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Transcript

TEN YEARS AFTER 9/11: MANAGING U.S.-SAUDI RELATIONS

PANEL TWO

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[00:09:20]

MARWAN MUASHER: OK. I think we will start the second leg of this meeting. And here we're going to talk about an important development, of course, in the U.S.-Saudi relationship, which is the Arab – well, even though we say the "Arab Spring" as a Carnegie title, I take personal exception to it. I'd like to always refer to it as an Arab awakening rather than associate it with a particular season. We're going to see, I think, many seasons multiple times – but the Arab awakening and the issue of political reform.

As has been mentioned in the first session, of course, there were – there are many issues over which the – Saudi Arabia and the United States see eye to eye and cooperate on. Even after September 11th, certainly counterterrorism and peace were two issues that the United States and the Saudi – Saudi Arabia worked on, even if they differed on the peace issue several times. Prince Turki this morning reminds us of that difference and basically writes an article in which there is – I don't want to call it an ultimatum but certainly a warning that unless things are done on the peace process, things might go a separate route.

It also, frankly, reminds me of a letter, which was never made public, but a letter in 2001 just before September 11th, when Crown Prince Abdullah then wrote a very stern letter along the same lines to President Bush, also informing him – I had a chance to look at the letter – informing him that the Saudis from there on are going to take an independent policy regarding oil and other issues and that Saudi Arabia did not look at the United States as someone who was serious about the peace process. President Bush wrote back a letter. All of that became sort of obsolete after 9/11, and then that later on led to the Arab Peace Initiative.

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But at any rate, with the issue of reform, we're having now another issue over which there is a lot of possible divergence between Saudi Arabia and the United States. And so how do all of these issues work out, and where will the U.S.-Saudi relationship take or go when you have now a number of issues that are not necessarily convergent?

With us today is a very distinguished panel. Chas Freeman has been, of course, a former ambassador to Saudi Arabia, is a Saudi expert in this town; also a member of the board of Carnegie. I want to apologize for having – he was a past president of the Middle East Policy Council, no longer is. And, of course, with us also is Abdulaziz Sager, the founder and chairman of the Gulf Research Center; and our own Marina Ottaway, senior associate at Carnegie.

I'm Marwan Muasher. I'm – I will be moderating this session. And with that, I will turn it over to Chas to speak first. So, the floor is yours, Chas.

[00:13:23]

CHAS FREEMAN: Thank you, Marwan. Although I'm identified as Charles, that's my son, not me. (Laughter.) And he's got enough trouble without being confused with me. (Laughter.) So please take note.

I thought the first panel was really superb and caused a great difficulty in trying to transition into discussion of the – of current events because so much that was right was said. Let me start, however, by adding one or two things. I'm

going to talk about basically five things – the quality of the U.S.-Saudi relationship, which I think has changed fundamentally, although the content has not changed. I agree with Greg; there is no crisis. The interests that tie us together remain the same, but the way in which we approach these interests and interact with respect to them is different.

Second, I want to talk a little bit about the utility of Saudi Arabia and the United States to each other in a strategic context, which I think is greatly diminished.

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Third, I want to talk about some of the specific interests and issues between us, both current and future.

And fourth, I would like to talk briefly about whether we are destined to cooperate or compete strategically in the region, as a ton of things go forward.

And finally, I want to say a little bit about the nature of government in Saudi Arabia and return to the theme of Salafism, which I thought was very well covered in the last session.

Let me start by saying that – by quoting King – now King Abdullah – when he was crown prince, I once had occasion to do something for the United States. He was not enthusiastic; he could see no benefit to Saudi Arabia from doing it. But his reply was, quote, "a friend who does not help you is no better than an enemy who does you no harm." And he did it.

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This kind of automaticity of friendship, a willingness to go out of your way to do things notwithstanding the absence of any interest of your own is gone. That died not this year, not – but maybe in 2001 when George W. Bush urged Ariel Sharon not to go into Jenin, and Ariel Sharon gave Bush the finger, demonstrating that the United States could not control or restrain Israeli activities that were of concern to the kingdom and raising grave doubts about the political viability of the relationship.

So the interests – I'll just go down – the question of the U.S. capacity to protect Saudi Arabia has taken further hits in light of recent experience with our inability to protect Mubarak, as the Saudis see it, and the considerable differences of opinion with respect to Bahrain. And so from the Saudi perspective, the utility of the United States has been compromised as a strategic partner for two reasons. One – we don't seem to be able to deliver, and the Israelis, by the way, are now experiencing the consequences of this diminished capacity to protect as well. Our interests in the region remain great, but our capacity to protect them is going down.

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And second, because the great advantage of the United States historically was that we were powerful but distant and had no agenda of our own in the region. And we have now identified several agendas, ideological and otherwise, that we pursue regardless of the interests of people in the region.

Let me turn now to the interests that connect us to the Saudis. Obviously, the central one from the beginning was the – was the grand bargain: security and protection in return for preferred access to energy. That essentially – that grand bargain was gravely compromised if not ended in December of 2002 when on the eve of an American proposed invasion of Iraq that had been opposed privately by the Saudi government, the Saudis eliminated the

discount for their oil sales in the United States, thus eliminating the subsidy that had made them the largest supplier to the American market. Within four months, China was their largest market.

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So that basic bargain was changed. And at the end of the invasion of Iraq, which was staged in no small measure out of Saudi Arabia, the U.S. forces were excused from further presence other than the training missions that continue.

So this basic relationship was changed. The – previously, despite many differences on the issue, the United States and Saudi Arabia found common ground. The Saudis basically were spokesmen within the Islamic world, justifying American foreign policy on Islamic grounds. We had a partnership in which religion was important. The high point of that, obviously, was Afghanistan in a way. But that's gone. Islamophobia is now deeply embedded in the United States. The rhetoric on both sides on religious terms is very bad.

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The United States has a big interest in the use of Saudi airspace and the areas around Saudi Arabia for transit. We couldn't be operating the wars in Iraq or Afghanistan if we didn't have access to a base in Qatar, which you can't get to except across Saudi Arabia. This access was always dependent on the relationship and friendship that I described. It's always been on a case-by-case basis, but the context for case-by-case evaluation by the Saudis has now changed. There's been no practical change, but the conceptual basis for this American ability to rely on transit rights in – not rights – transit privileges in Saudi Arabia has changed.

Commerce and cultural exchange – our market share is about half what it was when Walt (ph) and I were in Saudi Arabia. The Saudi economy has grown remarkably. We've not participated so much in that. And about half of Saudi Arabia's trade now is with the countries of East Asia, whereas 85 percent 20 years ago was with Europe and us.

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So we went through a bad period after 9/11 with Saudi students. The king has made huge efforts with subsidy programs, scholarships, to encourage Saudis to come here. That program, however, remains undersubscribed by about half. And there are 47,000 students here. So this is a successful program by any measure, but it is underperforming, and it's underperforming because of basic differences between Americans and Saudis that have arisen.

In the past, Saudi Arabia was the unsung – (inaudible) – here of many foreign policy adventures on which the United States embarked. The question came up earlier whether the Saudis would fund a peace in Palestine. It's always been the assumption they would do that in partnership with the United States. I think it's probably safe to assume that they would do that but not in partnership with the United States now.

