

CO-CHAIRS

**Madeleine K. Albright
Stephen J. Hadley**

EXECUTIVE TEAM

**Stephen Grand
Jessica P. Ashooh**

**MIDDLE EAST STRATEGY
TASK FORCE**

Final Report of the Co-Chairs



Atlantic Council

CO-CHAIRS

Madeleine K. Albright
Stephen J. Hadley

EXECUTIVE TEAM

Stephen Grand
Jessica P. Ashooh

MIDDLE EAST STRATEGY TASK FORCE

Final Report of the Co-Chairs

The Atlantic Council is a nonpartisan organization that promotes constructive US leadership and engagement in international affairs based on the central role of the Atlantic community in meeting today's global challenges.

© 2016 The Atlantic Council of the United States. All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means without permission in writing from the Atlantic Council, except in the case of brief quotations in news articles, critical articles, or reviews. Please direct inquiries to:

Atlantic Council, 1030 15th Street, NW, 12th Floor, Washington, DC 20005
(202) 463-7226, www.AtlanticCouncil.org

ISBN: 978-1-61977-519-0

This report is written and published in accordance with the Atlantic Council Policy on Intellectual Independence. The authors are solely responsible for its analysis and recommendations. The Atlantic Council and its donors do not determine, nor do they necessarily endorse or advocate for, any of this report's conclusions.

November 2016

Task Force Executive Team

Madeleine K. Albright and Stephen J. Hadley, Co-Chairs

Stephen Grand, Executive Director

Jessica P. Ashooh, Deputy Director

Aysha A. Chowdhry, Counselor to Mr. Hadley

Jacob Freedman, Counselor to Secretary Albright

Stefanie Hausheer Ali, Associate Director for Programs

Andrea Taylor, Associate Director

Adam Simpson, Project Assistant

Atlantic Council Institutional Leadership

Frederick Kempe, President and CEO

Barry Pavel, Senior Vice President, Arnold Kanter Chair, and Director,
Brent Scowcroft Center on International Security

Frederic C. Hof, Director, Rafik Hariri Center for the Middle East

Mirette F. Mabrouk, Deputy Director and Director of Research and Programs,
Rafik Hariri Center for the Middle East

Working Group Conveners

Geneive Abdo, Atlantic Council

Tamara Cofman Wittes, The Brookings Institution

Manal Omar, United States Institute of Peace

Kenneth Pollack, The Brookings Institution

Christopher Schroeder, Author and Entrepreneur

SENIOR ADVISERS LIST

This report represents the conclusions of the Co-Chairs only. While the Senior Advisers were closely consulted throughout the duration of the Task Force, their participation and their acknowledgment here do not represent an endorsement of this text in whole or part. Additionally, Senior Advisers have participated in their individual, not institutional, capacities.

Dr. Abdlatif Al-Hamad

Director General, Arab Fund for Economic and Social Development,
State of Kuwait

H.R.H. Prince Turki Al-Faisal Al Saud

Chairman, King Faisal Center for Research and Islamic Studies

Prime Minister Shaukat Aziz

Former Prime Minister, Islamic Republic of Pakistan

Mr. Ayman Asfari

Group Chief Executive of Petrofac Limited and Chairman, Asfari Foundation

Dr. José Manuel Barroso

Former President, European Commission

Mr. Stephen Biegun

Former Executive Secretary, National Security Council

Prime Minister Carl Bildt

Former Prime Minister, Kingdom of Sweden

Mr. Rafic A. Bizri

President and CEO, Hariri Interests

Minister Emma Bonino

Former Minister of Foreign Affairs, Italian Republic

Amb. Nicholas Burns

Professor, Harvard University, and Former Under Secretary of State

Amb. Mark Green

President, International Republican Institute

Amb. Wolfgang Ischinger

Former Ambassador to the United States, Federal Republic of Germany

Minister Igor S. Ivanov

Former Minister of Foreign Affairs, Russian Federation

Minister Moushira Khattab

Former Minister of Family and Population, Arab Republic of Egypt

Amb. Jean-David Levitte

Former Senior Diplomatic Adviser to the Presidency and Ambassador to the United States, French Republic

Ms. Nancy Lindborg

President, United States Institute of Peace

Mr. David Miliband

Former UK Foreign Secretary; President and CEO, International Rescue Committee

Mr. Michael Morell

Former Acting Director, US Central Intelligence Agency

Dr. Vali R. Nasr

Dean, Paul H. Nitze School of Advanced International Studies,
Johns Hopkins University

Amb. Francis J. Ricciardone

President, American University in Cairo

Dr. Mowaffak al Rubaie

Former Member of Parliament and National Security Advisor,
Republic of Iraq

Dr. Abdel Monem Said Aly

Chairman of the Board and CEO, Al-Masry Al-Youm

Mr. Naguib Sawiris

Executive Chairman and CEO, Orascom Telecom Media and Technology
Holding

Amb. Sir Nigel Sheinwald

Former Ambassador to the United States, United Kingdom

Minister Javier Solana

Former Secretary General, NATO

Admiral James Stavridis

Former Supreme Allied Commander, NATO

Ms. Frances Townsend

Former Assistant to the President for Homeland Security and
Counterterrorism, The White House

Ms. Toni Verstandig

Former Deputy Assistant Secretary of State for the Bureau of Near Eastern
Affairs; Executive Vice President, S. Daniel Abraham Center for Middle East
Peace

Mr. Kenneth Wollack

President, National Democratic Institute

Minister Yaşar Yakış

Former Foreign Minister, Republic of Turkey

CONTENTS

Executive Summary	1
A Message from the Co-Chairs.....	9
Chapter 1: The Stakes	13
Chapter 2: How We Got Here.....	20
Chapter 3: Guiding Principles for a Strategy.....	45
Chapter 4: Elements of a Strategy	49
Chapter 5: Winding Down the Violence.....	56
Chapter 6: Unlocking the Region’s Human Potential	80
Chapter 7: Conclusion.....	102
Acknowledgments	104
Appendix.....	106

EXECUTIVE SUMMARY

The Middle East¹ is not condemned to a debilitating cycle of conflict. There is nothing inevitable or unfixable about what ails the states of the region today. Still, the current reality is alarmingly clear: a global crisis emanating from the Middle East convulsing much of the region in instability and violence, while projecting the threat and reality of terrorism and disruption far beyond. That threat and that reality are palpable, but so is the prospect for a better future. There are opportunities in the Middle East, not just challenges.

To be able to harness these opportunities, it is necessary to change the political trajectory of the region from state failure and civil war toward a stable and peaceful order of sovereign states. It goes without saying that the states and peoples of the Middle East have the greatest stake in what happens there. Yet the United States also has vital interests that impact both the lives and livelihoods of Americans and their families: keeping citizens safe from terrorism; protecting the US economy; empowering friends and allies; enabling American global military operations; preventing the spread of weapons of mass destruction; and averting destabilizing humanitarian disasters.

Advancing American interests will require far more than a unilateral “American strategy.” Outsiders cannot fix what ails the Middle East. Neither can they avoid its global consequences through some combination of defense, disengagement, and containment. The current crisis in the Middle East is not containable. Isolationism is a dangerous illusion.

A New Strategic Approach Led by the Region

What we propose here is a New Strategic Approach emphasizing partnership. Under this **New Approach**, the leaders and peoples of the region must take full responsibility for charting a new, positive vision for their societies. At the same time, outsiders such as the United States would work to help resolve the violent conflicts that currently stand in the way of achieving any region-led vision.

This New Strategic Approach is a bet on the people of the region. The partnership that it envisions reaches out to the full range of regional actors, not just governments. Youth, women, private business, local civic groups,

¹ For the purposes of this report, we define the Middle East as encompassing the Arab countries, Israel, Turkey, and Iran.

entrepreneurs, philanthropists, educators, and engaged citizens all have a role to play. What is required is a **Whole-of-Region** approach.

The New Strategic Approach envisions a two-pronged action agenda, implemented simultaneously. External powers will take the lead along with regional actors in winding down civil wars, mitigating human suffering, and relieving the Islamic State of Iraq and al-Sham (Daesh²) of its territory. At the same time, regional actors, with support from external powers, will work to unlock the region's rich, but largely untapped, human capital—especially the underutilized talents of youth and women.

This complementary division of efforts between external and internal actors represents a Compact for the Middle East, which abrogates outdated assumptions that countries and peoples must choose between security and more open societies. The more steps countries in the region take to improve their governance and the lives of their people, the more legitimacy they will have, and the more support they can expect from the United States and its transatlantic partners.

Implementing Prong One: Achieving Peace and Security

Prong One, with its emphasis on top-down security issues, requires heavy lifting by external powers in full cooperation with those regional actors willing to participate in this Compact. The required tasks are daunting but doable. They start with the four states of the region engulfed in civil conflict.

- **In Syria**, the humanitarian abuses of the Assad regime provide a recruiting bonanza for Daesh: they must be curtailed—militarily if necessary—and military action probably will prove necessary. Opposition forces must be strengthened to defend civilians from a murderous regime and to go after Daesh and al-Qaeda with enhanced outside support. The defeat of Daesh in Syria must be accelerated, and the reconciliation and reconstruction process for a devastated country must begin. The enhanced military effort must be used as leverage to push the regime and its outside backers toward a political solution. A vital element of this solution will be supporting ground-up efforts that engage local civic groups and Syrians who have been obliged to govern themselves at local levels due to state collapse. If the country is to survive as a single entity, a reconstituted Syrian government must provide increased autonomy and resources that

² Daesh is the Arabic acronym for the Islamic State. It is used in the region and among certain Western officials to describe the group, in lieu of ISIS, ISIL, or the Islamic State. It conveys the negative image that the group has in the region.

enable provinces and local governments to assume greater responsibility for their citizens and to give their citizens a greater voice in their nation's future. This is a **New Model of National Governance** with relevance not just to states emerging from civil war, but also to states of the region seeking enhanced legitimacy and greater support from their people.

- **In Iraq**, the national army—with the full support of external actors—must take the lead in defeating Daesh. To leave this task to Shia militias would be to accelerate Iraq's downward spiral. The Iraqi government—again, with robust external support and encouragement—must focus on reconciliation and stabilization. That will entail addressing humanitarian needs, overcoming sectarian tensions, restoring effective local governance, and spurring the economic revival of liberated areas. Iraq's survival as a single state depends in large measure on the government being seen as a more credible guarantor of Sunni Arab interests than Daesh. It also will require, as in the case of Syria, a new model of governance offering increased autonomy and resources for provinces and local governments. External actors should press the government in Baghdad and the Kurdish Regional Government to resolve their differences. Pervasive corruption must also be addressed. Empowered local governance can again provide a major part of the solution, along with strong support for leaders who put themselves at personal risk to tackle graft and vested interests.
- **In Libya**, history dictates a leading role for our European partners. Still, American leadership will be required to galvanize a currently divided Europe and rally external players—including several from the Middle East—to provide unified support to the Government of National Accord, rather than to regional factions.
- **In Yemen**, outside actors must persuade Saudi Arabia to prioritize a political resolution to the conflict. At the same time, Houthi military operations near and across the Saudi border must stop. Like Syria, Yemen has become a humanitarian catastrophe requiring the mitigation efforts of outsiders and regional players alike. And counterterrorism efforts against al-Qaeda's branch there must continue.

Working to wind down these civil wars will require strong resolve. Yet Prong One of the strategy must address other tasks as well.

- Pending the implementation of a **stable, sustainable two-state solution to the Israeli-Palestinian conflict**, the task of building the institutions of a future Palestinian state should continue and be accelerated, coupled with encouragement to Israel to enhance its economic and security cooperation with the Palestinian Authority.

- Political changes in **Turkey** combined with shared interests with the United States **require a more robust strategic dialogue between Ankara and Washington**. This is critical not only to addressing matters of mutual concern such as refugee flows, Daesh, and the Assad regime, but also to resolving current issues in the US-Turkey bilateral relationship—including relations with the Syrian Kurds.
- **Iranian interference in the Arab world must be deterred, even while engaging Tehran on matters of mutual interest** (such as the 2015 nuclear accord). America's friends and partners must be reassured that the US opposes Iranian hegemony and will work with them to prevent it.
- **Support for refugees must move beyond the provision of basic needs toward supporting their economic integration** in host countries and empowering their ability to return home. The region needs a **different approach toward assisting and supporting** refugees and internally displaced persons (IDPs). Adults unable to accumulate savings and children denied education are less likely to return to their home countries and rebuild. Those states bearing the brunt of refugee displacement—Jordan, Lebanon, and Turkey—merit strong and sustained assistance. Their compassion and support for Syrian refugees is a global public good. Yet the burdens are heavy, and creative assistance is needed. For example, cash payments to refugees—rather than in-kind aid disbursements—can stimulate local economies and mitigate local resentments. And contrary to popularly held beliefs, giving refugees legal access to work in local economies can pay huge dividends to the local tax base and produce overall economic growth.

Implementing Prong Two: Unleashing the Region's Human and Economic Potential

Prong Two of the New Strategic Approach emphasizes political and economic transformation, and requires profound reforms of states in the region. These are difficult undertakings requiring strong encouragement from supportive external powers. Yet unless regional states move resolutely toward an **Updated Social Contract** that empowers citizens and enshrines accountability, the investment being made in the region's human capital will not bear fruit. Several inter-related steps are necessary for such an updated social contract to take root.

