The Middle East: Into the Twenty-first Century
A Speech Delivered at the 51st Annual Conference of The Middle East Institute by
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The theme of this conference is "The Middle East: Into the Twenty-first Century." We must immediately face the uncomfortable fact that the twenty-first century is, for all intents and purposes, now. After all, twenty-six months brings us into it, and ten years well into it. So we are talking about the very near future.

From this perspective, one might say that it is not difficult to predict the trends in the Middle East for the next five to ten years: continued confusion, simply because there is no political force in the region that seems likely to be able to resolve any of its major problems within that time horizon. This unfortunate prospect becomes even more pronounced when we realize that the problems of the Middle East are intertwined in complex ways with problems in the developed world, and especially Europe, that are themselves unlikely to be solved within such an horizon. The problem, for example, of globalization and its attendant effects (firm relocation, downsizing, trade integration, and unemployment), and associated problems like xenophobia and "culture wars," exist, and are difficult enough to deal with, in developed countries of Europe and North America. Imagine how much more difficult they are to deal with in the poorer, developing societies of Middle East.

In other words, the complex interrelation among world societies means that the solutions to the Middle East's problems for the twenty-first Century demand difficult decisions everywhere. And I hope you do not think I came to provide answers. I don't have any. I would rather take the more realistic path of setting forth in no uncertain terms the difficulties of the situation, with the hope of inspiring a discussion that could lead to some concrete, hopeful possibilities.

It seems to me, in fact, crucial to acknowledge that this is the kind of challenge we must confront in the years ahead: a long and difficult process of discussion, exchange, and often uncomfortable interaction, in which for the most part we all have to confront a lot of things we really do not want to hear, and open our minds to strategies that do not fit comfortably with pre-conceived formulae.

What, then are these problems facing the Middle East as we move into the twenty-first century?

Let us address at the outset what has unfortunately become the "threshold" problem for the Middle East, in the sense that it is the problem through which, in the United States especially, almost all discourse on the region must first pass--that is, the Israeli-Palestinian problem, and its current incarnation in what has been called the "peace process." I say "unfortunately" because it is the perception of Arab governments and peoples that the solution to this problem largely awaits a change in the political will of the West, and especially in the United States, and that, in the meantime, the West's understanding of this issue unfairly occludes and confuses discussion of other urgent problems throughout the region, such as democratization, women's issues, or poverty.

We have to recognize, I would suggest, that, as we speak, what has been called the "peace process" is, in the most optimistic reading, on the verge of collapse. The evident refusal of the present Israeli government to abide by the spirit and letter of the Oslo accords, as evidenced in its refusal to return further territories as scheduled, its continued policy of collective punishment, and its insistence on expanding new settlements is rapidly rendering those accords moot. And let us be clear about one thing: the provocative settlement policy, at least, is *not* a response to bombings, or "terrorism," or "Islamic extremism"; it is a decision of the present Israeli government, based on its own political principle, which to all intents and purposes means an abandonment of the principle of land for peace within a framework of mutual recognition and respect.

Let us recognize, too, that this process will *not* be healed by pressuring the Palestinian Authority to become the South Lebanese Army of the West Bank. This will not happen. It is not an option that Yassir Arafat could exercise even if he wanted to.   The credibility of Arafat and the Authority is fragile enough among the Palestinian people right now. For them to engage in arbitrary mass arrests in response to Israeli pressure would eventually result in an uprising, led in fact by Hamas. Such a crackdown on Hamas would only reinforce its image as the only effective agent of resistance to Israeli power.

The present situation, then, is simply intolerable for both sides. In medium run, I am afraid, it will be resolved in one of two ways: *either*, a firm and irreversible acceptance in practice by the Israeli polity, including Netanyahu and most of the Likud, of the strategy of land for peace, the ending of settlements, withdrawal from all the occupied territories agreed to in Oslo, serious negotiations on Jerusalem--in short, a strategy of mutual recognition and respect, which was the point of Oslo, and which the Palestinian Authority and Israeli Labor have in fact accepted; *or*, an Israeli attempt to reoccupy virtually the entire territory, probably successful, but at an enormous human cost.