And finally, Chris Boucek and Mustafa Alani began the last panel, I think, very correctly talking about cooperation against terrorism, which is robust, vigorous, effective. It's been an – been a centerpiece of the relationship since 1997 right after the Khobar Towers incident, and – in other words, before 9/11. But since 9/11, this has become one area of the relationship which is visibly flourishing because it's very much in common interest.

So these are the interests that tie us. But we have some serious disagreements. Israel/Palestine has been mentioned. 2001 was, I think, a breaking point on that issue. And this issue, as was mentioned in the earlier panel, is really one that touches on legitimacy of the Saudi regime and particularly during moments like the president in which the coalition government – Saudi Arabia has a coalition government run by the king who is part of a coalition government in the best of times. But now it is run by committee because none of the participants in the coalition have enough physical energy to do what they once did.

And in these times, legitimacy becomes a matter of particular concern. And the posture on Israel/Palestine is central to the legitimacy of the Saudi state, in my view. So it's a particularly sensitive time on that issue, where we have differences.

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I mentioned – or it was mentioned that we have differences also on the direction that political evolution in the Arab world should take. The Saudis stand for principles that are quite different from those that we announced in 1776. And so – and these issues, in fact, are sharpening as self-determination rolls forward in the Arab sphere.

Far from uniting us, religious differences now divide us. I mentioned, Islamophobia. This is a very serious issue for a society which is essentially founded on religious principles. And it's a very serious issue here as we see in our politics.

The earlier panel mentioned the issue of multi-polarity. I agree completely. The Saudis would love to see alternatives to the United States develop. They're trying to develop as much of a series of alternatives as they can. Unfortunately for them and for us, as was mentioned, there are no clear alternatives. But a negative that there is no alternative is not much of a basis for a cooperative relationship.

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And finally, we have the irony that the American effort to contain Iran has actually produced the expansion of Iranian influence in the region, as was also discussed.

So as we go forward, the question is, since we have – we have common interests with the Saudis, we have many things that intersect but we have an overall relationship that is less trusting and which no longer embodies a broad mutual commitment, but – the word that I would use is it's transactional, meaning that each issue is examined one by one in terms of its own merits. And if there's something in it for the Saudis, they'll work with the United States, and if there isn't, they won't, which is very different from the past.

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The question is, since we do have different purposes on many issues – and there are a lot of strategic issues unfolding in the region – will we cooperate or compete? Think of the questions before the region: the roles of Turkey in the region, not only as a power – diplomatic, military power – but also as a model for many. Think of the question of the roles of – the role of Iran in the region. We don't always see eye to eye with the Saudis on that by any means, even if we agree on the fact that it would not be a good thing for Iran to get nuclear weapons. The role of Pakistan, the role of India in the region – these are becoming important issues as Pakistan itself reorients itself and India reacts – the role of China, the role of Russia. What about global financial reform and the use of the dollar as the unit of account for the energy trade, to which the Saudis have been committed in part because of this broad mutual commitment, which I referred to which is now hard to demonstrate.

And finally, we come to the question of the future U.S. military role in the region after U.S. withdrawal from Iraq and after our inevitable recession from Afghanistan. All of these issues are things that could be the subject of other cooperation or competition.

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Let me finish by saying that – as I did – that we're in the middle of a succession process in Saudi Arabia. Under the best of circumstances, the government there is not an absolute monarchy in the sense that we imagine. It is a coalition. It is very responsive and constrained by public opinion, as was mentioned. Many initiatives that the executive leadership in Saudi Arabia would like to make, it fears to make because of popular reaction. And we are in this moment of debilitation of the current leadership through medical issues more than anything else.

So the question is, can we expect continuity in Saudi policy? I don't think the question is, you know, is Saudi Arabia going to be destabilized? That's very unlikely. It's a very stable system, which has gone through many things. But the question is, will there be continuity in leadership? And this brings me at last to the issue of Salafism, where I thought the discussion was excellent, but it did not mention what I think is an essential element of what's going on in Saudi Arabia and by implication more broadly in the Islamic world, namely King Abdullah and the people around him are trying very self-consciously to redefine Salafism. And the narrative is this: All Muslims – almost all Muslims agree that the modern age is corrupt and that their religion needs renewal and readjustment to the new circumstances. And like early Protestants, they also seem to agree that the way to renew the religion is to look back to its origins, its earliest practitioners, the religion before it accumulated various doctrinal accretions: Salafism, fundamentalism maybe.

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And the king essentially has been doing a lot of things which say to the Salafis, look, I agree with you, you're right; we do need to go back to the earliest days in order to renew our religion – that's important – but you're fundamentally wrong about what the earliest days were. They were the Baytu al-Hikma. They were the invention of modern chemistry, astronomy, mathematics in Baghdad. They were an Islam that accepted foreign ideas and incorporated them. They were an Islam that respected women and did not keep them in the back room. They were an Islam which accepted Jewish and Christian prime ministers in its governments, was tolerant, open. This is what early Islam was. So you're right about where we should look, but you're wrong about the substance – that is what the King Abdullah University of Science and Technology means. That is what all the new museums in Saudi Arabia, which begin with equating the creation, the big bang, with the account of the creation in the scripture – that is what is happening, and it is a battle for the soul of Islam that seems to be almost entirely unappreciated and invisible outside this room.

I spoke too long. Sorry.

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MR. MUASHER: Chas, thank you very much for what is, as always, very, very perceptive remarks.

Abdulaziz, this floor is yours.

ABDULAZIZ SAGER: Thank you, sir.

First let me start by thanking Marina Ottaway. She's a good friend of the GRC, and she was always a great supporter since the foundation of the GRC. So thank you, Marina, for organizing, you know, such a meeting. And I feel very happy to be back to Washington. I left it many years ago. I used to have an office in Washington between '82 and '86, but at that time I thought – you know, it was quite hard for me to commute between Saudi and Washington once a month. So then with the modern age and telecommunication, we were able to live without a physical presence here. But I'm very pleased to be back to Washington after many years. And I'm glad to see a lot of friends today here.

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It is quite important, of course, the timing here today, because after 10 years after 9/11, I'm sure a lot of people would like to revisit the issue of the Saudi-American relation. It is unfortunate that this panel has been hostile takeover by the previous panel. So the previous panel really took over all the issues from us and discussed it and debated it. (Laughter.) And so – and now I learned today an interesting thing. It's good to be second rather than the last speaker because then you don't have to say anything; you can always agree with your previous colleagues. (Laughter.) And, you know, you save your time and effort in (that one ?).

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You know, I wanted to start by addressing the issue of how important is Saudi Arabia for America and how important America – you know, both sides, how important for each of them. But instead of saying that, I think I'd like to remember what Secretary Frank Carlucci said to King Fahd at that time in 1986 when he visited Saudi Arabia. And King Fahd was giving him a real lecture of how important Saudi Arabia for the U.S. And he said, your majesty, I just came from one of the frigates in the – Arabian Gulf, I like to call it, not the Persian Gulf – but he said I was on one of the U.S. frigates there, and the temperature there was only 60 Centigrade – so I don't know in Fahrenheit how much is that, but it's really hot. So we understand the value of the Saudi, you know, for the U.S. So I think I will summarize that whole portion of how important each other, but at the same time, you know, it's a relation that you cannot live without each other.