- The most crucial step is to **develop the region's human capital**—including youth and women—to ensure that change is sustainable. Education is key. Strategic investments must be made in quality

education relevant to the twenty-first century. Existing educational institutions require, in many cases, total overhaul, with students and parents fully engaged in educational reform efforts. Indeed, localities should be given greater roles in determining educational priorities at the expense of large, centralized bureaucracies. Targeted interventions, well prepared teachers, thoughtful use of technology, exchange programs, and greater engagement with the American-style liberal arts universities located throughout the region are all essential. Strong vocational training programs should also be developed, recognizing the realistic needs of the labor market.

- An associated task is to support and facilitate **“Big Bang” Regulatory Reforms to foster greater trade, investment, and economic integration, with a special focus on empowering entrepreneurs**. This will ensure that educated citizens find opportunity once their schooling is complete. Governments should not be obstacles to economic creativity. Legal and regulatory environments that enable entrepreneurship to flourish and create an “ecosystem of innovation” are essential, as are protections and incentives for foreign direct investment. Transforming broad subsidies into targeted assistance for the poor, and creating empowered, independent central banks are likewise vitally important. Trade barriers must be lowered and ultimately eliminated. Tunisia—a leader in post-Arab Spring political reforms and in many ways a weathervane for the region—must not be permitted to fail economically.
- **Governments must both enable and catalyze citizen participation** in civic problem-solving. This means giving space for civic activities, encouraging and empowering local civic groups, social entrepreneurs, and especially women and young people to be productive and innovative. It means supporting skills training, civic initiatives, and public dialogues that help create more resilient and vibrant societies. It means encouraging and enabling women to play greater roles in economic and public life. And it means building communications channels between local civic groups and governments.
- **Good governance—especially empowered and well-resourced local governments—must be a priority**. Providing security in the face of terrorism without compromising the rights of citizens is no easy task, but it is a baseline requirement for defeating the terrorist threat. Corruption must be rooted out, delivery of basic services streamlined, and security services professionalized. Local governments should be empowered to solve local problems, and countries should develop their own benchmarks

for reform. In all of this, encouragement and support from abroad is important. But initiative from within the region is mandatory.

- The Middle East could benefit enormously from a **Regional Framework for dialogue and cooperation**. This framework would encompass economic, political, and security issues. It would transcend the limited mandates and memberships of existing organizations such as the Arab League, which excludes important regional players like Turkey, Iran, and Israel. Such a framework could help tamp down conflicts, encourage cooperation, establish agreed standards of state behavior, and incentivize and support positive steps by states in the region. A charter could articulate core principles, and a mechanism could be developed to encourage compliance with agreed norms. Such a framework could help wind down the civil wars and might ultimately ratchet-down the Saudi-Iranian confrontation. It would help to establish and maintain a more stable regional order among states. It could even become an engine for advancing the cause of Arab-Israeli peace.
- The Middle East would also profit enormously from **the creation of a Regional Development Fund for Reconstruction and Reform**. The absence of such an institution—which would include participation from within and outside the region—is notable. Regional states should propose, design, and finance such a fund, and challenge the international community to make matching contributions. The Fund would, in its lending practices, encourage and drive private sector development, and could draw on the example of other regional development institutions, such as the European Bank for Reconstruction and Development (EBRD). It could support actions and cooperative projects that emerge from the Regional Framework. Governments taking the steps described in Prong Two of the strategy would receive financing and technical support. Indeed, the Fund and companion institutions would support the full range of societal actors—including local governments, private companies, civic groups, business and social entrepreneurs, and empowered citizens.

The Choice

We have tried to take a clear-eyed look at the regional landscape. We recognize that conditions vary greatly across the region. We understand that many of the states of the region find themselves in very different situations. There is no single model for the region, and certainly not one designed by outsiders.

Yet what we have heard from the region suggests a common set of principles and strategies that can help all countries and peoples of the Middle East

manage differences across tribal, sectarian, and religious divides, build social harmony and social cohesion, create a twenty-first-century social contract between government and the people, enhance governmental legitimacy, and prevent conflicts from escalating into violence. We have tried to capture these principles and strategies in this report and show how they might be implemented and applied in concrete situations effectively and over time.

This report's bet on the people of the Middle East—struggling to rise from unemployment, underemployment, underutilization, and undervaluation—is far from a sure winner. But the days of external powers trying to orchestrate and even dictate political reality in the region are finished. So is a regional political order of governments demanding obedience in return for public sector employment and related state subsidies. What is being asked of Middle East leaders is daunting, and therefore external actors must be unsparing in their encouragement and support. But the choice is clear: create a foundation for a new order of political legitimacy, or succumb to unending crisis, instability, and terrorism. Either empower citizens or watch power devolve into the hands of criminals and terrorists.

This report maps out a clear—though challenging—pathway for the people of the Middle East to build a new future that transforms their region from a hotbed of violent instability to a stable and prosperous community of states. There is nothing in or about the Middle East that condemns it to failure, or that other regions have not overcome. The thesis of intractable ancient conflicts rooted in religion and ethnicity is as faulty in the Middle East as it was in Europe. On the contrary, there is much about the region—starting with its people—that inspires hope. But hope is no more a strategy than cynicism. The New Strategic Approach we propose can, if implemented, provide a way out of the current strife.

A MESSAGE FROM THE CO-CHAIRS

The Middle East³ is witnessing the unraveling of a century-old political order, an unprecedented struggle for power within and between states, and the rise of extremist elements that are exacting a devastating toll. Yet at the very same time, parts of the region are rapidly modernizing, seeking to provide better opportunities for their young people, and experimenting with more active roles in the Middle East and the world. These developments, both negative and positive, have profound repercussions not just for the Middle East, but also for the United States, Europe, and rest of the world. That is why we, under the auspices of the Atlantic Council, convened the Middle East Strategy Task Force in February 2015.

This report takes a step back from the current political debate. It seeks to move beyond the fire drill approach to the region's problems. It seeks to understand the complex forces shaping today's Middle East and to suggest how local, regional, and international partners can work together to set the **whole** region—not only those countries engulfed in civil war—on a more positive trajectory over the long term.

At its core, this report is not about devising a US strategy for the region, as if the United States had the responsibility and capacity to fix the region's ills. It is, rather, an attempt to articulate a strategy **for** the region, largely drawn **from** the region. The region's governments and its people will have to take the lead in carrying out this strategy if it is to succeed. But the United States and other external stakeholders can help, and we offer suggestions on how they can best support, enable, and facilitate their efforts. We believe it is very much in America's national security interest to do so.

Our approach to this project differs from other efforts of this kind. We quickly realized that an exclusive focus on security issues would not suffice. The region's security challenges are inextricably linked to humanitarian, social, economic, religious, and political issues. Therefore, we organized five thematic working groups, consisting of accomplished experts from the region and beyond, to examine the broad issues that we see as essential to a more peaceful and prosperous Middle East:

- Security and Public Order

³ For the purposes of this report, we define the Middle East as encompassing the Arab countries, Israel, Turkey, and Iran.

- Religion, Identity, and Countering Violent Extremism
- Rebuilding Societies: Refugees, Recovery, and Reconciliation
- Governance and State-Society Relations
- Economic Recovery and Revitalization

Each of these working groups, throughout 2016, published a paper outlining the conclusions and recommendations as seen by the convener of the working group. This report is greatly, though not exclusively, influenced by those working group papers.

Because of our strong belief in the importance of listening to voices from the region, we ensured that we received regular input from a wide range of people in the Middle East. Beyond our working groups, we had a panel of Senior Advisers drawn from the region, Europe, and the United States. We consulted periodically with the ambassadors of the region based in Washington, as well as with those of our key European allies and friends.

We also embarked on a fact-finding trip to the region in February 2016, which included visits by both of us to Tunisia, Egypt, Jordan, and Saudi Arabia, as well as stops in the United Arab Emirates, Israel, and the West Bank by Steve Hadley alone. Steve then returned to the Middle East again at the end of September. We met not only with heads of state, cabinet ministers, and other officials, but also with representatives from business and local civic groups, students, and young people, to ensure that we heard a wide range of views.

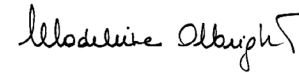
While the content and conclusions of this report have been greatly informed by this collaborative process, we did not seek to make it a consensus document. It does not necessarily represent the views of our Senior Advisers, our working group conveners or members, or any of the officials, organizations, or individuals we consulted along the way.

Instead, this report represents our best judgments as Co-Chairs. We believe it outlines a constructive, considered, and above all, solutions-oriented approach to a region that we see as vital to American interests, global security, and human prosperity. We understand that much of what we say will be controversial to many American audiences. But we believe our outreach to the region allows us to bring new information and new perspective to a public debate on the Middle East that has become both narrow and entrenched. We hope that the collaborative approach we have emphasized throughout this project can serve as a model for future problem solving on similarly complex issues.

Above all, we present our conclusions with great humility. The issues facing the region are some of the most challenging and difficult that we have ever seen in our respective careers. This task force took longer than we envisioned because of dramatic changes in the region during the course of our work. The strategy we outline will be hard, and will require courageous actions by leaders and citizens in the Middle East. It will also require sustained commitment by the United States and other international partners across time, administrations, and party lines. We know that this will be a tough sell in the United States. Americans are tired of seemingly unending wars in the Middle East. But we believe that the approach we outline ultimately will make the Middle East more stable, and, as a result, will make the United States—and the world—more secure.

The American people have decided on a new president. The Trump administration will have to grapple early on with the crisis in Syria. It would be wise to do so in the context of a larger strategy for the region as a whole. We think the recommendations contained in this report offer one way of doing so. As the new administration settles in to the task of governing, we believe it will find that its responsibility to keep Americans safe, combined with the course of events in the region, will impel it in this general direction.

The situation in the Middle East is difficult but progress is necessary and possible. We hope that this Task Force might serve as the first step toward better international cooperation with the people of the region to realize their incredible potential.



Madeleine K. Albright
Co-Chair
Middle East Strategy Task Force



Stephen J. Hadley
Co-Chair
Middle East Strategy Task Force

CHAPTER 1: THE STAKES

Two Visions

The world is not just facing a crisis *in* the Middle East, but a global crisis emanating *from* the Middle East. Four civil wars rage across the region—in Syria, Iraq, Libya, and Yemen—causing massive human suffering and displacement. The Islamic State of Iraq and al-Sham (Daesh) has emerged from this chaos to seize territory in Syria, Iraq, and Libya, while al-Qaeda has renewed its global efforts in a perverse bid to outdo its brutal rival. The violent methods and extremist ideology of both groups have attracted thousands of recruits through social media, and both have directed or inspired terrorist attacks in the West, including in the United States. Sectarian tensions are escalating as Iran and Saudi Arabia find themselves locked in a competitive cycle of mistrust, and the United States steps back from its traditional balancing role.

Yet as dire as today's headlines from the region seem, things could still get far worse. It is not hard to imagine the region's civil wars grinding on for years or even a decade longer. This would dramatically deepen a humanitarian crisis that is already as bad as any since World War II. Millions more refugees would leave their homelands. This mass migration would strain not just the political systems of neighboring countries, but Western governments and international institutions as well, whose deepest values and political stability are already being challenged by the crisis. The strains produced by migrants from the Middle East in particular were a key factor in the victory of the United Kingdom's "Brexit" campaigners, and could presage further cracks in the European Union's solidarity. Daesh and al-Qaeda would continue to benefit from ungoverned spaces, planning attacks and gaining new recruits. The pace of terrorism would escalate. Attacks would target not just the United States and the West but other states in the region. Instability and civil strife could destabilize Saudi Arabia, Jordan, and Egypt. The lack of security in the region would discourage even forward-thinking governments from undertaking needed political reforms, fearful of creating any opening that bad actors might exploit. The deteriorating situation would create a world that is generally more fearful and closed; economies worldwide would suffer; global economic growth would falter; and much needed jobs would be lost.

At the same time, there is still a realistic—if challenging—path that could result in significant improvements and surpass almost every expectation of what is possible for the region. The fact is that the Middle East is rich in assets, not the least of which is its tremendous human capital. It has a tech-savvy, youthful population hungering for a better life. Thanks to oil, the region possesses enormous wealth, even if it is unequally distributed. It occupies a prime location at the strategic crossroads of the world, and is home to some of the world’s most important religious and historical sites.

Under the right conditions, it is possible to imagine a different kind of Middle East emerging over the course of the next generation. At the local level, communities would be driven more and more by the talents and energies of their citizens, who would have more autonomy over their local affairs. At the level of nation-states, governments would improve the delivery of basic services such as education, health care, and infrastructure. They would also more fairly administer justice, uphold the rule of law, and protect the rights of the most vulnerable. As the quality of education in the region improves, the private sector would play a larger role in generating economic growth, thereby easing the burden on public finances. At the regional level, businesses and entrepreneurs would be more competitive in the global economy. The Middle East would become a new engine for global growth, as more of its people join the middle class. At the international level, a more prosperous Middle East with better and more just governance would erode the appeal and relevance of terrorist groups such as Daesh and al-Qaeda, by addressing the grievances that underpin them.

This alternative, more positive vision may seem far-fetched to many. But a close look at what is already happening in the region, even amidst the current chaos, is instructive on what is possible. There are opposition protesters in Idlib, Syria, who, five years into that country’s vicious civil war, used the temporary safety of a ceasefire to resume their peaceful demonstrations for peace and freedom. There are Syrian refugees in Jordan who are using 3D technology to supply artificial limb components to their peers in need. Syrian refugees in Germany are filling an essential requirement for more doctors in that country. Women in Egypt are using crowdsourcing technology to track and report street harassment. Saudi Arabia is embarking on a bold—if challenging—program of reform that aims to empower young people and bring more women into public life. While each of these cases on its own appears isolated, together they represent an unmistakable trend that offers great hope for the future.