And, I am afraid, there is no one in the Arab world who does not believe that the United States, and only the United States, has the power to determine which of those alternatives occur.   The question is only whether it has the political will to make sure that the first alternative prevails.

While it may seem that America, as the only superpower, faces no dire threat whatever the outcome, and can therefore afford to be aloof, this is a serious misperception. The costs to the United States of anything resembling Israeli re-colonization of the entire West Bank would be enormous: at the least, a crisis in relations with strategically important friends in the Arab world, and an increase in terrorism targeting the United States itself.

If I have not centralized the issue of "terrorism" in this discussion, it is because, as everyone knows, these gruesome and unacceptable acts will not end until and unless the legitimate rights of Palestinians are met, and are perceived as being met, by and for the mass of Palestinians.

They will not end if settlements, land confiscations and collective punishment continue; they will not end if Arafat cracks the whip at Israel's every whim; they will not end even if Israel re-occupies the territories. In fact, as I have already suggested, in this case, they would increase

throughout the world. These are the policies that in fact produce suicide bombers. Until such policies change, terrorism will unfortunately persist.

Terrorism can always be used as an alibi for avoiding moving forward with peace, because the violence of desperation will only wither and die as a mutually respectful and prosperous peace blooms.

But let's move on to other issues that bedevil the region and pose serious problems regarding its future.

Above all, there is the need to achieve a level of widespread, sustainable socio-economic development, within individual nations and within the region. As the first Middle East/North Africa Economic Summit in Casablanca emphasized:

> "[we] are required to address the idea of security in the Region in all its dimensions: social, economic and political. . . These issues need to be addressed within the framework of a global approach encompassing socio-economic dimensions, safety and welfare of Individuals and Nations of the Region."

This really is a first principle. There will be no security and prosperity without economic development that is perceived as widely beneficial to societies. Such development is not just a matter of aggregate figures on central balance sheets, but requires the informed participation of ordinary people who find that honest work yields dignity and a predictable satisfaction of basic family needs. Only such development holds the key to social stability and economic growth that is sustainable in the long term.

Unfortunately, in this respect as well, it is hard to see any terribly hopeful signs on the horizon. We must take into account the mixed character of the market reforms which have been prescribed for the region. Whatever macro-economic value of such policies, they are not often perceived as harbingers of hope, especially among the vast majority of poor people.

While it is widely accepted today that a free-market is the most efficient way to organize an economy, it is also clear that market reforms generate new sets of problems that are often difficult to deal with on their own terms.

Reforms in fiscal policy, financial institutions and accounting methods help make visible the real costs of goods, benefits and subsidies, and have been widely accepted as conditions of debt relief and price discipline. A great deal of anxiety persists, however, regarding widespread privatization, which, would inevitably result in increased unemployment with its attendant explosive social and political effects.

The peoples and the governments of the region have not been reassured by arguments that any such unemployment would be a short-term phenomenon, eventually alleviated by growth. Everyone

fears that there can be no such guarantee in a volatile, competitive world, and that the immediate political reactions will require radical responses that will make any long-term perspective irrelevant.

Egypt, the Arab country that has perhaps been the most subjected, and among the most responsive, to these pressures, as well as being the beneficiary of extraordinarily generous terms of debt relief, demonstrates the positive and negative effects of deep "structural reforms," namely, increasing growth and consumption, but also increasing inequality.

Regimes of the region fear the previously mentioned political effects of further privatization, while many people are suspicious of the kind of crony privatization that has happened in many places, with ownership passing to connected personnel from the bureaucracy.

In general, the privatization process has certainly not solved problems of inequality and unemployment, and, crucially, it is not perceived as likely to. In short, it has not calmed social fears.

Again, it is worth remembering that the Middle East is not alone in facing these kinds of problems. In Europe, as recent events in France and Great Britain indicate, and elsewhere in developing world, we find similar unresolved social anxieties.