Yes, there has been a lot of great understanding between each other. It started with the oil before even the first consulate was opened in Jeddah in 1949. But at the same time, you know, that relation went through ups and down. And some of my colleagues have mentioned – you know, some other period and time the relation went through. I'm glad that at least whenever we have, you know a return – move toward – down this, many people – (inaudible) – both country, including this excellent ambassador whom – of course, he was in Saudi Arabia during the hard time, of course, of the 1990, and the invasion of Iraq to Kuwait. We used to see him in a lot of tents at that time. He managed – (chuckles) – it quite well.

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You know, so there are a lot of good friend of both side. They wanted to see a better relation. I think – I seconded to that, and I always say whenever we have some sort of a misunderstanding, we need to bring the two together and discuss it between us on a second track. You know, it helps a lot to have an open and frank discussion and look at the issue where we have an agreement, an issue where we have a disagreement.

So, you know, King Abdullah started with an open eye, although he had a certain disappointment, you know, in 1990 – and I'm sure Ambassador Freeman will remember – that he was not a great supporter of the whole issue of the war on Kuwait issue. In the beginning, he was really concerned about that, but then he was in agreement with the issue. In 2003, we all remember the way how he moved his hand when he said – (inaudible) – I don't think

there will be a war on 2003. He was not – because somehow he understood the consequences and the trouble. He did not saw it a war of necessity to Iraq. I mean, we all understood Afghanistan; it's a war of necessity, we need to fight terrorism. But Iraq at that time, the king did not. But with the changes of administrations, somehow (the hole ?) was built to see a better understanding and a better move.

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We were already in enthusiasm when President Obama started his speech in different places, including his visit to Saudi Arabia, his speech in Istanbul, in Indonesia, in Egypt. We were all hoping to see a better understanding and a better, you know, way forward. He took up, you know, the two issue: hope and change. And we were all hoping to see that hope and change taking place on the first topic that he wanted to address, which was the Arab-Israeli conflict.

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But somehow today, unfortunately, by preempting the meeting on the – on the – on the Security saying the U.S. will veto anything like this, that, of course, have created a lot of disappointment in the region, a lot of disappointment, not only in the leadership but more on the public side because the leadership in the region, those whom they claim that we have an excellent relation to the U.S. Somebody says, lookit, this is your friend. They wanted to say, before you do anything, we're going to take a veto decision if the two-state solution – which was an American suggestion, which was an American idea, you know, that we all endorse and support in that.

So that issue really have left a really deep disappointment in the region and raised the whole issue of the friendship. You know, when we talk about the Saudi looking – (inaudible) – yes, I tend to agree the Saudi is looking toward the East, but they have not yet turned to the East, because the two relation is a quite complex relation that you cannot just turn back quickly. You know, there is a total dependency. The one who provide you with the security is the same one, you know, can be a threat to you. They understand that quite well. There is a request from Saudi Arabia for a $60 billion modernization of the armed forces there. It's only coming from the U.S. It's not coming from China, neither from Russia. You know, we have a Russian – I mean, Chinese missile that we have never used and we hope we don't use it, but it's there. I don't know how long it takes to fire it, but anyhow. (Laughter.) It's there, and, you know, we're not going to use that hopefully – (inaudible). But still, you know, the Saudi dependency, of course, relies on the U.S. And the friendship there is quite – is important issues.

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But obviously after, you know, that sort of period, the three years, what – where are we today on the key issue on the region there? On Iraq, I'm sure – some of my colleagues of course have addressed this issue – there is also quite disappointment. We have a regime that is totally, you know, committed to the Iranian policy. Unfortunately it was due to the U.S. Now, my – (inaudible) – is not anymore with Iraq; it's with the regime in Iraq that has the closest relation to Iran. So that have changed for me the situation there. It's corrupt; it's sectarian, also regime. And that strong, close relation to Iran will have a double impact on me – on Saudi Arabia.

I'll just go through quickly, and I'll give more time, of course, in the Q&A there.

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On Iran – and I'm sure a lot of people are interested to understand – there's four key pillar in the relation between Saudi Arabia and Iran. One is the political system. We have two different political system. This is a traditional

monarch, and this is an Islamic revolutionary republic you see there. You know, Saudi Arabia believes (Mecca ?) is one, and Iran believes Islam is a bird with two wings: Shia and Sunni. They take the lead of the Shia, and the Saudi take the lead of the Sunni, which we have a disagreement of that, of course.

Third, the oil policy. At the price of 140 (dollars), Ahmadinejad think it's at 250 (dollars) oil price should be fair for Iran. And the price of 100 (dollars), the Saudi oil minister says there's a $30 dollar there cushion that this is only for the speculators on the market. So even the king, he calls 70 (dollars) to 80 (dollars) – Saudis still calling for 70 (dollars) to 80 (dollars). Iran is calling for 250 (dollars). So we have a total dispute on the whole issue of the – of the oil policy.

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And the fourth, of course, there is the whole issue of Gulf security; who's in charge of the Gulf security? We used to have Iraq and GCC countering the Iranian influence there. Now Iran think – and they've always believed in that, they are the biggest country, they are the one who should be in charge of the Gulf security. We believe an imported security solution by having a huge U.S. presence there is a far better workable solution for us to have. But the U.S.-Iran relation, of course, have not resolved the two key issue for us. The interventionist policy of Iran in the region, which still remain a key issue there for us – it's in Yemen, it's in Hamas, in Hezbollah, in Syria and everywhere that they have successfully done it. And as Mustafa said, of course, they use their intelligence, of course, and network in gathering and using the sectarian issue but also the whole proliferation issue.

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Iran today in a better position than what they used to be in 2003. We always say that they have been a signatory to the – to the Nonproliferation Treaty. And also they have not respected when they have signed that one. I think, you know, Iran will feel at ease today keeping everybody busy away from them so they can extend their program and get it to (have ?).

Also in Afghanistan, we have a great concern. And, of course, on the Afghanistan issue, we don't like to see, you know, the change – I mean, we agree on fighting terrorism, of course, with the U.S. in Afghanistan. We would like to contain that. And we will put up any big efforts Saudi Arabia can do in Afghanistan. But at the same time, neglecting the Pashtun or other ethnity (sic) or – so it's not – it's not a good idea. Having a strong even Indian and Iranian influence over Afghanistan – that was not also one other thing the Saudi would love to see.

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Neglecting the Pakistani role and involvement in historic – given the historic relation, the neighborhood and so on – although we only have a cushion on Pakistan a little bit, but at the same time, that's unable – we cannot change. We cannot, you know, (bring ?) Arizona instead of Pakistan there. So it's a country that you have to live with and deal with, of course.

And then, of course, is the whole issue of Taliban: who's a good Taliban, who's a bad Taliban? How are we going to do it? Honestly, to tell you the truth, I was pleased to see the – you know, the news about U.S., you know, involvement in discussion with – and also encouraging Taliban to open an office for them in Ankara. That's a good positive move, because they are the one on the ground, so it mean we have to deal with reality. And in this issue, I think we need to call for a big international conference in Afghanistan, where we get all the player involved.