A Compelling Interest in Change

This hopeful trend notwithstanding, many in the United States and the West simply want to change the channel on the Middle East. Having seen the region in turmoil for decades, they unsurprisingly want nothing more to do with it, think there is nothing that can be done about it, and may well feel that it is in the best interests of their own countries just to stay away. While such a reaction is understandable, it is at the same time unrealistic and fraught with risk. Recent events have shown that no country can isolate itself from the region’s current chaos. The rest of the world simply cannot prosper while the Middle East is in disarray.

It goes without saying that the states and peoples of the Middle East have the greatest stake in what happens there. They would be the greatest beneficiaries of a region on a trajectory toward a more secure and prosperous future. And Europe would also benefit—freed from the economic, political, and security burden of terror attacks and refugee flows. For the United States, there is an analogous set of vital interests at stake that impacts both the lives and livelihoods of Americans and their families.

- **Keeping America—and Americans—safe from terrorism.** Many believe that reducing our involvement in the Middle East will better protect the country from terrorism. Yet time and again, history has shown that rather than freeing the United States from future risk, isolationism only increases the bill we pay later on. The crises that ensue when America steps back from the global stage end up drawing in even *more* US resources, and under less favorable conditions. Hardening the US homeland can help, but no defense can be one hundred percent effective when terrorist groups such as Daesh and al-Qaeda are not only free to operate in large stretches of territory but are also active in cyberspace. To protect Americans, terrorism must be confronted at its source in the Middle East.
- **Protecting the economy.** The Middle East and North Africa (MENA) region is a top consumer of American products, buying more than \$90 billion worth of American exports in 2015.⁴ If considered in aggregate, the MENA region would be America’s fourth largest export market, ranking between China and Japan. From airplanes to food products to cars, Middle East consumers help keep American factory workers and farmers in business. Even companies whose products are not sold in the Middle East depend on the region remaining secure and keeping its waterways

⁴ US Census Bureau: Economic Indicators Division USA Trade Online, “U.S. Import and Export Merchandise Trade Statistics,” <https://usatrade.census.gov>.



A Tunisian citizen proudly showing her inked finger after voting in the Tunisia Constituent Assembly Elections, October 2011. *Photo credit:* United Nations Development Programme/Flickr.

open. Eight percent of all global trade passes through the Suez Canal in Egypt,⁵ and 30 percent of the world's maritime-traded petroleum passes through the Strait of Hormuz.⁶ While the United States has decreased its energy dependence on the region thanks to new drilling technologies able to tap oil and gas resources in North America, many of its allies and trading partners have not. Middle Eastern producers largely continue to determine the global price of oil, with significant knock-on effects on the world economy. The countries of the Middle East and North Africa hold more than half of the world's proven oil reserves; the United States, by comparison, has about two percent.⁷ Even taking into account increased American efficiencies in production, American reserves are far too small to have the same kind of impact on global markets. If the Middle East descends into further chaos, the global economy will be severely damaged, and American jobs and livelihoods will be lost.

- **Empowering friends and allies to step up to mutual challenges.** The United States cannot and should not be expected to deal with global problems on its own. We depend on our allies and friends to share the burden of defending our common values and interests. Some of America's most important and capable allies—such as Israel—are either in the Middle East or, like Europe, deeply affected by developments there. When our friends and allies know that the United States is actively engaged, they are more likely to feel empowered to step up and help address dangerous challenges in the Middle East and beyond, reducing the demands on American financial and human resources.
- **Enabling American global military operations.** The American military is the greatest in the world. Its ability to protect the American homeland, however, hinges upon being able to move troops and equipment freely abroad. Overseas rotations and basing permit a quick and decisive response to any threat—before it reaches the US mainland. The Middle East's strategic location between three continents makes it essential for this purpose. However, if chaos spreads further in the Middle East and more states are destabilized, or hostile powers move in to fill the vacuum, the United States could be increasingly shut out of this vital part of the world.

⁵ Ahmed Feteiha, "Egypt Shows Off \$8 Billion Suez Canal Expansion That the World May Not Need," *Bloomberg News*, August 4, 2015, <http://www.bloomberg.com/news/articles/2015-08-04/egypt-shows-off-8-billion-suez-canal-gift-world-may-not-need>.

⁶ "World Oil Transit Chokepoints," US Energy Information Administration, November 10, 2014, <https://www.eia.gov/beta/international/regions-topics.cfm?RegionTopicID=WOTC>.

⁷ US Energy Information Administration, "International Energy Statistics," <http://www.eia.gov/beta/international/rankings/#?product=57-6&cy=2015>.

- **Preventing the spread of weapons of mass destruction (WMD).** With American disengagement, states of the region—including US friends and allies—may try to safeguard their security by acquiring nuclear and other weapons of mass destruction. Adding WMD to this already fragile situation would present a severe threat not just to the United States but to the world—particularly if those weapons, or even their components—fell into the hands of terrorist groups.
- **Averting a destabilizing humanitarian disaster.** The current violence in the region has triggered the worst refugee crisis since World War II. This not only destabilizes countries in the Middle East, but also burdens the United States and its closest friends and allies. It threatens to fracture the European Union, and is poisoning Western politics. Unless the region becomes stable enough for refugees to return, or stay home in the first place, these problems will only get worse. On top of these serious security concerns, the humanitarian situation also presents a moral threat, undermining both the credibility and the foundations of societies like the United States, which are predicated on the universal rights of every human being.

The calculus of other countries will no doubt differ from that of the United States. Nonetheless, no country that depends upon hydrocarbons to fuel its economy, relies upon the export of goods abroad, is perceived as a destination for refugees or as a potential target for terrorists, and cares about the safety and prosperity of its people, can be indifferent to the fate of the Middle East.

Historical Precedents

The United States and parts of the international community have helped other regions of the world address similar challenges.

International efforts in the Balkans in the 1990s halted the sectarian fighting there and stopped the region's slide into chaos. The United States, Europe, and Russia brokered the Dayton Accords and an end to the conflict in Bosnia. Several years later, NATO intervened with air power to halt ethnic cleansing against Kosovar Albanians in the Serbian province of Kosovo. In both Bosnia and Kosovo, an international peacekeeping force prevented the resumption of hostilities. The United Nations worked to establish functioning successor states to the former Yugoslavia. At the same time, the European Union, through its accession process, offered a set of positive incentives encouraging these states to protect minority rights, bring to justice those who had committed atrocities, and develop functioning political systems and market-based economies. Twenty-five years after Dayton, the former Yugoslavia still

confronts many challenges. But it has moved out of conflict toward peace and stability. Two of its former constituent states—Slovenia and Croatia—are thriving EU members, while the others continue to make steady progress.

Colombia is another example, even in the wake of October's failed referendum on its peace deal with the Revolutionary Armed Forces of Colombia (FARC). While that setback complicates the prospects for a final settlement, it does not nullify the tremendous drop in violence that Colombia has experienced in recent years, or the effectiveness of the process that persuaded former combatants to lay down their arms—a development that would have once seemed unimaginable. The fact remains that sustained but judicious support from outside powers helped change the military trajectory of a fifty-year conflict, leading the parties to sit down at the negotiating table. While the peace deal will now likely be revised in further negotiations, the process has been notable for the inclusion of key regional powers, like Venezuela and Cuba, that had previously used the conflict as a proxy battleground for their own political agendas. On the US side, Plan Colombia entailed a decades-long commitment by both Republican and Democratic administrations, as well as leaders from both parties in Congress, to assist the country in countering the drug trade, combatting terrorism, enhancing its security, and bolstering development.

These cases also suggest that changing the trajectory of a conflict-ravaged nation or region must be a long-term endeavor, involving not only the application of military force, but also investments in the governance and societal infrastructure needed to make communities resilient. The choice facing us in the Middle East is whether we can commit ourselves to a persistent, long-term course of action that invests in meaningful stability, or whether we force ourselves to engage in a seemingly endless cycle of short-term military interventions. As the rest of this report will show, we believe the choice is clear.

CHAPTER 2: HOW WE GOT HERE

Many look at the current challenges confronting the Middle East and throw up their hands. The region has always been fighting and will always be fighting, they may argue, and anyone who steps in to try to alter this reality is doomed not only to fail but to emerge weakened from that failure. While the simplicity of this narrative is enticing, it is also inapt. The region took time to descend into its current chaos, which resulted not from destiny but from a series of identifiable failings.

Why Is All This Happening Now?

The problems of the region seem so entrenched, in part, because there has not been a comprehensive diagnosis or consensus as to how things got to their present state. The key players in the conflicts have their own competing theories about the source of the current crisis. Gulf Arabs cite Iran's revolutionary ideology and pursuit of regional hegemony, whereas Iranians blame Saudi proselytizing and the spread of its Wahhabi brand of Islam. In the West, many place the blame on Daesh and other radical Islamist terrorist groups, while those in the region accuse the United States of unleashing these same extremists by destabilizing Iraq in 2003. Others fault inequitable political systems that foster sectarian rivalry, or the rise of political Islamism and the Muslim Brotherhood in particular. Still others see massive failures of governance, widespread corruption, the declining Arab nation-state, and failures in education as the key problems, dashing the expectations of an exploding youth population. Still other voices might assert that today's problems were predestined by the colonial legacy of arbitrary borders. The list goes on and on.

While each of these narratives has elements of truth, none by itself fully explains the region's current crises. By the same token, solving any one of these issues on its own will not be enough to lift the region out of its current predicament. Additionally, these narratives miss other, more positive trends in the region that are equally a part of the landscape. The rise of the Internet and other new media, increasing levels of educational attainment, gains in human development, and populations with rising abilities and expectations are indispensable features of the contemporary Middle East.

In reality, the crises playing out in the region are impacted by all of these trends, both good and bad—and they predate by decades the events of the

Arab Spring or the rise of Daesh. These factors have compounded over decades and interacted to create a complex brew of challenges that cannot be isolated from each other, and must be understood and addressed as a set.

A Dizzying Descent

The Issue of Borders

In a region known as the cradle of civilization, the weight of history is heavy. The Middle East's rich resources and strategic location made it the subject of intense colonial competition in the last century. This difficult colonial legacy endures most obviously through the region's arbitrary borders, which bind together diverse religious and ethnic groups. Many see this as the root cause of conflict in the region, and a logical place to start in any plan for a more stable order. As a consequence, some argue that the solution is to break up states or revise their boundaries.

While tempting, this line of reasoning is misguided. Redrawing borders or partitioning states is unlikely to lead to better outcomes, much less boundaries considered more legitimate. The region's diversity means there is no formula for "correct" borders. Rejiggering the map would not produce homogenous populations; it would instead create deeper problems, throwing into question the legitimacy of existing state borders and signaling the opening of a land grab. Most importantly, adjusting state borders would not have any impact on the governance inside those borders. Redrawing lines on a map cannot create justice or competence where there are neither.

The core issue in the Middle East is not the borders themselves, but the behavior and performance of governments within those borders. Too often, leaders have structured the state—either through incompetence or by design—so that certain groups are privileged over others. Citizens see through this divide-and-conquer strategy and resent it. But they are powerless to escape it. For example, when Iraqis are asked about the cause of the conflict in their country, a majority of Sunnis, Shia, and Kurds all cite "a government in Baghdad that does not represent all Iraqis."⁸ Similarly, when asked about solutions for their country, most—including a majority of Kurds—identify a "more inclusive, representative government" as the best way forward—even when the option of partition is put on the table.⁹ Syrians echoed this sentiment, two-thirds of whom believe that a "political system based on citizenship and

8 Zogby Research Services, "Middle East 2015: Current and Future Challenges," p. 8, <http://www.zogbyresearchservices.com/s/Sir-Bani-Yas-2015-Letter-FINAL.pdf>.

9 *Ibid.*, p. 39.

equality before the law” is the most appropriate form of governance for their country.¹⁰

While colonial borders have created challenges, these challenges are not by their nature insurmountable. The longest unguarded border in the world, between the United States and Canada, is also the result of an arbitrary

¹⁰ The Day After, “Sectarianism in Syria: Survey Study,” February 2016, p. 83, <http://tda-sy.org/en/publications/english-sectarianism-in-syria-survey-study.html>.

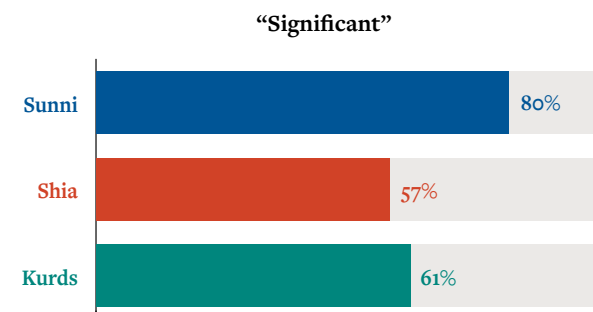
The Kurdish Case

Many bring up the Kurdistan region of Iraq (KRI) when seeking to make a case for revising borders in the region. The Kurds, numbering between twenty-five and thirty-five million people, are the largest ethnic group in the world without a nation-state. Their population straddles parts of Turkey, Syria, Iraq, Iran, and Armenia. Although the Treaty of Sevres in 1920 provided for an independent Kurdish state in a portion of the defunct Ottoman Empire, this was abrogated by the 1923 Treaty of Lausanne, which actually set Turkey’s modern borders. Nevertheless, Kurdish populations in different countries have sought varying levels of autonomy, with the most pronounced case being the Kurdistan Region of Iraq. Many hold up the KRI as an example of a region that should be granted full independence as a means of easing tensions in Iraq. The Iraqi Kurds have managed to carve out a remarkably peaceful and—relative to the rest of Iraq—functional administrative territory, with their own security forces, border control, and governing institutions. Their military, the Peshmerga, have additionally been an essential fighting force on the ground in the coalition against Daesh.