In the Middle East, however, these problems are compounded by specific complicating factors, such as explosive demographics, and the lack of a previous period of sustained post-war development (as in United States and Europe) to cushion the negative effects of structural reforms.

Another factor, which is specific to the Middle East and compounds this dimension of economic tension, is the intense politicization of cultural conflict. There is a flood of confusing new images pumped into traditional cultures via increasingly sophisticated and ubiquitous technologies (satellite TV, MTV, Internet). This new, complex apparatus of global image distribution is controlled by increasingly powerful, increasingly concentrated, media corporations. That fact that many of these corporations are predominantly American (Disney, Time -Warner) also helps fuel anti-American sentiment in many sectors.

The glamorous, hedonistic global popular culture emanating from this apparatus is often perceived as promoting only the values of individualism and materialism, and as belonging to the West and to local elites. It comes into dramatic contradiction with traditional, religiously-grounded local cultures which value family, community and stability, traditional cultures that are often felt to be havens for those who have been left behind.

This acute cultural resentment is easily combined with the class resentment fueled by increasing inequality, producing an explosive mix that fuels much of the popular support for "Islamic politics."

We should not underestimate the complexity and difficulty of this problem. The cultural and economic dimensions of discontent feed on each other in ways that are tough to analyze, let alone

resolve. It is hard enough to address economic inequalities, but cultural differences are no less complex, involving the international exchange of objects that are at once ideas, images, creative works, and valuable commodities. What consensus, which rules, govern the circulation of such objects: Freedom of expression? Freedom of trade? Cultural diversity? Cultural self-determination?

Thus, although some in the Middle East see closer economic integration with Europe as a way out, it seems unlikely, given the problems the European Union itself is facing in moving forward with economic integration, that anything likely to alleviate the problems of the Middle East will be on the agenda in a five-to-ten year horizon.

Any suggestions?

Another pressing problem throughout the region is the need to achieve a self-perpetuating democratic process.

Although some argue that consistent economic growth, following the "tiger economy" model, can best be achieved via a strong, stable state, no matter how authoritarian, I have to disagree that such a model would be desirable, or even possible, within the twenty-first Century Middle East.

I would hold, in fact, for the reverse: that an accountable and transparent state, a vibrant and varied civil society, and a healthy relationship between the two are necessary conditions of stable economic growth.

Movement in this direction *will* develop across the region. At this point, there is too much of an educated population, too impatient with the alibis for the status quo, and too aware of the achievements throughout the developing world, not to press for serious democratization. But this process will not advance entirely quietly; there will be a lot of struggle, and some setbacks and reverses.

This unevenness of democratic development is due in part to specific characteristics of Middle East societies.

We must acknowledge, for example, that, for the most part, the societies of the Middle East have no recent experience with democratic culture, and no long history of democratic practices.

One cannot ignore, either, during these democratizing openings in the Middle East, the problem of dealing with strong political forces that might take advantage of these openings to promote a political program that is in fact undemocratic.

This is a legitimate fear regarding some tendencies of what is often called "political Islam," a term that refers to a set of movements which have come to constitute the most serious challenge to established regimes in the Middle East and North Africa. In virtually every country, lslamic groups

challenge the legitimacy of ruling establishments.

Some of the factors account for the appeal of the these groups are: longstanding patterns of bureaucratic corruption and arrogance; widespread poverty and social injustice, along with fears of further economic and cultural disruption in an age of globalization; and the lack of a credible secular democratic alternative.

All too often, Islamic groups are busy delivering social services to those neediest sectors of the population that official bureaucracies treats with indifference, if not repression.

Of course, while Islamic groups expose some of the bankruptcy of the existing regimes, they do not offer a coherent new model of state and society. The *ad hoc* provision of goods and social services does not add up to a credible political alternative.

