

NATIONAL COUNCIL ON U.S.-ARAB RELATIONS

17TH ANNUAL ARAB-U.S. POLICYMAKERS CONFERENCE

“TRANSITIONING THE WHITE HOUSE: CHALLENGES AND OPPORTUNITIES FOR ARAB-U.S. RELATIONS”

THURSDAY, OCTOBER 30, 2008

RONALD REAGAN BUILDING & INTERNATIONAL TRADE CENTER
WASHINGTON, D.C.

8:50-9:00: WELCOME AND INTRODUCTIONS

Dr. John Duke Anthony – President and CEO, National Council on U.S.-Arab Relations; Adjunct Professor, Center for Contemporary Arab Studies, Graduate School of Foreign Service, Georgetown University and Adjunct Professor, Defense Institute for Security Assistance Management; author of *Arab States of the Lower Gulf: People, Politics, Petroleum*; *The Middle East: Oil, Politics, and Development*; *Historical and Cultural Dictionary of the Sultanate of Oman and the Emirates of Eastern Arabia*, and *The United Arab Emirates: Dynamics of State Formation*, in addition to numerous articles and essays on the Arabian Peninsula and the Gulf States, the Gulf Cooperation Council, and the six GCC countries.

Rear Admiral Harold J. Bernsen, (USN, Ret.) – Chairman, Board of Directors, National Council on U.S.-Arab Relations; President, Board of Trustees of Physicians for Peace; Director, American-Bahraini Friendship Society; former Commander, U.S. Middle East Force; and Director Emeritus, National U.S.-Arab Chamber of Commerce.

Mr. Jeremy Downs – Ronald Reagan Building and International Trade Center, General Services Administration, National Capital Region

Transcript by Ryan & Associates

Thursday, October 30, 2008

Day 1 Opening

[John Duke Anthony] Ladies and gentlemen, my name is John Duke Anthony. I am the President and CEO of the National Council on U.S.-Arab Relations. The National Council was established in 1983 as a non-profit, non-governmental educational organization.

The National Council has tax-exempt status. It is a 501 (c) (3) Organization. As such, contributions to the Council are tax deductible to the fullest extent allowed by federal law. The Council's vision is a relationship between the United States and the Arab world that rests on as firm a foundation as possible. The Council's mission is education, which is precisely what this conference is all about.

This year's Arab-U.S. relations policymakers' conference convenes in conjunction with the National Council's 25th Anniversary -- its Silver Jubilee. The occasion occurs at a moment that could hardly be more challenging. It takes place in the midst of efforts by both sides to maximize the positive and minimize the negative in America's relations with its Arab friends, allies and strategic partners, and vice versa.

Assembled among the more than 800 participants in this year's Policymakers' Conference are some of the most internationally renowned specialists, practitioners and participants in the Arab-U.S. relationship. Many have been directly engaged in the relationship throughout their entire professional careers. All have agreed to address the policy-related challenges and opportunities leading up to and beyond this moment that transpires on the eve of transition in the White House, in the House of Representatives, and in that third of the United States Senate that is up for election or reelection.

An Exceptional Moment

The last time there was a comparable situation in America's national electoral politics when neither the president nor vice-president was standing for reelection was nearly four decades ago. For this reason alone, the atmosphere could hardly be more receptive and the moment scarcely more propitious for addressing these complex issues and the challenges they pose for Arab-U.S. relations policymakers and those tasked with formulating and implementing policies.

Not least among the reasons is that this year's Policymakers' Conference convenes in the midst of a rapidly unfolding international financial crisis. The crisis is one of dimensions and proportions that brook no illusions. None here have experienced anything comparable in her or his adult lifetime. In the financial aspect alone, there are numerous pressing policy-related questions for which there are as yet not even a sufficient number of credible difficult answers, let alone easy ones.

In terms of trade, in terms of investment, in terms of finance, in terms of banking, in terms of inflation, in terms of interest rates, in terms of pensions, in terms of people's savings for their

children's higher education, in terms of collateral, in terms of mortgages, in terms of derivatives, in terms of capital gains, in terms of employment, in terms of countries' economic infrastructure, in terms of energy – each of these challenges is inter-connected with innumerable other challenges. Collectively, all of them are wrapped together in a seamless cloak of mutual needs, concerns, interests, and objectives that cry out not only for bold, principled, and effective leadership but statesmanship.

Multifaceted Challenges and Opportunities

In the background of this crisis that continues to unfold as I speak are pressing issues of a geopolitical, geo-strategic, and geo-economic nature. Of particular concern are the ongoing uncertainties that pertain to Iran and Iraq. In Iraq, one is but months away from provincial elections. The elections are scheduled to take place in a setting where nearly a quarter of a million American armed forces and civilian contractors have been mobilized and deployed in support of a U.S.-led invasion and occupation that has no end in sight. The setting is one, moreover, where the international legal underpinning of the continued presence of American combat forces in Iraq is soon to expire. Neither Americans nor Iraqis can say with absolute certainty what the consequences will be should the legal authorization of the American military presence expire. Neither can either side deny that an extended legal mandate, absent the national political reconciliation that remains elusive, will reverse the profound dislocations and devastations visited upon the country following the American led attack in 2003 that produced regime change in Baghdad.