Nevertheless, the realities of independence mean that even an independent Iraqi Kurdistan, under current circumstances, would likely raise more problems than it solves. The borders of the KRI remain in dispute, particularly in and around Kirkuk, which the Kurds have always aspired to control and which they seized in 2014, following the Iraqi army’s retreat before advancing Daesh forces. Furthermore, KRI territory includes many thousands of inhabitants who are not themselves Kurdish, and who would face a choice of either uprooting themselves or living as a minority in a new state. This represents a potential humanitarian disaster, as we know from the experience of the creation of Pakistan, Bangladesh, and other states.

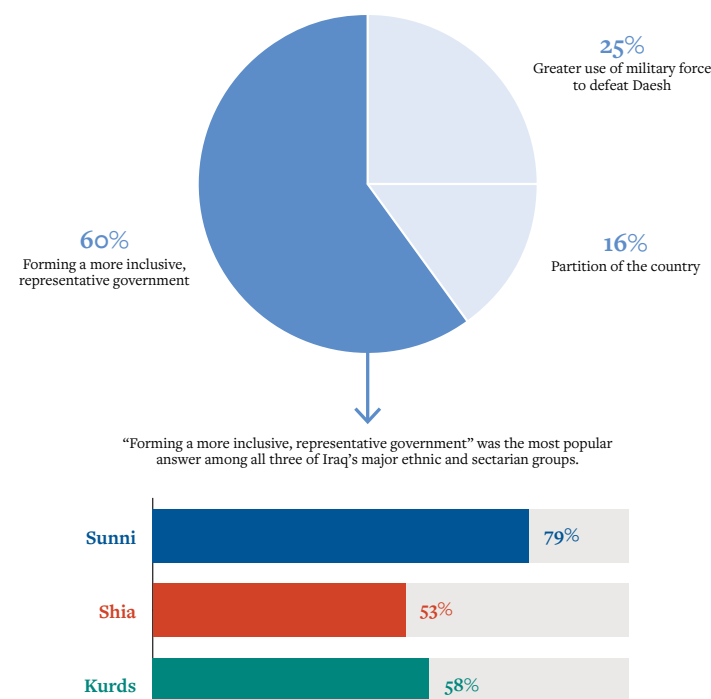
While none of these issues is on its own insurmountable, solving them justly would require years of internationally mediated negotiations and a careful process of referenda. This is not feasible in the short term. Furthermore, an independent Kurdistan would raise the independence expectations of Kurds living in neighboring states—which would generate enormous concern in the governments of those states generally and in Turkey in particular. Thus, while the world may one day, under the right circumstances, welcome an independent Kurdistan, it should be understood in a broader context, as a long-term question of how best to ensure stability and effective governance in the region, rather than a short-term fix to Iraq’s myriad problems.

Figure 1. Iraqis respond: “In causing conflict in Iraq, how significant is the role played by a government in Baghdad that does not represent all Iraqis?”



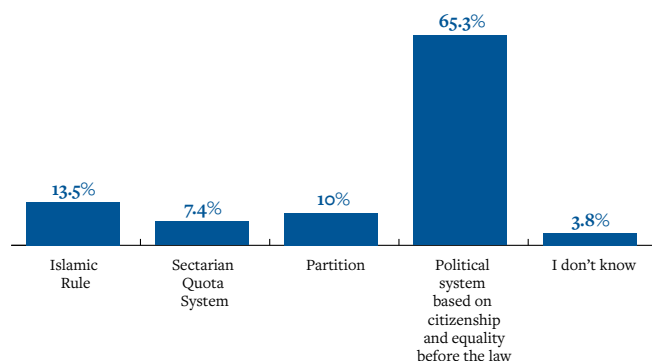
Source: Zogby Research Services, *Middle East 2015: Current and Future Challenges*.

Figure 2. Iraqis respond: “What is the best way to ultimately resolve the conflict that is taking place in Iraq?”*



Source: Zogby Research Services, *Middle East 2015: Current and Future Challenges*.
* Percentages in the pie chart do not add up to 100 percent because of rounding.

Figure 3. Syrians respond: “What is the most appropriate form of governance to overcome the problem of sectarianism?”



Source: *Sectarianism in Syria: Survey Study, The Day After*.

colonial division that straddled religious and ethnic lines. But in the case of the Middle East, weak governments and societies have made differences in identity more salient and toxic, making the borders more problematic. Still, the solution is not new borders, which are likely to produce new problems of identity and tribal and ethnic division.

Eroding Legitimacy

Having identified governance, rather than borders, as the more significant problem in the region, it is important to understand why states that seemed so stable for so long collapsed with such speed in 2011. While the events of the Arab Spring may have seemed sudden, in reality, the region’s governance problems built up over decades, and were the result of a social contract that did not evolve along with the demands of a changing world.

Throughout the twentieth century, this social contract took on different forms in different countries in the region, and blended sources of legitimacy that the West might find unfamiliar. In the absence of robust democracies, leaders in the Middle East drew their authority from other sources, often in combination. Some relied upon monarchical legitimacy or traditions of tribal leadership. Others found support through nationalism or revolutionary credentials. Still others staked their rule on religious authority. Yet many, regrettably, built their claims on sheer brute force, simply eliminating their challengers and skillfully exploiting the Cold War rivalry between the superpowers for external support—which in many cases the United States willingly provided. But importantly, no matter on what basis they laid claim to rule, service delivery was an essential element of the authoritarian bargain

between ruler and ruled, whereby the former promised to provide security, employment, and social welfare in return for political acquiescence.

Despite the obvious deficiencies of this model, the Arab world in the second half of the twentieth century saw—in absolute terms—a significant increase in human development and wellbeing. Between 1990 and 2010, the overall literacy rate in the region surged from 58 percent to 80 percent.¹¹ In the Arab world, access to clean water rose from 83 percent to 92 percent from 2000 to 2015.¹² Child mortality fell from a staggering 249 deaths per 1,000 children under five in 1960 to less than 37 in 2015.¹³

Yet with these improvements, expectations continued to rise. Over time, the ground began to shift under these regimes. Many political leaders became increasingly unresponsive and corrupt just as citizens were demanding more of the state. Unemployment remained stubbornly high, never falling below 10 percent between 1991 and 2014—consistently placing it around twice the global average.¹⁴

This stagnation was particularly damaging because it coincided with the rise of new media. The advent of satellite television, the Internet, and social media ended the state’s monopoly on information, affording citizens more opportunities to compare their lot with those in other societies. Compounding the difficulties, a more integrated global economy and worldwide financial pressures unleashed competitive forces that the region’s state-dominated economies could not manage. This limited political leaders’ ability to subsidize key constituencies, while fueling glaring disparities in wealth that heightened public resentment of the ruling class. Finally, changing demographics presented these states with the daunting task of educating and employing a vast and growing pool of young people.

These challenges proved more than many states could handle, and their failures in the basic tasks of governance ate away at their other sources of legitimacy. The long-standing social contract began to unravel. The result was the rapid disintegration of an entire class of nation-states—the Arab nationalist republics—on a scale not seen since the breakup of the Soviet Union.

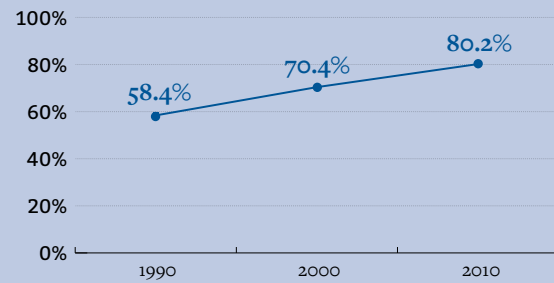
¹¹ World Bank, “Adult literacy rate, population 15+ years, both sexes (%)” 2016, <http://data.worldbank.org/indicator/SE.ADT.LITR.ZS?end=2010&locations=ZQ&start=1990&view=chart>.

¹² World Bank, “Improved water source (% of population with access),” <http://data.worldbank.org/indicator/SH.H2O.SAFE.ZS?locations=1A&view=chart>.

¹³ World Bank, “Mortality rate, under -5 (per 1,000 live births),” <http://data.worldbank.org/indicator/SH.DYN.MORT?locations=1A&view=chart>.

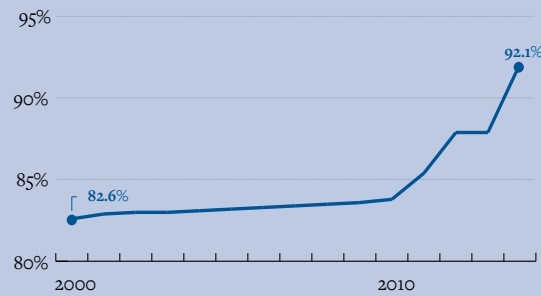
¹⁴ World Bank, “Unemployment,” <https://goo.gl/7WSm3Z>.

Figure 4. Adult literacy rate in the Middle East and North Africa, 1990-2010



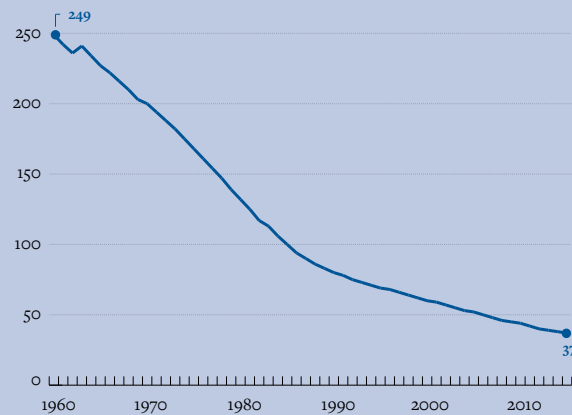
Source: World Bank.

Figure 5. Access to clean water in the Arab World, 2000-15



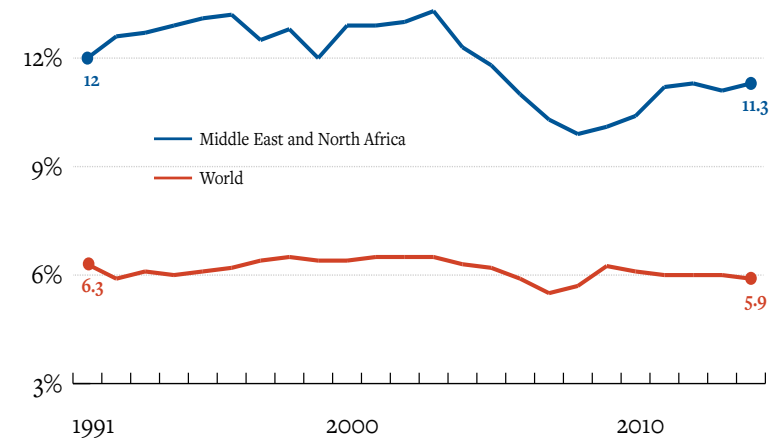
Source: World Bank.

Figure 6. Child mortality rate in the Arab World, 1990-2010 (deaths per 1,000 children under age 5)



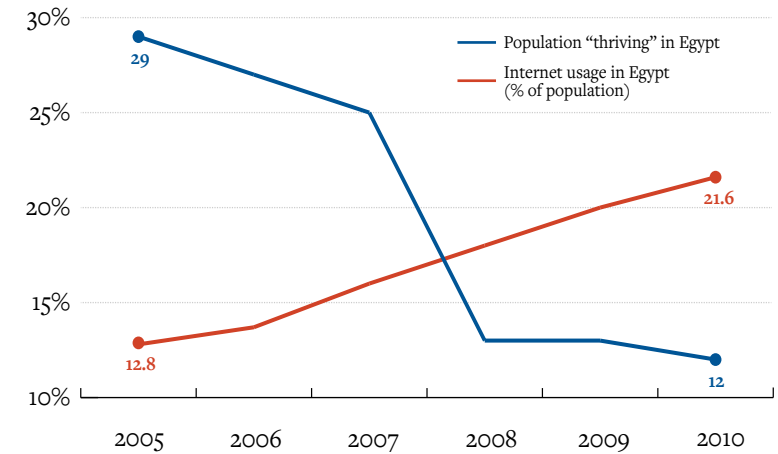
Source: World Bank.

Figure 7. Unemployment, 1991-2014



Source: World Bank.

Figure 8. Population “thriving” in Egypt v. Internet usage



Source: World Bank and Gallup.

Regional Rivalries and the Political-Sectarian Nexus

The Arab uprisings of 2011 thus reflected a deep-seated dissatisfaction with the performance of many regional governments. Some states, such as Tunisia, appear to be—at least tentatively—on the path to healthier, more responsive governing models. A more common result has been the descent of weak and failing states into civil war—most notably Libya, Syria, Yemen, and Iraq. These

wars have become engines of instability. They have spread chaos across their borders, transforming what began as political problems into violent clashes over religion and identity that reinforce and exacerbate the conflicts. These battles over identity aggravate the violence by hardening its fault lines. Unlike conflicts rooted in politics, which can be solved through negotiation, identity-based conflicts are zero-sum by nature. Generally, they can only be managed, not resolved. Likewise, they exacerbate violence by creating group grievances, which draw in broader populations and interests, and often provoke external intervention. This has especially been the case in Syria and Iraq, where identity politics have fueled sectarian proxy wars between Iran and the Sunni Arab states, with Saudi Arabia at the forefront.