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Why do we – (inaudible) – organization of standing cooperation – it used to be "conference," now it's called cooperation – why do you neglect that? They can play a significant role. There is a 57-country member on that organization. They're the second largest to the U.N. We need to empower them and make them, you know, play significant role. Let's bring the Russian, bring the Chinese, the Pakistani, the Iranian, the Indian, the Saudi – everybody who has interest in Afghanistan issue, let's bring them all together. The U.S. should not bear all the – all the burden. They should not, you know, take all the burden. You know, somebody has to share. And again, we need to look at of the future Afghanistan because otherwise we're going to go back to the same issue, incubator of terrorism, exporting terrorism, having the trafficking and so on.

Yemen – yes, there are three key issue in Yemen for us: terrorism, separatism – I mean, separation – the separarist (ph) group that they wanted to do, and the – (inaudible). And these – all three issue are quite important for the U.S. and the Saudi. The Saudi – they don't feel Yemen only is a Saudi issue. It's an international issue. It has an important geographic location. Fighting terrorists in Yemen is not only a Saudi issue. So there is a greater cooperation. And as some of my colleagues said, it moved from the unilateral to multilateral. They are cooperating in different location, in different countries, you know, with those, you know, country in fighting terrorism.

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But again, it's crucial, the situation in Yemen. And that really will have a great impact on the whole region if we don't see a clear development on the situation in Yemen. And what do we have today? The GCC initiative, the U.S. thinking of a transition council; the French idea of, you know, empowering the vice president, delegitimizing Ali Abdullah Saleh, so taking a Security Council resolution in that; or his own idea by calling for an early, you know, election there. We need to find a quick solution in Yemen. It cannot go like this forever, because now it's moved to the huge humanitarian issue there. People are suffering, and just even if you look at the refugee from – (inaudible) – just give me one more minute, then I'll move – (inaudible). I believe the Saudi position on all Arab, you know, movement, whether it's Tunis or Egypt or Libya – a little later on, maybe I'll elaborate on that. But I think I'd like also to elaborate in the issue of the economics dimension.

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When Saudi joined the G-20, I wrote an article on the issue of Saudi in the G-20. And I said, what is it that the Saudi committed to the U.S.? And I was very pleased when I met Secretary Geithner in Saudi Arabia in 2009. I said – (inaudible) – issue for Saudi Arabia with the U.S. economy –still they are committed in that. They have not changed their pricing on the oil, so they still keep dollar as the base for the – for the oil. They've not decided – and they kept their dollar deposit in the U.S., so last week the central bank in Saudi Arabia announced that more than 540 billion (dollars), they reserve, of course, here in the U.S. They've not talked about relocation of their assets, so their assets remain the bulk of it here in the U.S. They've not accepted to cooperate with anybody again as the U.S. I mean, the BRIC group, when they were talking about an alternative to the dollar, you know, in 2008 – and the Saudis say no, we committed to the dollar, we stick to the dollar; we're not going to change. And they have a plan – you know, a domestic plan with the $200 billion. Most of it goes to the U.S. industry, really – Caterpillar, GE, Boeing – you know, a lot of those, they will benefit from that. And at the same time, they remain committed to the development and support many of the poor countries that U.S. also have a similarity, because in many area we have similar interest in that.

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So I think in terms of the economic and overall, Saudi remain committed to – you know, to such a thing because they value the importance of the relation and so.

Do I stop here and then later on we take –

MR. MUASHER: Maybe – yes, maybe we can –

MR. SAGER: OK.

MR. MUASHER: -- leave the rest to the question-and-answer session. I'm just worried about the time we have: less than 35 minutes.

MR. SAGER: OK.

MR. MUASHER: And Marina will take the floor.

MARINA OTTAWAY: I will try to keep it short, partly because greater problem of being the last speaker is that a lot of – a lot has already been said of what I had – what I had in mind.

[00:45:36]

I'll try to focus exclusively on this issue of the Arab Spring or the Arab awakening, depending on what you want to call it. Spring is a season of awakening – we can – (laughter) – we can compromise on that – we can compromise on that one. Because I think there are very significant implications, and I would argue, just to give you my conclusion at the beginning, that I think the relationship of Saudi Arabia encourages the United States even more in essentially pulling back on the support for the Arab – for the Arab Spring.

The United States has had a very ambiguous position on the issue of the Arab Spring. And I think the relationship with Saudi Arabia is not helping in that sense.

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I think that is a problem – just to tell you where I'm coming from – because I think, going back to the idea that stability is more important than reform is a dangerous game at this point, because I think it may very well create an illusion of stability in a situation where stability probably has to go through change before we can have a truly stable situation.

Let me start from what some of the differences in what we have heard from the speakers. Greg Gause told us that his – that very little is changing here in the relationship with the United States and Saudi Arabia. And I tend to agree with that at one point that basically shows they're remaining the same. Chas Freeman told us the changes had been substantial; in other words, the wider issues remain the same. The subtext has changed quite considerably, so there is a much more difficult relation than what it was before. In – what everybody agrees, all the speakers have agreed, is the strength of the counterterrorism relation. Chris made a very good point on that – but everybody else has really stressed that importance.

[00:47:35]

And in the end, what we are left with is that right now, the least problematic aspect of – component of the relationship with the United States and Saudi Arabia is counterterrorism. And what it means, essentially, is a choice in favor of maintaining the status quo in terms – it's a choice in terms of stability or maintaining the situation as is, because after all, what counterterrorism does is trying to eliminate the threats to the status quo. It's not promoting changes in the status quo, and that's not the goal of counterterrorism – of a counterterrorism strategy.

What does that mean in terms of U.S. position on the changes that are taking place in the Arab world? The United States has had a big, ambivalent position – (inaudible) – from the beginning. We have seen the difficulty that – I mean, the problems concerning Egypt – it took United States a bit of time to come to the conclusion that after all, they had better support a change than continue support of Mubarak.

[00:48:53]

It was not a decision that was made automatically. If you count the days it took in that decision, it was a fairly short period of time. But if you look at the first statements that the U.S. released on the – on what was happening in Egypt to the change in, you know, joining the call, the saying Mubarak must go, it was a very – it was a difficult decision for the United States to make.

It was even difficult to – I mean, it was a difficult decision in Libya, of course, because it included an element of armed intervention, which fortunately the United States is still taking with a – with a degree of caution. And it was a very difficult decision concerning Syria, where for a long time the United States kept on trying to give Bashar al-Assad the benefit of the doubt that he might become a reformer. And not too long after, it was clear that it was not going to – not going to happen. You could argue that it was clear from the beginning that Bashar was not going to turn into a – into a reformer.

[00:50:00]

So the United States has had a very – it's very conflicted on the issue of the Arab Spring. In the same (state ?), I think that there is a part of the United State government – and probably most people in the U.S. government, recognize, like, without a degree of reform in Arab countries, we are not going – stability is going to prove fairly ephemeral. But at the same time – so that in the – I think we want – we want reform in the long run, but in the short run, we are scared of the implications of the destabilization that's part of any process of change.