In addition, this conference convenes at a time when there remain in the United States and Israel policymakers who would like nothing more than to take down the government in Tehran regardless of the uncertain and potentially dire consequences that would likely ensue from such an action. As if these simultaneous and multifaceted challenges to American and Arab policymakers were not more than enough to tax the skills of any foreign affairs practitioner, none few if any among those assembled here would likely argue that the volatile situation at the eastern end of the Mediterranean is any better. Indeed, from the perspectives of this particular sub-region's Israeli, Lebanese, Palestinian, and Syrian inhabitants, the case can be made that there is greater cause for gloom than light.

How could one conclude otherwise? As it is, the past week has revealed what would appear to be the certain near term death knell to the two-state solution to the Arab-Israeli conflict that President Bush had promised would be among his highest foreign policy objectives before his scheduled departure from the White House on January 19. As it is, the precarious plight of the Palestinians under Israeli occupation continues apace without any signs of meaningful abatement. As it is, the American and Israel-led efforts to isolate Syria politically and internationally are ongoing with no end in sight.

A Two-Way Street, Not an On and Off Light Bulb

Finally, also associated with the imminent transition to a new administration and Congress is an extraordinary range of Arab-U.S. relations national security and defense cooperation challenges. These remain alongside additional policy-related considerations pertaining to energy and the dynamics of trade, investment, and joint commercial ventures between Americans and Arabs. Certainly, underscoring our respective global economic interconnectivity is a mounting need for Americans and Arabs alike to restore trust and confidence at both ends of the relationship. This can only occur through consultation, not imposition.

Such an effort will not succeed absent a mutuality of benefit and respect for each other's culture, religious beliefs, and moral principles. The relationship cannot be likened to a one-way street. It must not be treated as a light bulb to be switched on or off by one or the other side only when it is needed. What is required at both ends of the Arab-U.S. relationship is a joint commitment to the reality that we live in a globalized economy and that we are in this together. Togetherness is the opposite of polarization. Neither side can afford to indulge language that speaks of one's counterparts as "those," "them," "other." Only by joining hands in a spirit of "us-ness" will we have any realistic expectation to successfully resolve the multifaceted policy related challenges posed by the unfolding international financial crisis. This cannot be a one-way street. It can only come through consultation, not imposition.

To do this we have to chair this first session in introducing General Clark and Jeremy Downs, Admiral Harold J. Bernsen who had a distinguished career as a naval officer for thirty four years and who was involved first in the command position of United States Middle East Force in Bahrain in the early 1980s and did that job so effectively he was brought back out at the end of the Iran-Iraq war at the time of the re-flagging of Kuwait's tankers and the United States Navy role there.

In his retirement he has been the President for the Physicians for Peace, an organization that engages in humanitarian medical work in developing countries including the Arab countries, the Middle East and the Islamic world. He has been a Director Emeritus of the National U.S.-Arab Chamber of Commerce, a board member of the American Bahrain Relationship Society and it is my pleasure to introduce him to you as the Chairman of the National Council on U.S.-Arab Relations Board of Directors. Admiral Bernsen.

[ADMIRAL BERNSEN] Ladies and gentlemen, on behalf the National Council's Directors I join Dr. Anthony in welcoming you this morning to the 17th annual Middle East Policymakers Conference.

With the excellent speakers that we have there is no doubt that you are going to find these two days very interesting and certainly educational. I particularly want to thank the record high number of corporate sponsors as well as the Arab embassies whose generous support have made this conference possible. I'm not going to mention their names individually but you will notice them and their logos prominently displayed in the auditorium and in your program.

And if you have an opportunity to speak to their representatives please express your appreciation for all the support that they give us. And now I would like to ask you to give your attention to Mr. Jeremy Downs. He represents the General Services Administration Capital Region, the organization that manages this impressive venue, Ronald Reagan Building and International Trade Center. He has some remarks he would like to make. Mr. Downs.

[JEREMY DOWNS] Thank you. I think we can all agree that this event could not have come at a better time. My name is Jeremy Downs and I am the Director of the International Trade Center and on behalf of the U.S. General Services Administration it gives me great pleasure to welcome all of the distinguished panelists, esteemed dignitaries, and members of the foreign policy community here to the building.

Our facility, the Ronald Reagan Building and International Trade Center is a project, a special project of the United States General Services Administration. We have been tasked by the U.S. Congress to promote opportunities for global commerce and cultural exchange here in the heart of the nation's capital. The international gateway, which is our building's trade arm, supports this vision through partnerships with government and non-government organizations. As a result we work closely with organizations like the National Council on U.S.- Arab Relations to host seminars, exhibits and networking sessions open to the public. Events such as these are what make our program a success.

The building also functions as the official World Trade Center for the national capital region in Washington DC. The WTCA trade center association is a non-profit organization with three hundred and ten active world trade centers across ninety countries in this world. In fact we have fourteen World Trade Centers located in the Middle East, many of them, which you may have visited in the past. For more information about the events happening here at the International Trade Center please visit the registration desk or speak with a member of our team as you exit or any time today or tomorrow during the event. I would like to highlight the coming up on November 18th we will be hosting a forum with the Small Business Administration. The program on global growth and exports will feature remarks from Secretary of Commerce Carlos Gutierrez and the US Trade Representative Ambassador Susan Schwab.

Thank you again for coming. I hope that you all benefit from this conference and you will visit us soon in the future. Thank you.