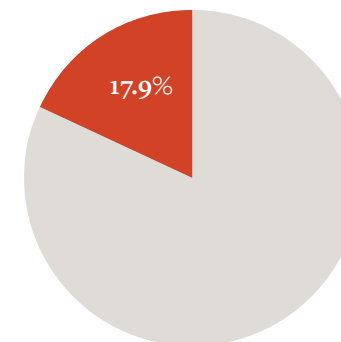
In many ways, the wars in Syria, Iraq, and Yemen are just the latest manifestations of a Saudi-Iranian rivalry that has cultural, historical, and religious dimensions. This rivalry has been accelerating since the 1979 Islamic Revolution, when Iran began using Shia identity politics to justify its expanding regional ambitions. Saudi Arabia's response to this development was exacerbated by increasing internal pressure from extreme Saudi conservatives, who seized the Grand Mosque in Mecca the same year. It began promoting more heavily the austere, Wahhabi brand of Sunni Islam both within its borders and throughout the Islamic world. The Saudi promotion of Wahhabism thus became a risky survival strategy to counter two perceived threats: on the one hand, revolutionary Iranian ambitions to enshrine the Shia Islamic Republic as the rightful governance model for the world's Muslims; on the other, the growing restiveness of Wahhabi extremists.

Yet despite the ease with which regional actors can stir up Sunni-Shia tensions when it suits them, it would be a mistake to attribute the entire Arab-Iranian rivalry to sectarian differences, or to overstate the salience of those differences in normal times. On the contrary, the historic norm throughout the region has largely been one of coexistence; even today, the regional population at large does not see religious difference as the core problem. In Syria, which has arguably been most brutalized by sectarian conflict, more than 80 percent of survey respondents—sampled in 2015 in both regime-controlled and opposition-held areas—reject the notion that sectarianism “is an old problem and cannot be solved.”¹⁵

The fact is that competition between Iran and the Arab states existed long before 1979 and extends well beyond sectarian differences. In many ways, this type of rivalry would be expected anywhere in the world there is competition

Figure 9. Syrians respond: “When did the sectarian problem in Syria start?”

Only 17.9% of Syrians believe that “sectarianism is an old problem and cannot be solved.”



Source: *Sectarianism in Syria: Survey Study, The Day After*.

for resources and no clear hegemon. Yet sectarian politics became a powerful vehicle through which to play out these competitions and helped mobilize populations.

The Rise of Daesh

Extremist groups have also played a role in fomenting sectarian conflict. In the 2000s, al-Qaeda in Iraq, seizing upon the post-invasion security vacuum, provoked sectarian warfare as a means of rendering the country ungovernable and driving out American forces. Although they were beaten back by the 2007-08 surge of Coalition forces, and by a concerted diplomatic effort to bring Iraq's Sunni tribal community back into the fold, they reconstituted as soon as another vacuum presented itself. This happened first in Syria in 2011, aided by Bashar al-Assad's cynical policy of releasing al-Qaeda leaders from prison in a flimsy “amnesty.”¹⁶ Incubated in Syria's ungoverned spaces and aided by the Assad regime's (and now Russia's) benign neglect in favor of targeting the rebels, they then spilled across the border into Iraq, and fed off Sunni discontent with the increasingly sectarian Maliki government in Baghdad. When an administrative dispute emerged between global al-Qaeda leadership and the group's members on the ground in Syria, a split ensued, and Daesh was born—overshadowing its predecessor in both breadth and brutality, and setting up a perverse competition between the two groups. Daesh, in

¹⁵ The Day After, “Sectarianism in Syria: Survey Study,” February 2016, p. 19, <http://tda-sy.org/en/publications/english-sectarianism-in-syria-survey-study.html>.

¹⁶ Maria Abi Habib, “Assad Policies Aided Rise of Islamic State Militant Group,” *Wall Street Journal*, August 22, 2014, <http://www.wsj.com/articles/assad-policies-aided-rise-of-islamic-state-militant-group-1408739733>.

particular, has been more successful than any group of its kind in attracting foreign recruits to its cause—aided largely by the global reach of its social media channels, its control of territory in its declared “caliphate,” and the fragmentation of traditional religious authority.

The Fragmentation of Religious Authority, and Its Consequences

While political legitimacy in the Middle East was slowly disintegrating, similar forces were undermining religious legitimacy and opening the door to alternative sources of religious authority. Publics came to view traditional religious leaders as compromised by their close association with corrupt, authoritarian political regimes. New communications technologies, such as satellite television and social media, were wresting canonical authority away from official religious institutions. The advent of Twitter, along with satellite television call-in shows, fragmented religious authority and elevated controversial voices that would otherwise have been marginalized by traditional religious power structures. And unlike the old authorities, such as the religious scholars of Al Azhar in Egypt or the Grand Mufti in Saudi Arabia, these new voices are not beholden to the sensibilities of the state or to traditional methods of religious interpretation. They openly challenge state and religious authority, often in irresponsible ways—enhancing their popular credibility by doing so. They fuel outrage at failures of governance within states, and at the perceived global indifference that has allowed the region’s conflicts to produce such disastrous humanitarian suffering. Incensed, they urge their followers to take matters into their own hands.

While every terrorist becomes radicalized for different reasons—often initially having very little to do with religion—this undermining and fragmentation of religious authority has made room for extremist preachers to step loudly onto the scene, their voices amplified by social media. Furthermore, the current civil wars have created ungoverned spaces that have afforded terrorist groups like Daesh—which might otherwise have been confined to back-alley prayer rooms or rugged hideouts—the space and means to organize into a powerful force. In such spaces, the terrorists, with their self-serving religious interpretations, prey on individuals with little religious knowledge, feeding them a twisted reading of the faith to desensitize them to their heinous actions. Indeed, recovered Daesh and al-Qaeda recruiting manuals specifically caution jihadist recruiters to avoid religious Muslims, and instead to seek out non-religious young people who may feel isolated from their societies and thus are easier to brainwash.

Still, despite the terrorists’ dark vision, the encouraging conclusion that emerges from this analysis is that while sectarianism and religious conflict are



An Iraqi special forces soldier waves an Iraqi flag from the top of a church damaged by Daesh fighters in Bartella, east of Mosul, Iraq, October 21, 2016.
Photo credit: REUTERS/Goran Tomasevic.

exacerbating factors, they are not themselves at the core of the Middle East's conflicts. Indeed, they would dissipate over time if the civil wars that fuel them were wound down. While religious justifications are strong motivators for those in leadership positions in groups like Daesh, they are less important to the rank-and-file members whose participation turns the cause into a movement. Thus, once ordinary people living amidst these conflicts can regain some sense of immediate security and a stake in their country's governance,

Why People Join Islamic Terrorist Groups

In 2010, the United States Institute of Peace (USIP) released a study investigating why people leave their homes to join Islamic terrorist groups abroad.ⁱ Based on interviews with more than two thousand jihadists, the evidence showed that religion was not the primary motivator of the foreign fighters. Instead, groups such as al-Qaeda filled a deep-seated need for purpose and belonging on the part of the recruits. The most popular explanations the fighters gave to justify their choices fell into four categories:

- **Revenge-Seeking:** Looking for an outlet for frustration at perceived personal slights or social victimhood
- **Status-Seeking:** Looking for recognition and respect
- **Identity-Seeking:** Looking for a group to belong to, sometimes to replace ruptured family ties or as a result of exclusion from more positive social spaces
- **Thrill-Seeking:** Looking for excitement and adventure

Since Daesh has come on the scene, researchers using the same methodology have broadly confirmed the results of the USIP study. In March of 2015, Lebanon-based Quantum Communications released a report based on interviews with extremist fighters in Syria and Iraq. As with the USIP study, Quantum found that “a majority of fighters were identified as ‘status’ and ‘identity’ seekers,” demonstrating consistency between the motivations of current Daesh fighters and their forebears.ⁱⁱ

Notably absent from this list of terrorist motives are two of the biggest reasons people in the West **think** people join violent Islamist groups: religious conviction and poverty. Religious radicalism is cultivated after recruiting through an elaborate and documented process of brainwashing. Furthermore, statistics show that many terrorists come not from poverty but from middle-class backgrounds and are often well educated. In Palestine, for example, suicide bombers are four times more likely to have completed high school than the general population, and half as likely to come from impoverished families.ⁱⁱⁱ

ⁱ Col. John Venhaus, “Why Youth Join Al-Qaeda,” United States Institute of Peace, May 2010, <https://www.usip.org/sites/default/files/SR236Venhaus.pdf>.

ⁱⁱ Quantum Communications, “Understanding Jihadists in Their Own Words,” March 2015, p. 3, https://now.mmedia.me/Pages/ImageStreamer/param/DocId_3f9f8a57-06ab-4909-afbc-2db99976baf6/white-paper-2---.pdf.

ⁱⁱⁱ “Exploding Misconceptions,” *The Economist*, December 16, 2010, <http://www.economist.com/node/17730424>.

“Non-religious Muslims are the preferred sector [for recruitment]. This is because you will be the one to guide him.”

Al-Qaeda recruiting manual

they can be steered away from non-negotiable questions of identity and back toward questions of politics, where deal making and compromise are possible.

A Global Crisis

Adding to the complexity of the civil wars is the fact that they are not fueled by the internal problems of the region alone. Because of the Middle East's strategic importance, and the transnational nature of threats like Islamic terrorism, external stakeholders have been drawn into the mix. And they have been drawn in at the very moment when the order of states both within the region and on a global level is changing dramatically. Since the Cold War, the region has gone from an arena of bipolar US-Soviet competition, to a period of American preeminence, to a new post-Arab Spring landscape of regional powers increasingly vying among themselves for influence. All this has occurred while Russia plays an increased geopolitical role, China an increased economic role, and the United States deliberately limits its involvement.

The unsettled condition among the great powers has helped transform a regional crisis into a global one that is both more dangerous and more significant than generally appreciated. The atrocious slaughter of the civil wars—including genocide¹⁷—has fueled a wave of refugees. 11.5 million Syrians are now displaced—more than half the country's population.¹⁸ A million people from the region have sought refuge in Europe, upending politics there and threatening to fracture the European Union, whose core principles include the free flow of people and labor across borders. Europe's political weakness and migration crisis has proven irresistible to a Russia that increasingly has come to see the EU as a threat. The Kremlin is now skillfully exploiting the problems of the Middle East—including the refugee crisis—to serve its own interests on its western front, accelerating what it hopes will be a panic-driven turn inward by the world's liberal democracies.

¹⁷ John Kerry, “Remarks on Daesh and Genocide,” speech delivered at the Press Briefing Room, March 17, 2016, Washington, DC, <http://www.state.gov/secretary/remarks/2016/03/254782.htm>.

¹⁸ “World Bank, “Population, Total,” May 26, 2016, <http://data.worldbank.org/indicator/SP.POP.TOTL>; “Emergency Relief Coordinator Urges Greater Humanitarian Support for Syrians in Need,” May 26, 2016, http://reliefweb.int/sites/reliefweb.int/files/resources/Press%20release%20USG_ERC%20Stephen%20O%27Brien_visit%20to%20Hatay%2026May2016.pdf.

Other countries, too, have engaged in destructive self-help in the region as a result of what they interpret as American reluctance to intervene. Saudi Arabia and the United Arab Emirates (UAE), believing America is unwilling to push back on what they see as Iranian aggression, launched a war in Yemen that is wreaking enormous damage on civilians. Egypt continues to hedge its bets in the Libyan peace process, unwilling to trust an agreement that tolerates Islamists on its border. Turkey, livid at Washington's expanding support of the Syrian Kurds as a proxy ground force against Daesh, has taken unilateral actions that have dangerously strained the NATO alliance. And Iran, sensing no adverse consequences for its actions, continues to supply ground troops, weapons, and other support in Syria, Iraq, and elsewhere.

A Lack of Institutions

Notably absent in the Middle East is some type of institutional framework that can effectively adjudicate and defuse the types of conflicts and rivalries this chapter catalogues. It is the only major region of the world without an inclusive regional organization to set agreed standards of state behavior, facilitate intra-regional trade, and provide a forum for the peaceful resolution of disputes. From the African Union to the Association of Southeast Asian Nations (ASEAN) to the Pacific Islands Forum, other world regions have established bodies that endeavor to set "rules of the road" tailored to regional sensibilities. This has helped reduce regional conflict and facilitated greater cooperation.

While the Middle East is not entirely without institutions of its own, none is sufficiently inclusive to set rules and norms to which all regional states can agree. The Organization of Islamic Cooperation (OIC) is at once both too broad and too exclusive. Its membership ranges from Bosnia to Indonesia, yet its organizing principle excludes non-Muslims, who comprise seven percent of the region's population¹⁹ and are an essential element of the Middle East's social fabric. The Arab League is hampered by its rigid structure of consensus. Every state has veto power, ensuring that—without strong leadership from key members of the League—nothing meaningful is achieved. And like the OIC, it is exclusive, leaving out the Turks, Iranians, Israelis, and others significant actors in the region. The Gulf Cooperation Council (GCC) is perhaps the most functional of all the region's organizations, yet it is in many ways *sui generis*—its members are culturally and economically similar and geographically compact.