I would argue that in this mixed picture – in this very ambivalent – in this great ambivalence that is characterizing U.S. policy towards the various Arab uprising and the changes taking place in the Arab world, the relationship with Saudi Arabia is leading to – the United States is essentially reinforcing the view that stability is more important to them. This is what a relationship based on counterterrorism is, is really focusing on the short term stability versus what might be the, you know, the long-term changes that are – that are needed to – that are need to – for stability to be achieved in the long run.

[00:51:22]

The place where we see it the most clearly is in U.S. position towards Bahrain. Bahrain has totally dropped off the radar screen. You never hear about Bahrain in this country unless you talk to a human rights organization. Human rights NGOs are the only ones that are willing to talk about Bahrain at this point. Nobody else is really talking about Bahrain. It's the – it's something that United States government prefers not to talk to.

So, essentially, what I would argue is that – and I'll stop right here before Marwan interrupts me – (laughter) – that this – that this – the complications – the increasing complications in the relationship with U.S. and Saudi Arabia have quite significant implication for the position that the United States is taking towards and the changes that are taking place in the Arab world right now. And let me stop there.

[00:52:18]

MR. MUASHER: Thank you very much, Marina.

We're going to open it up to questions. I'll also take three or four questions at a time. If you can please identify yourself and keep it short.

And I would like to also throw my own question into the mix too to all the panelists, which is that if indeed they're – we're witnessing a stage where both – because of the issue of the Arab uprisings and the issue of peace, if we are starting to witness some serious differences between Saudi Arabia and the United States, is anything being done about it? Are there high-level talks either planned or ongoing, either public or private, between the United States and the Saudi Arabia to try to deal with what could potentially be some very serious differences?

I'll throw my question into the mix and talk – Bob, please.

[00:53:15]

Q: Bob Pearson, a former FSO and president of an international NGO here in Washington. A year ago, travelling through the Middle East, I was struck by the incredible connectivity among young people at the age of – I will say – 35 and below, about a wide number of issues that exploded then in Tunisia in – at the end of the year, to everybody's surprise. So I wonder if the panel could speak to the force and the influence and the power of this generation, which is really not being heard yet, and the contradictions in American policy that might be highlighted as a result of that. Thanks.

MR. MUASHER: OK. Barbara?

[00:54:08]

Q: Thanks. Barbara Slavin from the Atlantic Council. Just to follow on what I asked earlier and what you mentioned, Marwan, do you see any practical ramifications – and I would ask this of both Chas and Dr. Sager – if the U.S. vetoes Palestinian statehood at the Security Council, will the Saudis feel obliged to do something on oil, on any of the economic cooperation issues? Is this something, given the regional ferment, that the Saudis can swallow quietly? Thanks.

MR. MUASHER: Yes, please.

Q: Hi, my name is Kaylee Harper (ph); I'm with Middle East Fellowship. I'm also an intern at the United Nations. My question is in relation to the Palestinian bid for statehood again. There's certainly a dialogue that the bid puts the U.S. in an uncomfortable position and that perhaps Israel and the U.S. have not conjured up effectively or quickly enough some sort of compromise to effectively dissuade them from the bid and return to negotiations. My question is, isn't this exactly why, in the Palestinian interest, they should pursue the bid and then, as two states, negotiate peace on the border rather than turn to – return to negotiations, which in the past have forced them to concede to more and more settlements and less control of their sovereign resources?

MR. MUASHER: OK. With this set of questions, Chas, do you want to go first?

MR. FREEMAN: Are the – are the differences – or I would put it, opportunities – represented by uncertainty in U.S.-Saudi relations being adequately addressed? The answer is clearly no.

And why is that? Partly we're not very good at conducting high-level strategic dialogue, but partly we have an extraordinarily weak and distracted government here, and Saudi Arabia is not in much better condition except economically. So this is not a moment at which either government is likely to take the initiative to craft a major redefinition of the – of the relationship.

And it goes back to my thesis that this relationship increasingly is transactional; that is to say, there are certain areas of it that will go along quite well. We will have a dialogue – more than a dialogue; we'll have active cooperation on a series of issues relating to terrorism. We'll have a dialogue, probably quite useless, but still a dialogue on energy issues and so forth. We will have no dialogue of any consequence on some of the other issues that have been raised like the Palestinian issue and the U.N. Let me turn to that before I come to the question about connectivity and youth.

[00:57:02]

The question of – that Barbara Slavin asked about the consequences of a U.S. veto: If indeed the Saudi-U.S. relationship is now defined transactionally, then it's not in the Saudi interest to introduce retaliation on quite a range of issues. They have an interest in counterterrorism cooperation. They have an interest in continuing to sell oil for a reasonable price which does not destroy their future market, but which maximizes their revenue.

By the way, the general situation among oil producers – Saudi Arabia is not the exception – it's estimated that Russia requires $120 barrel now to fund the obligations of its government. One hears figures about a hundred billion – $100 a barrel for Saudi Arabia. Now, I don't know whether those are true or not, but there's overall pressure everywhere for higher prices. It's not – this is – this is – this is coming. So there won't be retaliation in that sphere.

[00:58:10]

I doubt very much that there will be retaliation as such in any sphere, other than a chilling in the relationship. But I do think that we need to be concerned about what happens after the U.N. vote.

The Palestinians will achieve an overwhelming vote in the U.N. General Assembly. That's a forgone conclusion. There were 130 sponsors of the resolution in February that we vetoed, against 14 other members of the Security Council, including our closest allies – about as close to an international vote of no confidence in U.S. policy as you could imagine, prior to this General Assembly vote that's coming up in a couple of weeks. The question is what happens after that vote? What does it lead to?

[00:59:06]

If it leads first to a U.S. veto on membership, which I think is a forgone conclusion, but it also leads to the elevation of Palestine to the level of a state in the U.N. system and therefore provides Palestine access to all sorts of legal remedies, which it has not been able to access in the past, then we're talking about a war of attrition against – by the

international community instigated by Palestine, supported – no doubt, vigorously – by Saudi Arabia. We're talking about a war of attrition against the U.S. effort to protect Israel from the consequences of its own actions in the occupied territories.

So the question is not whether there would be retaliation on specific levels. It seems to me the question is, what does this do to the tone of the relationship and to the image in both countries and to – and I think we could – we have the possibility of getting into fairly lengthy combat diplomatically over this.

[01:00:12]

Finally, on connectivity and youth, what is really striking in the Arab world, 340 million people or so, are all in a single conversation, and they don't – they're not inspired in terms of their objectives by that conversation, but their methods of dealing with their own problems are informed by that conversation. Every country has its own separate issues, but when a poem is quoted in Tunisia, within 30 minutes it's on the streets in Yemen. And you know – so I think we're talking about a – an Arab space that has become very, very real and powerful and which empowers people at the local level – all politics is local; that's where the action is – every revolution is made in its own country and leads with its own country's circumstances.