Despite their claims to accept western technology, medicine and technological expertise, Islamic groups profoundly reject modernity and its philosophical, cultural, and political concepts. Their models of state and society tend to be mythical evocations of a distant and glorious past, a return to an imagined "purity" of founding principles. But the hard realities of unemployment, problems of public health and education, challenges of technological and cultural development,. require a forward-looking political and economic order.

While a critique of Western modernity may certainly be in order, the stark replacement of modernist rationality with narrow interpretations of founding dogma, to which much of political Islam tends, in fact prevents the development of distinctly Islamic *and* forward-looking ways out of the impasses of contemporary Muslim societies.

While it is not clear how any democratic polity can defend itself against the contradiction of the appeal and therefore relative success within the democratic game of forces that may be ultimately undemocratic, it seems to me that this problem cannot successfully be repressed out of existence. On balance, I think the Algerian case shows the pitfalls of such a strategy.

Even in the case of Turkey, where Islamists were set back via a strategy of "normal" political and parliamentary maneuver, we have yet to see whether these tactics might produce some backlash. They certainly do not address the problems of which political Islam is a symptom.

Jordan seems to have fared somewhat better at involving Islamist political forces in a productive political and electoral process, while avoiding a cycle of repression and rebellion.

Ultimately, however, this phenomenon can only be addressed by recognizing how Islamists are perceived by local populations as providing an appealing alternative, and by demonstrating in action a politics that is even more appealing--that is more than opportunistically democratic, and that delivers justice.

That this mainly involves providing corruption-free basic services to villages and neighborhoods, and preserving the values of community and concern within new structures of development may sound simple enough, but it runs into difficulties created by complex political and economic pressures, both internal and external.

Of course, I want to be clear that "fundamentalism" is not just an Arab problem. Political Islam may be the Middle East's version of the fear of a disruptive future in an age of economic and cultural globalization, insisting on he need to return to founding principles, but even the most "advanced" Western nations confront similar problematic tendencies.

Political movements in the West have also been affected by appeals to the supposed founding principles of a glorious, pre-modern past. Recently, for example, we have seen the evocation of Clovis in France and of Jefferson in America to inspire political movements that are xenophobic at best. So political tendencies in the West do not offer clear beacons of hope in this regard, either.

Some of the problems with ongoing political reform in the region also have to do with the relatively thin concept of "democratization" that the West often promotes, or is at least satisfied with: namely that "democracy" means: basically free elections and a basically free press. This often takes the form of an "election day" fetish: if an election is held with no serious ballot-stuffing or other election-day problems, then democracy can be comfortably proclaimed.

Even in electoral terms, such thinking ignores the possibility of manipulation short of outright fraud: keeping opposition out of press, limiting their access to certain areas, using official funds to support incumbent candidates, not to mention the role of foreign financial and cultural influence in the media. And of course there are larger problems beyond those associated with elections.

My own experience with the Palestinian elections alerted me to the way in which, even during a vibrant democratizing process, an emerging political culture of nascent authoritarianism can be formed with the best of intentions. I expressed concern about it at the time, and the problem seems to have become more acute, threatening the stability of the Palestinian authority, and adding the to the fragility of the peace process as a whole.

What, then can we do to help neutralize extremism and strengthen the democratic forces in the region? W must look beyond the standards of election-day balloting, to the ways in which the political process is encouraging or discouraging the broad development of a democratic political culture. We cannot be satisfied with a *de facto* as opposed to a *de jure* one-party state, since this can create a fundamentally unstable "democracy."

In this respect, I would insist on the need to invest in human resources through education, professional training, and financial and technical assistance to community groups. But equally important is investment In civil society, especially in civil rights and human rights groups, women's organizations, the independent press, etc.

The development of a democratic culture in the Middle East and North Africa would be the result of a long-term strategy of investments in the independent democratic forces. Countries like Morocco, Egypt, Lebanon, Jordan, and even Algeria are strong candidates for the development of a democratic political culture,

I would say, then, that there are some positive signs regarding the process of democratization in the coming five to ten years in the Middle East, but no clear breakthrough to offer a beacon of hope.

Any suggestions?