¹⁹ Pew Research Center for Religion and Public Life, "The Middle East and North Africa," *The Future of World Religions: Population Growth Projections, 2010-2015*, April 2, 2015, <http://www.pewforum.org/2015/04/02/middle-east-north-africa/>.

Without some workable forum for adjudicating disputes and building dialogue, it is difficult to see how the region can avoid further conflict down the road, even if the current crises dissipate over time.

The Other Side of the Story

The foregoing crisis narrative is the one that gets the most attention in the international media. It is the one that most shapes Americans' views of the Middle East. It is not untrue. But it is also not the full story. It is not by itself sufficient to understand current regional dynamics. There is another reality that exists in parallel to all of the chaos and conflict—a reality that is just as intrinsic to the region.

Youthful Energy

The Middle East is experiencing a demographic youth surge.²⁰ Depending upon how governments respond, these young people can either be a boon, bringing millions of productive youths into the workforce and consumers into the domestic marketplace—or a bust, leaving millions without jobs or a future. Many in the region appear to realize the power of this demographic potential and the steps necessary to channel and engage it constructively.

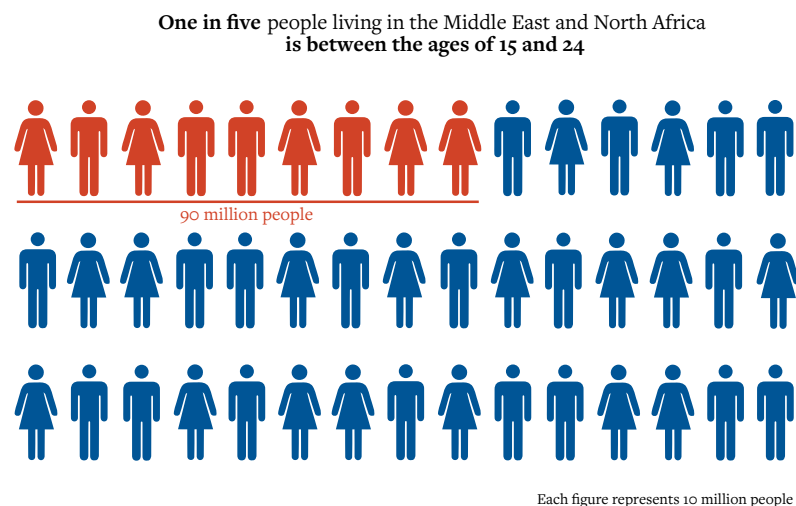
Already this generation of highly motivated and connected youth is upending expectations. More educated than their parents and highly empowered, they are part of a "Participation Revolution" occurring across the region, where citizens are demanding roles in all aspects of their country's political, economic, and social life. Less deferential than previous generations, they are unwilling to wait for government to solve their problems. They are actively engaged in trying to build the kind of future that they want.

They have an entrepreneurial bent. In a recent survey of Arab youth, 36 percent expressed the desire to start their own businesses—notable in a region where the public sector has typically been the employer of first resort.²¹ Indeed, the region's entrepreneurs have already created many high-tech success stories such as Careem (a local ridesharing app), Maktoob (an Arabic-language Web portal), and Souq.com (an Amazon-like online marketplace). These long ago moved beyond the start-up phase to become important generators of employment and economic growth. Wamda.com, which monitors the Middle

²⁰ Farzaneh Roudi, "Youth Population and Employment in The Middle East and North Africa: Opportunity or Challenge," United Nations, July 22, 2011, http://www.un.org/esa/population/meetings/egm-adolescents/po6_roudi.pdf.

²¹ ASDA'A/Burson-Marsteller, "Inside the Hearts and Minds of Arab Youth," *Arab Youth Survey 2016*, p. 33, http://www.arabyouthsurvey.com/uploads/whitepaper/2016-AYS-White-Paper-EN_12042016100316.pdf.

Figure 10. Youth Population in the Middle East



Source: Farzaneh Roudi, *Youth Population and Employment in the Middle East and North Africa: Opportunity or Challenge?*

East startup economy, estimates that more than 2,500 jobs are created for every 10 new successful enterprises.²²

This entrepreneurial spirit extends beyond the sphere of commerce. Many are combining youthful activism with new technologies to address pressing social problems. For instance, women in Egypt fed up with high levels of sexual harassment have built HarassMap.org, which allows users to report harassment and crowdsources city maps based on this data. Meanwhile, also in Egypt, Nafham is helping to address the problem of the country's overcrowded public schools, providing free Arabic-language educational videos online to supplement classroom learning. Modeled after the Khan Academy, it has become the most popular educational platform in the region, logging 105,000 video views per day.

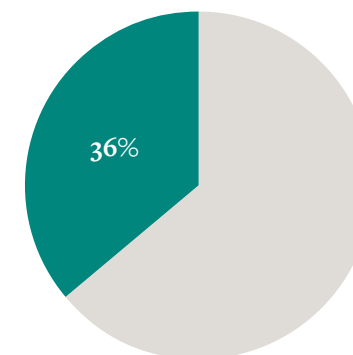
Green Shoots of Progress

Some governments in the region are responding positively to the energy bubbling up from their populations. Aware of both the potential and the risks posed by youthful populations, these governments are investing heavily in education, fostering entrepreneurship, and encouraging volunteerism.

²² Sherif Kamel and Christopher Schroeder, "Economic Recovery and Revitalization," Atlantic Council, February 2016, p. 8, http://www.atlanticcouncil.org/images/publications/Economic_Recovery_and_Revitalization_web_0316_Updated.pdf.

Figure 11. Entrepreneurial Aspirations and Arab Youth

In a recent survey of Arab youth,
36% expressed the desire to start their own businesses



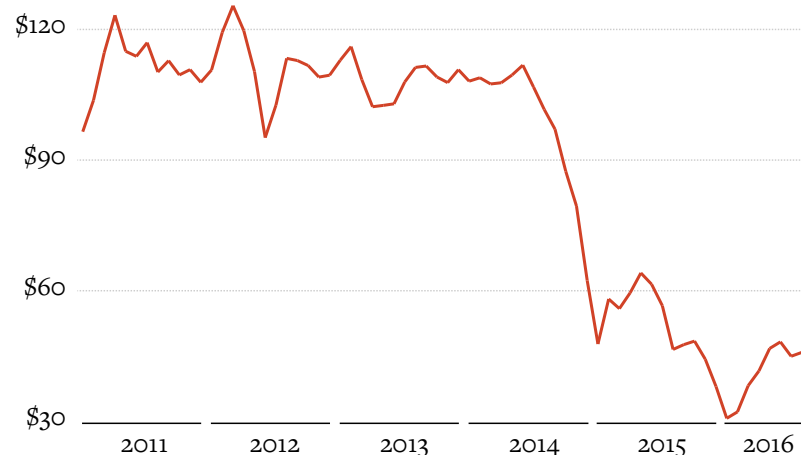
Source: "Inside the Hearts and Minds of Arab Youth," ASDA'A/Burson-Marsteller, *Arab Youth Survey 2016*.

These initiatives acknowledge the new regional reality that citizens wish to play a greater role in determining the future of their countries. They seek to empower them with the skills they need to play this role in partnership with their governments, rather than in opposition to them.

One of the more surprising examples is Saudi Arabia. As noted earlier, the propagation throughout the region of intolerant teachings pushed by some in the Saudi clerical establishment contributed to the spread of extremist views. Yet in the wake of falling oil prices and the recognition that it cannot buy its way out of its youth bulge, the new Saudi leadership seems now, through the launch of its Vision 2030, to have set a commendable vision for modernity, with an emphasis on quality education. The Ministry of Education, led by a reform-minded technocrat, has been focused on a badly needed overhaul of the nation's curricula. He has prioritized modernizing math and science curricula in particular, and instilling critical thinking. Alongside these educational changes, the Saudi government is also seeking to build institutions that foster entrepreneurial spirit among youth. It hopes that a startup boom might create jobs and alleviate pressure for employment in its public sector, which it has taken dramatic steps to streamline.

These plans are ambitious, to be sure, and they represent an important step in the right direction. Yet while there is enthusiasm for these changes among many segments of Saudi society and leadership—especially young people—it is important to be clear-eyed about the challenges that such a transformative

Figure 12. Brent crude oil, price per barrel, 2011-16



Source: World Bank.

agenda will face. Vested interests in some segments of the bureaucracy, the royal family, and the clerical establishment may all present obstacles to change, as might the overall conservative nature of the Saudi population itself. While such a bold initiative would be difficult to implement under any circumstances, it is made even more challenging by the tumultuous conditions in the region. The fact that the government is even attempting them at this time underscores the Saudi leadership's understanding of the need for change.

With the Vision 2030 reforms, the Saudis are, in many respects, seeking to emulate their close allies, the Emiratis, who have long sought to instill tolerance, inclusion, and a healthy patriotism in their society. The UAE has made globalization a sort of national creed, embracing the free flow of goods and information as central to its future. They have performed a comprehensive reform of their educational curricula and expanded the opportunities for their citizens to study abroad. They have become a hub for commerce and new start-up businesses for the whole region. They have also sought to foster national pride and unity through “moonshot”-style projects, such as the Mars Hope mission, the Masdar City renewable energy center, and even the construction of the Burj Khalifa, the tallest building in the world. While these efforts may seem impractical or even wasteful to outsiders, they are nonetheless important for their ability to inspire and unify.²³ Much

²³ Emirates Mars Mission, “Space Vision,” <http://www.emiratesmarsmission.ae/space-vision/>.

At a Glance: MiSK

Founded and chaired by Deputy Crown Prince Mohamed bin Salman, MiSK works to develop in Saudi youth the skills and personal traits necessary to build a knowledge-based economy. It also seeks to create more links between Saudi and the worldwide community of entrepreneurs. The first annual MiSK Global Forum, held in Riyadh November 15-16, 2016, introduced global business leaders and venture capitalists to MiSK's community of young Saudi entrepreneurs to offer them practical insights and leadership lessons.

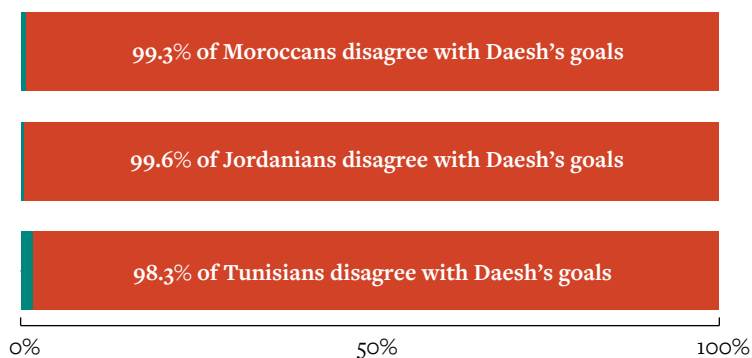
like NASA's moon program in the 1960s, the hope is that such endeavors will spur society-wide interest in science and engineering, and develop new technologies with practical, earthbound applications. Such big-idea proposals also have the necessary glamour to capture the imagination and energy of a youthful population, and to stand up against the “jihadist-cool” image that Daesh tries to peddle.

These positive “green shoots” of change are not limited to the wealthy countries of the Gulf. The civic energy displayed by citizens is ever more evident in places such as Tunisia, Egypt, and Jordan, even if there is less government money—or, in some cases, little political will—to support it. Tunisia has a vibrant civic space that includes independent trade unions, a newly free press, and respected women's organizations. As the 2015 award of the Nobel Peace Prize to four Tunisian civic groups attests, its civil society played a decisive role in keeping Tunisia's transition to democracy peaceful and on track. Women's groups also thwarted attempts by Salafists to impose more conservative religious restrictions across society, such as legally mandating the wearing of the hijab.

Egypt has long had a rich civic fabric. It has some of the region's most venerable and effective human rights organizations, though the government has cracked down on many of them. Trade unions, along with bloggers and student groups, played an important role in the events leading up to the protests in Tahrir Square that unseated former President Hosni Mubarak. Young people have gravitated toward volunteerism and social entrepreneurship at times when direct engagement in politics has been discouraged or dangerous. The country also has a vibrant literary and cultural scene, particularly in the two largest cities of Cairo and Alexandria.

Jordan similarly has a rapidly developing civic sector. It includes youth leadership initiatives, business incubators, charitable associations, and human rights, environmental, and cultural organizations. The Royal Hashemite Court has generally encouraged and provided its endorsement to such groups,

Figure 13. Local Populations Reject Daesh



Source: Washington Post.

though elements within the bureaucracy have at times made it more difficult for them to operate.

There are even reasons to be hopeful in the context of fighting extremism. Among the regional population as a whole, support for extremist groups is at rock bottom levels. Public approval for Daesh hovers around zero in opinion polls: in a 2016 poll, only 0.7 percent of Moroccans and 0.4 percent of Jordanians agreed with the group.²⁴ Even in Tunisia, whose citizens make up the largest group of Daesh’s foreign fighters, support for the group is only 1.7 percent—within the margin of error.²⁵ While wealthy Gulf individuals are known to have helped finance al-Qaeda’s and Daesh’s operations, the countries’ political leadership seem increasingly to understand the grave threat both groups pose to them, and have taken measures against them and their funding channels.