Now, in Saudi Arabia, everybody's very plugged in. For a variety of reasons, which we could go into, but I think Greg touched on some of them, this has not led to mass protests and unrest, and it has not replicated the instability in other parts of the Arab world. But young Saudis are very, very aware and following closely what their generational cohorts are doing in places like Morocco and Algeria and Syria and Yemen and Egypt. And what happens in Cairo continues to reverberate through this entire space.

[01:02:02]

MR. MUASHER: Abdulaziz.

MR. SAGER: OK. While I think the issue of the Saudi-American agreement or disagreement on various issue can be brought together and, you know, I'm sure, you know, there's a lot of competent and capable people here in Washington, you know, can draw a chart and say where is the agreement, where is the disagreement. I've mentioned some of them, and I'm sure there are many, you know, that can address this, and then, you know, bring it to the policy and decision-maker. The problem is Saudi Arabia – they understand Washington is busy now for the election; they're not going to look (at all of this ?) whole issue. They're going to address many of the local, domestic issue, and the Saudi-American relation are not going to be on the front line as a result of that.

[01:0244]

But, at the same time, I think having a deteriorated Saudi-American relation is not going to help much, honestly, in my opinion. I think, you know – you know, bridging the gap quickly, finding out the solutions on those issue, agreeing and understanding each, you know, party interests and where do we overcome that issue's quite important.

On the – on the Arab Spring or the – you know, whatever you want to call it, you know, one thing for sure: There was no American flag burned there, and there was no Israeli flag was burned there. So it was all driven domestically, and it was the domestic, you know, movement and domestic, you know, needs that have really, you know, made that. And this is quite important to see that, in any one of them, even when the Egyptian, you know – in the beginning, decided to – you know, with regard to the gas supply, it was not only to Israel, but also to Jordan, the last incidences that happened in Egypt is a result of the four soldier was killed in Sinai. So it was not just in the

beginning; so it had not started with the – an external agenda; it was all purely domestic agenda, you know – driven by that.

[01:03:52]

You know, you're absolutely right: The Saudi young, you know, they understand what is going on, and we have more than 3 million Internet users on the – amongst the young generation. So that's a quite, you know – not a bad – you know, you find kids with the young age, you know, having their tools and mobiles and communication and Facebook and tweeting – it's all there. And information move very fast nowadays between cities and places, and so they have not really – you know, they've not been isolated or kept away from that. You know, they are – and they even can tell you what software to buy to have a "by proxy." You know, for $5, you can buy special software, download it to your laptop, by proxy and go through a – and a server, and then from there it can open all Web site that you cannot. They know that quite well; they have no problem with that, and they're dealing with it quite well.

[01:04:47]

Will Saudi take a measure? Let me tell you something interesting. A few days ago – (chuckles) – Saudi Aramco announced that they're going to increase 90 cent on all Asian buyer for the future contract; for the American, they've reduced 30 cent from the current price, and that's interesting coming from Aramco saying that. I think they still wanted to send a signal, Saudi Arabia: America's important to us. Still we would like to give them a favorable, you know – you know, rate in that one. And we value the relation. So this is why, for the rest of the world, we're increasing 90 cent; for U.S., we're reducing 30 cent on that one. So I think that was quite an important signal coming from Aramco, saying this is what touched my pockets. So let's see, you know, how that, you know, will be responded here. In fact, it received a very little, you know, recognition, but it's – sometime, you know, media have a different interest.

[01:05:38]

MR. MUASHER: Marina?

MS. OTTAWAY: Yes, two things on connectivity. I mean, I agree with what has been said. I think perhaps the most important thing there is that what clearly has disappeared – and for those of us who have – is the capacity of governments to control information flowing in their country. For those of us who still remember the days when, you know, the government could turn off the telephone and telex services and a country could remain incommunicado for a few days, obviously this is a very – it's a very dramatic change.

[01:06:12]

That said, I think I would go with, you know, people have the information, they talk to each other and so on, and – but I – the point that was made earlier that all politics is local, in the end, whether or not something happens really depends not on the information that comes through on the Internet or not, but really on the local condition and whether or not the people decide to organize locally, whether there is enough of – it's whether they feel the situation on the ground – on the ground works.

Let me add that even the people involved in this networks of communications have been surprised in the case of the other – I mean, it's so difficult to predict because even people that were involved in organizing the movement in Egypt, for example, were surprised by their own – by their own success. I mean, people who were, you know, we

heard that not very long before it all started, that nobody really expected to be able to get more than it – you know, maybe 10,000, 20,000 people in Tahrir Square. And so you never know what's going to happen on that point.

[01:07:29]

The issue of retaliation: The only – the possible retaliation for – first, very briefly on the issue of talks – I think it's one thing that we need to keep in mind, it's very – (inaudible) – real talks on some of these issues when there is one thing that could solve the – (inaudible) – that cannot be addressed on the part of U.S. policy and that is – and that is the vetoing of the resolution at the U.N. In other words, that is something that's up for discussion; it's not up for negotiations. And I think if you start with a decision which is of major importance to the – to the Saudis, that it just cannot be talked about – (inaudible) – greatly limits the possibility of – the possibility of having talks.

On the question of possible retaliation, I think there is – I agree with what has been said, that, you know, messages that have been sent till now. My only question is, what would happen if you have major unrest around the Arab world as a result of the veto? Would the Saudis and other governments feel compelled to do something so as not to have them protest at home there? That's the – that's the only circumstances under which I can envisage a stronger reaction.

[01:08:52]

MR. MUASHER: I don't usually speak, but I cannot help make a comment about the youth, Bob, and the connectivity part.

And I think the youth issue in the Arab world is still a story that has not been fully told. It started in Egypt; we're still seeing repercussions elsewhere. But one thing that is important about the youth movements that we are witnessing, in my view, is that the traditional fault lines are no longer there. Before you could easily sort of compartmentalize people into Islamists or nationalists or East Jordanian or Palestinian or what have you. And what we're seeing with the – with the youth movements in the Arab world today is that these fault lines are becoming more fuzzy. OK, so what connects them might still be – they might still be labeled as Islamists or nationalists or what have you, but it's not the only thing that connects them. And they're crossing over, connected by information, connected by a better understanding of diversity than their parents had, and all this, I believe, is extremely encouraging.

[01:10:08]

They're still – they're still leaderless, and they're still not organized into any form of political organization as is most of their, you know, fellow citizens, old or young. But they have something different. They're no longer willing, I think, to be totally sort of labeled into any one group or the other. And what connects them – what connects them more than divides them is a feeling that it is no longer acceptable to be sort of living in a system of absolute authoritarian regimes and that, you know, they want something different. To me, that's – that, in the long run, I think, is very encouraging.

Maybe we have room for one more set of questions.

Please, Joyce.

Q: Ah, yes, hi. Joyce Karam with Al-Hayat newspaper.

My question is, how do you see the U.S.-Saudi cooperation on Syria today? And I also wanted to ask you about the Saudi-Qatari relation. Is it any better with the Arab Spring, with Libya, Egypt, perhaps? And, you know, did they get over their differences?

MR. MUASHER: OK. I think there was a question in the back. Yes?

Q: Patrick Lawless from the Center for Democracy in Saudi Arabia.

