing the recent media charter. Government bans, however, often backfire. Nongovernmental entities free of the burdens associated with securing states and populations can easily achieve heroic status in the eyes of the public. ■