There is likewise room for optimism regarding the refugee crisis. Refugees and displaced persons are popularly viewed as burdens on their host societies. Yet the evidence shows that when allowed to integrate into their host societies, refugees can provide a significant economic boost. Indeed, research has demonstrated that every euro invested in welcoming refugees can yield nearly

24 “Attitudes toward Islamic State in Five Arab Countries,” *Washington Post*, 27 July 2016, https://www.washingtonpost.com/blogs/monkey-cage/files/2016/07/figure11.png?tid=a_inl; Tessler, Robbins, and Jamal, “What Do Citizens in the Arab World Really Think about the Islamic State?” *Washington Post*, 27 July 2016, <https://www.washingtonpost.com/news/monkey-cage/wp/2016/07/27/what-do-ordinary-citizens-in-the-arab-world-really-think-about-the-islamic-state/>.

25 Ibid.

Figure 14. Impact of Refugees on Host Country Economies

“Every euro invested in welcoming refugees can yield nearly double that in economic benefits within five years.”



double that in economic benefits within five years,²⁶ and that refugees are in fact “net contributors to public finance.”²⁷

When given the opportunity to work and integrate, refugees start businesses that employ others, perform in-demand work, and quickly end their reliance on public assistance. Over time, they pay taxes, become consumers of goods and services, and otherwise become invested in their host societies. This is good news for the prospects of rebuilding war-torn societies: studies by the World Bank have indicated that refugees who are more economically successful in their host countries are—counterintuitively—*more* likely to return to their home countries and rebuild than those who are impoverished.²⁸

And despite popular fears that refugees and immigrants increase crime rates or are otherwise a security threat, the data actually demonstrate the opposite. In fact, immigrants to the United States are about four times *less* likely “to engage in violent or nonviolent antisocial behaviors” than native-born Americans.²⁹ Even in Germany, where so much media attention has focused on crimes committed by refugees, the data indicate that refugees are no more likely to commit crimes than native-born Germans.³⁰

26 Philippe Legrain, *Refugees Work: A Humanitarian Investment that Yields Economic Dividends*, Tent: May 2016, p. 7, http://static1.squarespace.com/static/55462dd8e4b0a65de4f3a087/4573cb9e8ab48de57372771e6/1463597545986/Tent-Open-Refugees+Work_VFFINAL-singlepages.pdf.

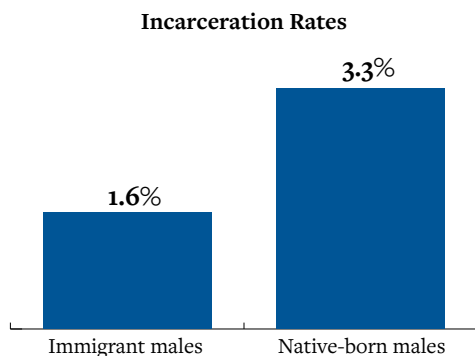
27 Ibid, p. 8.

28 Matthew McGuire, “Banding Together: How the World Bank, the Humanitarian Community, and the Private Sector Are Linking Up Strategies to Support Refugees and Promote Community Resilience,” speech delivered at the Atlantic Council, October 3, 2016, <http://www.atlanticcouncil.org/events/webcasts/how-the-world-bank-humanitarian-community-and-private-sector-support-refugees>.

29 Ewing, Martinez, and Rumbaut, “The Criminalization of Immigration in the United States,” *American Immigrant Council*, Jul 2015, p. 9, http://immigrationpolicy.org/sites/default/files/docs/the_criminalization_of_immigration_in_the_united_states_final.pdf.

30 “Report: Refugees Have Not Increased Crime Rate in Germany,” *Deutsche-Welle*, November 13, 2015, <http://dw.com/p/1H5SM>.

Figure 15. The Myth of Migrants and Crime: In the United States, native-born males are nearly twice as likely to be incarcerated as immigrant males.



Source: 2010 US Census data.

A further reason for hope is the fact that the governments and people of today's Middle East are more willing than ever, with the help of partners, to take responsibility for their own future. While this willingness has so far manifested itself with mixed results in interventions such as those of the Saudis in Yemen or the Turks in Syria, it could be channeled more positively with the right level of partnership.

Leaders and publics across the region appear to understand better the responsibilities and sacrifices required for creating a more stable and prosperous society and region. They also seem more willing than ever to shoulder a larger portion of the responsibility for their own security—if they have help. The United Arab Emirates instituted obligatory national military service in 2014. Saudi Arabia has indicated publicly that it would be willing to provide troops on the ground in Syria to fight Daesh, if done in cooperation with the United States.³¹ Turkey, Qatar, and the UAE have also indicated that they would be willing to deploy to Syria in coordination with the United States.³² Polling shows that these are not just empty proposals from a disconnected leadership. When asked if their country should contribute troops to a joint Arab force to be deployed in conflict zones across the region—including

31 "Saudi Arabia Willing to Send Ground Troops to Syria," *Al Jazeera*, February 5, 2016, <http://www.aljazeera.com/news/2016/02/general-saudi-arabia-set-deploy-troops-syria-160205042542486.html>.

32 Karen DeYoung, "Turkey Pledges to Send Ground Forces to Fight the Islamic State in Syria," *Washington Post*, February 13, 2016, https://www.washingtonpost.com/world/national-security/turkey-pledges-to-send-ground-forces-to-fight-islamic-state-in-syria/2016/02/13/310e2b82-d24f-11e5-b2bc-988409ee911b_story.html; "Qatar Ready to Deploy Troops to Syria," *Al Bawaba News*, February 15, 2016, <http://www.albawaba.com/news/qatar-ready-deploy-troops-syria-805392>.

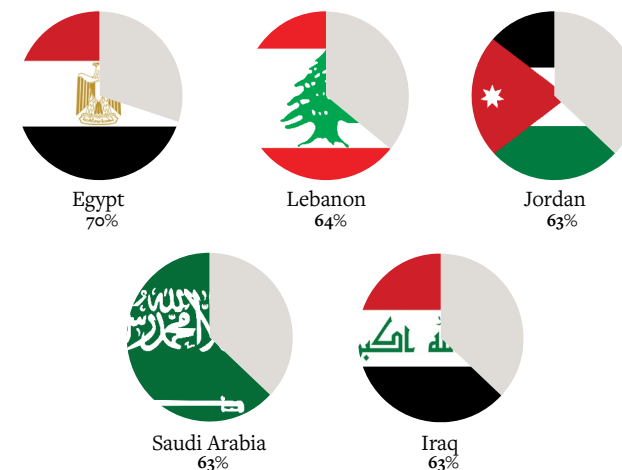
Table 1. Development of a Joint Arab Force

Do you agree or disagree with the idea of developing a joint Arab force to deploy in conflict zones across the Arab region?

	Egypt	Lebanon	Jordan	KSA	UAE	Iraq
Agree	93	71	70	84	89	67
Disagree	7	29	30	16	11	33

Source: Zogby Research Services, *Middle East 2015: Current and Future Challenges*.

Percent of respondents believing their country should contribute manpower to a Joint Arab Force:



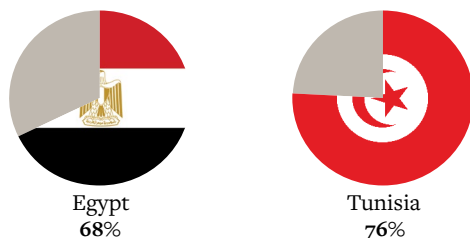
Syria—majorities of those polled in Egypt, Lebanon, Jordan, Saudi Arabia, and Iraq responded affirmatively.³³

Greater popular acceptance of subsidy cuts is another manifestation of this trend toward public understanding of hard choices. For example, according to a Gallup poll in 2013, a majority of Egyptians and Tunisians are “willing to support removing diesel subsidies” provided that the savings from such cuts be reinvested into other, potentially more efficient and targeted social programs.³⁴

33 Zogby Research Services, *Middle East 2015: Current and Future Challenges*, p. 23, <http://www.zogbyresearchservices.com/s/Sir-Bani-Yas-2015-Letter-FINAL.pdf>.

34 Silva, Levin, Morgandi, and English, “MENA Adults More Tolerant of Reforming Nonfood Subsidies,” Gallup, May 6, 2013, <http://www.gallup.com/poll/162125/mena-adults-tolerant-reforming-nonfood-subsidies.aspx>.

Figure 16. Percentages of population willing to support removing diesel subsidies



Source: Gallup.

A Need for New Partnership

Leaders and citizens in the region increasingly recognize that they are in a very difficult situation. They seem to understand that they can no longer rely on the United States or others to fight their battles for them and that their governments cannot spend their way out of every social problem. The countries of the region and their friends in the United States, Europe, and elsewhere are long overdue for a reevaluation of their partnership. They need to find a new formula of cooperation that enables them together to put the region on a trajectory toward a better, more self-reliant future.

CHAPTER 3: GUIDING PRINCIPLES FOR A STRATEGY

The previous chapter set out a narrative that explains how the Middle East came to its current impasse, identifying critical factors that contributed to the state of the region today. From that narrative emerge constructive principles to guide a strategy, ground it in the reality of the region, and improve its chances for success.

Guiding Principles

- 1 The old order is gone and is not coming back.** The events of the last decade have shattered the status quo and the traditional basis for order in the Middle East. Stability will not be achieved until a new regional order takes shape. The challenge is to define what that order will look like—and develop a strategy for achieving it.
- 2 The region will need to take principal responsibility for defining a new regional order.** The time has passed when external powers could impose their concept of order on the region. Those efforts had mixed success at best in the past, and developments since 2011 suggest such efforts would be even less successful in the future.
- 3 Disengagement is not a practical solution for the West.** While some have argued for drawing back from the region and focusing instead on containing any spillover effects, disengagement so far has only allowed the Middle East’s problems to spread and deepen unchecked.
- 4 External powers can be helpful, and it is in their interest to do so.** The time has not yet arrived when the region can solve its problems wholly on its own. Many in the region know this and want to work in partnership with the right kind of outside help. External powers often suffer from the “damned if you do, damned if you don’t” paradox—criticized for intervening too much, and wrongly, or for not intervening enough, if at all. It is nevertheless still in the interest of external powers to do what they can to help avoid the devastating global consequences of continued chaos in the region.

- 5** | **External powers must play a different role than in the past.** The approach of Europe, the United States, Russia, China, and other international stakeholders should increasingly be to support and facilitate the positive efforts of the countries, leaders, and people of the region. At the same time, they need to recognize that these efforts take time to show results, and they must remain committed in the face of inevitable setbacks.
- 6** | **A strategy for the region cannot focus solely on counterterrorism.** Pernicious as they are, groups like Daesh and al-Qaeda are not the sole cause of the current crises. Even if these groups disappeared tomorrow, the conflicts of the region would continue to burn, and other groups would arise in their place.
- 7** | **The region's ethnic and sectarian conflict is by no means inevitable.** These rivalries are not as entrenched as many assume; they wax and wane with broader tensions in the region. Currently, they are dangerously enflamed by the civil wars, and by geopolitical competition between states of the region. Unwinding these conflicts would be a first step toward deescalating these tensions.
- 8** | **Stability cannot improve so long as regional states continue to intervene in each other's internal affairs.** The collapse of regional order has tempted the states of the Middle East to intervene in their neighbors' internal affairs, both openly and covertly. While many states engage in such practices from time to time, Iran has formalized and institutionalized them as a part of its core security strategy. All parties need to refrain from these activities to allow a more stable order to emerge.
- 9** | **The territorial integrity of states is crucial, but empowered local governance is essential if states are to survive within their existing borders.** Any revision of borders should only happen through recognized international norms as set out in the United Nations (UN) Charter. The current situation in the region is not conducive to such a process. To raise the question of territorial adjustments now, before the region has stabilized, would open a Pandora's box—making conflict resolution more difficult and intensifying the violence. Rather than focusing on revising borders, a more practical approach would place empowered local governance at the center of reform efforts within existing state boundaries, as a way of strengthening states rather than dividing them.
- 10** | **It is time to bet on the people of the region, and not just the states.** The Middle East cannot build a better future without the active participation of the people of the region— including women, youth, and those displaced by conflict. If enabled and empowered, they can be the engines of job creation, help motivate the broader population, and innovate solutions to the region's economic and social problems.
- 11** | **Governments must be accountable to all their people, equally.** The roots of the current disorder lie in the fact that groups of citizens—whether minorities, young people, poor people, or civic groups—felt that they did not have the same access to the resources and protections of the state as others. Equal protection under the law is the bedrock of healthy, resilient societies.
- 12** | **The Middle East needs a new economic model.** Throughout the region, governments are no longer the “employers of first resort.” Even resource-rich states such as UAE and Saudi Arabia have recognized the need to move away from sole dependence on fossil fuel production. To support private sector job growth, governments will need to create an enabling environment for investment and entrepreneurship.
- 13** | **The Middle East also needs its own regional security framework if it is going to move forward.** While the rules and parameters of such an organization are matters for the states of the region to decide, such structures have proved essential to the stability and prosperity of other regions of the world.
- 14** | **The approach must be one of humility and patience.** The Middle East crisis is the most difficult global challenge since the end of the Cold War. No one can know how it ends or be confident in the best course of action. The place to start is to seek to turn the current trajectory of the region in a more hopeful direction—and to accept that the world will be wrestling with this set of problems for a long time.