And given the ailing health of King Abdullah and Crown Prince Sultan, which Mr. Freeman referenced earlier, how would the panel characterize the next generation of rulers in the ruling family? And – not necessarily to speculate as to who the next king will be – how will the eventual change in leadership affect the Saudi relationship with the U.S. and its role in the Arab Spring?

MR. MUASHER: OK. Please. Here.

[01:12:11]

Q: Julie Taylor from RAND.

One of the main concerns for Egyptians today is sovereignty. And that's one of the reasons why the Supreme Council has rejected offers of assistance from international organizations. And instead, they've been looking more towards the Gulf countries for assistance.

I assume that whatever government comes in after the elections will be under the same pressures but will also have to be dealing with a number of economic crises. So what would the government of – a new government of Egypt look like if it takes funding from international organizations as opposed to the Gulf?

[01:12:55]

MR. MUASHER: OK. I think – all right, let's take one more question and –

Q: Steve Miller, from Foundation for Defense of Democracies.

I think this is for Ambassador Freeman. You mentioned the Saudi Salafi movement. And I was wondering, to what effect or to what extent, you know, King Abdullah's ideas of what the Islamic ideal should be are permeating the religious establishment in Saudi Arabia; and, also, if that's having a broader effect – for example, in Egypt, how the Salafis are now contesting the elections.

MR. MUASHER: Let's start with you, Marina, to start.

[01:13:40]

MS. OTTAWAY: Yes. But I'm afraid that we have been asked there to do a lot of speculating with the – on some of the questions. I think it – I mean, it's certainly beyond my capacity to characterize the next generation of possible Saudi leaders. They are – I think they are a very diverse group and I'm not even going to attempt to go – to go – to go in that direction.

I don't know there is much – that much cooperation on – between U.S. and Saudi Arabia concerning Syria. I think the United States has been making policy as it goes along – (inaudible) – with a great deal of – with a great deal of hesitation. I really don't see – at least on the part of the United States, I don't – but I'm not quite sure that there is on the part of Saudi Arabia either a very clear sense of where to go with this relationship. There is sort of – it seems to me that it's more of a question of navigating from day to day, hoping that the – you know, that in the end, there's something, it's going to come up and allow the – and allow the clear – a clearer policy to develop.

[01:14:59]

The issue of the next government in Saudi Arabia and how – excuse, in Egypt, and how it's going to move in this choice between sort of aid coming from international organizations, the IMF, the World Bank and so on, and the GCC countries, I – again, I think it's a bit a premature question in many ways. There are so many – so many question marks, still, about the – who's going to – who's going to win the election. Keep in mind that there are two different elections taking place. Those may, in fact, go in different directions because it's quite likely that in the – in the parliamentary election, we'll end up with a very strong representation of the Muslim Brotherhood, the Freedom and Justice Party, in the parliament. I don't think – at the same time, I think the presidential election is not go – to go in the same direction. I don't think that it's going to be, you know, an Islamist. And so it's – I would not even try to speculate about how that is going to – how it's going to develop.

[01:16:09]

MR. MUASHER: OK. Chas.

MR. FREEMAN: There's a Chinese proverb which describes very accurately the U.S. and Saudi approaches to Syria, which is that we're sleeping in the same bed dreaming different dreams. (Laughter.) And I'll just leave it there.

As for Saudi-Qatari relations, they're considerably better than they were, but I will leave it to Abdulaziz to characterize them.

The next generation of rulers – I think, very likely, we're going to see at least one, maybe two of the sons of Abdul Aziz, the current generation of rulers, come to power. When and how, I don't know. I hope personally that King Abdullah stays in power for as long as possible because I think he's been addressing the kingdom's problems intelligently. But that is a question.

[01:17:12]

The generation beyond that is different in many respects. They are much more sophisticated – Western-educated, in many cases. They speak English. They're comfortable around the world. They've operated in a pan-Arab context in a way that the current generation did not. The current generation was brought up basically without electricity in mud buildings. And it has vaulted from that beginning into the 21st century. The next generation is very comfortable with technology and, as I say, comfortable – at least understanding of foreign ways; maybe rejects them – there's an awful lot of Islamism in that generation.

Which brings me to the question about the Salafi – the king's effort to redefine Salafism, which, I think, is basically a battle for the soul of school kids. It's not – it's a generational thing. The curricula have been revised. The museums have been established to make a point. Institutions like the King Abdullah University of Science and Technology have been established to embody the principles that he espouses or that this effort espouses – it

shouldn't be limited to one man. I think it is a battle at the moment that is being conducted within Saudi Arabia. And I don't see it having immediate reverberations beyond the kingdom. There's no broad effort to export this particular theory of Salafism.

[01:18:56]

But to go back to the points with which the first panel opened on counterterrorism, what is notable about the Saudi effort on counterterrorism is that it addresses the problem on three levels, not just killing terrorists or reforming those who are in the process of becoming terrorists or who have been terrorists but may be redeemable, but also directly attacking the ideology of terrorism using religion as a weapon to discredit deviant theories and behaviors. And in this context, the issue of reform in the ideology of Salafism, which is the state ideology in Saudi Arabia, is very, very important.

Finally, just a comment on Egypt. This illustrates the potential for competition between the U.S. and Saudi Arabia. The U.S. responded very inadequately, as, indeed, the international community has generally, to the changes in Egypt, with a loan forgiveness – debt forgiveness program that, by some calculations, is valued – about $90 million a year is the net value of it. The Saudis gave $4 billion. Now, it wasn't worth exactly $4 billion because, again, you have to calculate the precise impact, but it was worth substantially more than what the U.S. did. There was no coordination whatsoever between us. In fact, in many respects, the Saudi aid program seemed to be designed to buttress the status quo that we opposed.

[01:20:42]

So if the international community continues to default on the issue of reform in places like Egypt, and the GCC is the principal source of capital, I would make two comments: That will have consequences for the future direction of Egypt and its orientation in the region; second, it will be entirely consistent with what seems to be an emerging pattern of international order everywhere, namely, that there is no center, there is no American hegemon who calls the shots, there is no U.N. that determines what happens. What happens happens at the regional level between regional powers. And in that context, Saudi Arabia – I agree with everything Greg said about its limitations and the tendency to exaggerate its influence – but Saudi Arabia is a very, very important determinant of the way things would go.

The test, really, for the United States in the end in Saudi Arabia may be in Bahrain because, to pick up on what Marina said earlier, that seems to me clearly to be a situation where the objective of stability cannot be achieved without reform. That is, you can make the argument that to have peaceful change you must first have peace or to have orderly change, you must first have order, and therefore the restoration of peace and order are the first priority, but you then cannot forget about the need the address the underlying causes of the unrest, which are, in fact, fairly easy to identify, not easy to solve politically, but cannot be neglected if Bahrain is not going to become a strategic pawn between Iran and Saudi Arabia and between the sectarian forces that Greg correctly decried as endemic in the region at the moment and the interest of all concerned, including Saudi Arabia and the United States and others.

[01:22:53]

So that issue maybe is the test. I don't see the – I agree with Marina, I have not seen the United States or the American public step up to working with Saudi Arabia, because if we do have a common objective of stability, we have to help the Saudis understand that they must not forget about reform now that a kind of order has been established.

MR. MUASHER: Thank you. Abdulaziz, final words are yours.

MR. SAGER: Thank you, sir. Well, there is a misperception about the Saudi position on the Arab Spring. And this is why, for instance, in Egypt, Saudi are not supporting Mubarak regime. Saudi, King Abdullah in particular, look at the issue of the health condition of President Mubarak – you know, he has a severe cancer in his pancreas – so he was looking from that humanitarian side and not supporting Mubarak regime or really defending Mubarak regime. We've totally acknowledged the first visit that prime minister of Egypt made was to Saudi Arabia. Saudi Arabia supported the Egyptian military, you know, councils, and also supported – so economically, politically, we have done our share of support. The question was about the humanitarian side of the health condition and President Mubarak and not his regime.

[01:24:08]

Now, again, if you look at the rest – if we have not welcomed Zine El Abidine to land in Saudi, maybe Tunis today still would be like, you know, Libya, you know, having a civil war. But taking and accepting him immediately to land in Saudi Arabia – Saudi Arabia will comply with any international law that will ask of delivery of Zine El Abidine – there is a – you know, a court order or there is an Interpol, you know, request on that issue.

[01:24:34]

On the Syrian side, to tell you the truth, my personal feeling, I think it's in the best interest to see, you know, Syria falls because the fourth collusion, which is Iran-Iraq-Syria-Hezbollah, that will be weakened, if we see, you know, the (regime change ?) because the only alliance that remain for Syria today is Iran. And (I ?) was the first Saudi who publicly, on TV, apologized to the Syrian nation, say, look, we're sorry, you know, for what happened to you, we have – you know.

And then I was very happy, honestly, to see that the king's message was addressed to the people of Syria, not the regime there. And I think that message came after four issues: one, the geographical location of the – of the – of the movement in the country; the number of casualty; the massive use of violence against the – you know, the protester; and the international position. With all those four issues, Saudi Arabia and the speech of the king was very clearly addressing the people of Syria in that issues.

[01:25:32]

What are we to do with the U.S.? I tend to agree with Ambassador Freeman because yes, you know, we share the same bed, we share the same view that, you know, Bashar al-Assad no longer legitimize. And I think, you know, the state secretary by, you know, talking about the legitimacy of Bashar al-Assad, we're all agreement in that our worries is, who's a replacement? Is it going to be – because the one who really fought in the street is the Salafists – again, the extreme Salafists. They are the one, you know, who were there today. Buthaina Shaaban say, there is 1,500 casualty, 700 from the police, 700 from the, you know, protester. Who can verify that information? And who can say it's 2,000, 500 or 3,000? But still, at least, today we are coming up with a number. You know, they want to make it equal, the policemen and the (worker ?), but still – (inaudible). So the concern in Saudi Arabia is, who is going to be the replacement? And how that – is it going to be the Muslim Brotherhood?

[01:26:26]

You know what? Neither the Saudi nor the American have send a clear message to the military because what we need to have, we need to have a fragmented military in Syria. If we don't have a fragmented military, a military that we send them a clear message, if you do your job, we will all support you, we will all help you, we will all be behind you – and it's like the – you know, the Gadhafi, you know, security unit. Nobody send the message and say, look, if you surrender today, if – you know, weapons off, you will be – you know, you will be treated fairly, you will not have that problem; nobody sent that promise to them. So I think we need to send a clear message to the Syrian military, you know, to – because the three establishment still are quite close. You know, the political, the party and military and the family have not yet – we have not seen a big fragmentation between them. So we need to see it within the military; we need to support the military side in that.

[01:27:14]

On the Saudi-Qatar, I think there was a good statement by Sheikh Hamed (sp), you know, the Lebanese meeting, that he said, if you have asked me the question before the visit of Prince Sultan, I would have said something different. Yes, there is a Saudi-Qatari coordination.

And this is what the Qatari honestly is starting to do. In every event, you know, we see more – I mean, the most frequent visitor to Riyadh is the Qatari prime minister before any major event saying that, look at – we didn't do it without – because they realize, they cannot do it without the consent of Saudi Arabia. So I think they're – this is why, although both are member of the GCC council, they have created a Saudi-Qatari supreme council that's led by the two crown prince of the country to do a lot of coordination – (inaudible).

[01:27:58]

Yes, sometime, being a smaller country, less decision process there, they take a much faster action, like in Libya for instance. You know, they were willing to send their fighter pilot and send their plane there. Saudi, because of the historic relation – the bad historic relation between Libya and Saudi Arabia, they did not want to go out of their way on the beginning by saying – otherwise it would have been seen as, you know, getting back into the Libyan and so on that one.

Do I still have one minute? Because of the succession issue – OK.

I understand the concern in the U.S. and in many other places that top of the pyramid is aging in Saudi Arabia. Yes, this is a concern. And we understand that.

But remember one thing, that we have the second generation in almost every position. We have them in the royal court. We have them in the foreign ministry now by appointing the king's son as, you know, deputy, you know, foreign minister. We have – in the ministry of interior, two of the – three of the, you know, second generation are there. We have the intelligence, the national guard – the king gave up his position for his son Mutaib. So honestly, the second generation are in position. And they're being trained and supervised under the – you know, the guidance of the senior one.

[01:29:16]

So we don't see it as you see it from outside. You know, from the inside we understand who take the decision. I'm sure when the ambassador visits Saudi Arabia, he see the king but he also see many of the young, you know, strong leader of the royal family, you know, taking the position, doing – you know, delivering what they're supposed to do. So we don't see it as a major crucial issue. Yes, maybe it will be easier for people to see who is – who's third on

line, who's fourth in line. For us, it's clear; for the outside, maybe the Saudis need to make you see more that clear and so on.

I think this is (in general ?) because the Egypt – I mean, the Egyptian question – trust me, Saudi would remain committed. They would never wanted to see, you know, a wrong situation in Egypt. Even if they have to pump more money, I think all are willing to do that one – UAE and the Gulf, you know, as a Gulf – country as a whole, they will do it. But, you know, primarily Saudi Arabia and UAE will support the Egyptian and the economic situation there.

[01:30:13]

MR. FREEMAN: I just want to make one sort of point that ties together some of the questions about Egypt's orientation in the future, Turkey, questions about Iran, questions about the Palestine vote in the U.N. You know, if we're into a transactional sort of definition of relationship, you could – you should not rule out the possibility that even though – even while Saudi Arabia and Iran go at each other hammer and tongs overall, they make common cause on the Palestinian issue. And Egypt and Turkey are in that too. It's possible, in the new context, to have coalitions that focus on specific issues, even though the parties to those coalitions may be at odds in general terms. I'm not making a prediction, but I'm just saying that this is a different region we're talking about and we need to recognize that things are in flux.

MR. MUASHER: I also want to say, Prince Turki's op-ed today was about the Palestine issue, and so it might be easy to miss the words he used against Syria which, to my knowledge, have been the harshest any Saudi official has ever used against the Syrian regime.

[01:31:35]

This is all the time we have. Thank you very much. Please join me in thanking the panelists. (Applause.) This is – this is, I'm sure, an issue that we will return to in the future probably several times. Thank you.

(END)