CHAPTER 4: ELEMENTS OF A STRATEGY

The Objective: Any strategy requires a clear statement of the objective to be achieved. Based on our analyses and consultations, we believe that the objective is:

To begin to change the current trajectory of the Middle East as a whole, so that over time the region can move towards a more stable and peaceful order of sovereign states. Such an order should:

- offer the people of the region the prospect of a stable and prosperous future secure from both terrorist violence and government oppression;
- provide inclusive, transparent, effective, non-corrupt, and accountable governance that treats people fairly and invests in their education, health, and economic prosperity;
- enable and empower the citizens of the region to participate as full partners in building their countries' futures; and
- play a constructive role in an adapted and revitalized liberal international order.

General Approach: Achieving this objective requires a strategy that aligns with the “Guiding Principles” set out in Chapter 3. It must be a **strategy by and for the region**—which we conceive to encompass not only states and their leadership but also, critically, their people. **It must not be just a US policy toward the region**, and should include other external stakeholders as well.

What we are proposing is a “**New Strategic Approach**” for how the world relates to the Middle East. Since the era of European colonialism, external powers played an outsized role in shaping events in the region. Such an approach is no longer viable in an age of sovereign states and empowered citizens. **A New Strategic Approach is required that flips the old one on its head:**

- The region needs to take responsibility for charting its own future, even though it will still need the assistance of outsiders to overcome the many challenges it faces; and
- The region needs external powers to play a very different role than before: not one of colonial overlord, invader, or policeman, but of catalyst and facilitator in helping the people of the region build a new regional order.

Satellite image of the Middle East at night.
Photo credit: National Aeronautics and Space Administration.

This approach will also require a **“Whole-of-Region” Effort**. In recent years, a number of actors have taken on new levels of relevance in the Middle East alongside the state. These include private businesses, local governments, civic groups, philanthropic organizations, business and social entrepreneurs, and, of course, engaged citizens. **The strategy enlists all these actors, not just governments, as part of the effort.**

The strategy described below is ultimately a bet on the *people* of the region, encompassing those new actors. It wagers that a connected and empowered citizenry can over the long term build better societies and a better region. It seeks to create the conditions that can unlock this tremendous human potential, which is not limited to the elites of these societies, but flows through all social strata.

The Strategy: The strategy pursues a **“Two-Pronged Effort”** consisting of both top-down measures for addressing immediate security issues alongside bottom-up steps that engage and develop the region’s human capital. **Both prongs of the strategy must be pursued simultaneously, not in sequence.** Unlocking the full human potential of the region’s citizens (Prong Two) ultimately will provide the solution to many of the region’s challenges. This is a long-term undertaking that will take years to bear fruit, so it must begin immediately. But because it cannot develop fully without adequate security, the effort to end the current conflicts (Prong One) must also begin immediately. The two prongs must proceed in parallel.

The First Prong: Address from the top-down, with the active involvement of outside actors, the immediate geopolitical challenges to regional peace in the near to medium term. This means:

- Containing the spread of the current conflicts while addressing the staggering humanitarian crisis faced by refugees, internally displaced persons, and the neighboring states hosting them.
- Beginning to wind down the civil wars, terrorism, and violent sectarianism that plague the region, increasing regional stability over time.

This prong aims over time to reduce violence in the region to the extent that security is no longer the overriding concern and bottom-up efforts to improve education, communities, economies, and governance (Prong Two) can develop and spread. To achieve this result, the core challenge is to wind down the civil wars that have had such destabilizing effects on the region. The most immediate priorities must be: 1) mitigating the current human suffering in Syria, and 2) recapturing the territory that Daesh now

controls in Iraq and Syria. Daesh is not only the most immediate threat to the United States, but also a threat now shared with all the major regional powers, Russia, and Europe, and around which they are most likely to be able to find common ground.

Implementing Prong One will require an enhanced effort, led by the United States, to protect Syrian civilians from the Assad regime and defeat Daesh and al-Qaeda in both Syria and Iraq. Such measures, described in greater detail in Chapter 5, will rally and reassure America’s friends and allies of its commitment to them and to the region. They will send an unmistakable message to Russia and Iran that America is back in the game and that they have no path to “victory” in Syria or Iraq. Changing the facts on the ground in this way will provide leverage for the United States to work with all the internal and external players (including Russia and Iran) to try to end the civil wars in these two countries. This can be achieved without a major commitment of US ground forces.

At the same time, the United States and its partners need to work together to address the other civil wars in the region and to take concrete steps to deter and contain aggressive behavior by Iran while still exploring opportunities to engage with it. Doing so will begin to ratchet down sectarian tensions in the region. Over the longer term, a regional framework, as described later in this report, would further calm and stabilize the region by helping foster greater cooperation across the region on key challenges and institutionalize certain norms of behavior between and within states.

The Second Prong: While addressing these security challenges, it is imperative to support **now** those bottom-up efforts which create, over the medium to long term, the social basis for a more stable, peaceful, and prosperous Middle East. This means:

- Supporting the “green shoots” of citizen-based entrepreneurial and civic activity occurring throughout the region.
- Encouraging regional governments to facilitate these efforts, to invest in the education and empowerment of their people, and to address the societal, economic, and governance issues that are keys to future prosperity and stability.

This second prong seeks to unlock the significant human potential in the region. Citizens who are capable of thinking critically and acting independently are the foundation of any successful modern society. They are essential to competing in a global economy, to developing vibrant and tolerant communities, and to ensuring effective governance. Hence, the

most important investment governments can make is in quality education, even if the dividends are necessarily long term.

Governments also need to create the enabling environment for individuals within a society (including those displaced by war) to deploy fully their talents, whether as innovators, entrepreneurs, or just engaged citizens. This means better legal and regulatory frameworks, but also more inclusive, effective, transparent, and accountable governance more generally. The United States and other stakeholders should support those governments that are trying to create such an enabling environment. Additionally, a regional development fund, as described herein, could help fund key economic and social infrastructure projects in line with this effort.

Creating a “Virtuous Circle”

The logic behind this two-pronged strategy is to create a “virtuous circle” of positive actions—as opposed to the “vicious cycle” of violence now underway—that can begin to alter the region’s trajectory over time. Many of the ideas presented in this report have been proposed before, but for various reasons—security concerns, lack of political will, vested interests, lack of financing—political leaders have, in the end, often opted not to pursue them. The measures proposed here have been framed in such a way as to try to overcome these constraints, incentivize their adoption, and begin to create a competitive dynamic among countries in the region toward reform.

The two-pronged strategy is formulated in such a way that the players—operating on parallel tracks—work towards broad goals that include the following elements:

- **A “Compact” for the Middle East:** Under this compact, the United States, along with Europe and other external partners, would work with the states of the region to increase their joint efforts (under Prong One) to address the immediate geopolitical challenges to regional peace. In addition to participating in this effort, states of the region (under Prong Two) would, in parallel, take steps that lead to a more stable, inclusive, and better-governed Middle East. To the extent that regional states undertake these steps, the United States, Europe, and other parties to the Compact would provide diplomatic, economic, and technical support, along with assistance for facilitating adequately resourced, empowered local governance. Those states in the region that choose not to make such efforts would not receive such support.
- **A Different Approach to Assisting and Supporting Refugees and Internally Displaced Persons:** Rather than a burden, such people can be



Protesters carry banners and opposition flags during an anti-government protest in the rebel-controlled area of Maaret al-Numan in Idlib province, Syria, April 1, 2016.
Photo credit: REUTERS/Khalil Ashawi.

engines of change and progress, first in their host countries, and later in their countries of origin. However, this requires providing the displaced with education and skills training, and allowing them legally to participate in the economies of their host countries.

- **“Big-Bang” Regulatory Reform:** As we note above, governments need to create the necessary enabling environment for the “green shoots” of change to take root and blossom. Business entrepreneurs need a legal framework and regulatory climate conducive to investment and innovation. Social entrepreneurs and local civic groups need to be able to register legally and operate freely. The net effect of these reforms will be transformative for the economy and society as a whole. Economically, they will empower start-ups and small businesses (which are great job creators). They will additionally help large industry and spur not only needed foreign investment, but also increase the confidence of Middle East-based financiers to invest their capital locally rather than abroad.
- **An “Updated Social Contract” for the Region:** The old social contract, under which governments provided services and security in return for the right to rule, has come under criticism throughout the region and has been obliterated in those countries wracked by civil war. What is needed now is an updated social contract that defines the relationship between governments and their citizens based on inclusive, effective, transparent, and accountable governance. Governments need not only to provide security and services, but also to give their citizens a key role in defining their future. The legitimacy of governments at the national level has been undermined in many countries in the region—particularly in those states with civil wars. To regain their legitimacy, governing institutions throughout the region will need to be rebuilt and reformed around this updated social contract.
- **A “New Model of National Governance” for States in Conflict:** To better accommodate its rich ethnic, cultural, and religious diversity—as well as new economic realities and the increased desire of people to have a say in their own affairs—the Middle East needs a new model of national governance. This new model will involve more empowered and better-resourced local governments taking responsibility for local populations, as a way of strengthening rather than dividing states. Indeed, if the states emerging from civil war are to hold together within existing borders and re-establish their legitimacy as states, they must move away from the model of highly centralized governance and toward the provision of more political autonomy for provincial and local governments—along with the economic resources that enable them to manage their own affairs. This

does not diminish the importance of reforming national institutions. Rather, it will require bold leadership and strong institutions at the national level in order for empowered governance to take root at the local level.

- **A Regional Framework:** A number of officials and experts from the region told us that a framework for regional dialogue, dispute resolution, enhanced trade, and economic integration could make a major contribution to tamping down regional tensions and building prosperity. In its most fully developed form, this Regional Framework would include the major players from both within and outside the region. But such a framework has to emerge gradually and organically from the region itself in response to developments there.
- **A Regional Development Fund for Reconstruction and Reform:** As part of the new Regional Framework, the region needs a Development Fund to finance economic and social infrastructure projects. The Middle East is the only region of the world that lacks an effective multilateral institution of this kind, but it desperately needs one. The Gulf states currently finance a range of development projects in the region, but on a bilateral basis. Both they and the countries who receive their support would benefit from a more institutionalized approach, with the monies managed by a professional staff, distributed according to pre-determined criteria, and subject to the highest standards of accountability.

The states of the region themselves would design the Fund and provide the initial financing, with a challenge to external stakeholders to join and match their efforts. It would operate according to a “more-for-more” principle. States that are creating an enabling environment for change would have access to financing and technical assistance to make economic and social investments. The Fund could create different financing vehicles and facilities to meet the region’s varied needs. The objective would be to have the ability to support all actors in the “Whole-of-Region” effort, providing micro-financing to commercial and social entrepreneurs, support for employment schemes targeted at youth, private sector loans to businesses and social organizations, financing for infrastructure projects, and technical assistance to all levels.

CHAPTER 5: WINDING DOWN THE VIOLENCE

IMPLEMENTING PRONG ONE

In the previous chapter, we outlined a strategy, based on a Compact between stakeholders in and outside the region, to create a more stable, prosperous, and just order in the Middle East. In this chapter and the chapter that follows, we offer recommendations for implementing this strategy. This chapter deals with the top-down part of the strategy (Prong One), while Chapter 6 covers the bottom-up part (Prong Two).

1. Begin Efforts to Achieve a Compact for the Middle East.

Every step outlined in this chapter should occur in the context of a Compact between interested parties in the region and the international community. Not every state in or outside the region should be expected to participate; rather, it should comprise a “coalition-of-the-willing.” Because the Compact will take shape based upon the actions and cooperation of the parties rather than formal written agreement, it is both flexible and self-reinforcing.

- This Compact would not be a legally binding agreement. It would instead represent a common understanding among interested states of their respective undertakings and responsibilities. The parties to the Compact would nonetheless enumerate publicly their mutual commitments to one another.
 - The United States, Europe, and other partner states from outside the region would undertake their responsibilities under Prong One of the strategy **not as an act of charity or as a favor to the region, but because it is in their own national security interests to do so.**
 - It is in the self-interest of regional states to undertake the reform efforts under Prong Two because **without those efforts, Prong One will not succeed in achieving enduring peace and prosperity.** Additional incentive is provided by underlining that by doing so they will receive diplomatic, economic, and technical support.
- Diplomatic efforts to build the Compact should start promptly but the rest of the strategy should not await its formal launch. Events in the region are pressing, and both parts of the strategy need to move forward now.

2. Prioritize Civilian Protection.

For both humanitarian and strategic reasons, alleviating the human suffering in the Middle East should be the immediate priority. This can be achieved in the following ways:

- **Expand significantly local ceasefires where they can be achieved.** Negotiated agreements with combatants, although difficult to obtain and requiring diplomatic persistence, are the surest way, short of a settlement to the full conflict, to improve immediately the lives of civilians.
- **Enforce existing international norms and laws regarding civilian aid and protection in war.** Despite the UN Security Council’s failure to resolve the conflicts in the Middle East, it has been able, from time to time, to pass humanitarian resolutions providing for the treatment of civilians and distribution of aid. There exists more broadly a well-defined body of international law regarding the treatment of non-combatants in wartime. Unfortunately, these laws have gone unenforced. The Syrian regime, for example, continues to refuse medical supplies and food to besieged areas, and persists in using chemical weapons. The international community must uphold these resolutions and ensure that the injured and the suffering receive immediate assistance.
- **Create safe zones where necessary.** Where combatants simply will not agree to a ceasefire, or to follow the rules and norms of warfare that require them to protect civilians—such as in Syria—there may be no choice but to create humanitarian safe zones.
 - Safe zones can be constructed in a number of ways. While no-fly zones and secure humanitarian cordons are the most well-known, they require significant resources. So if international actors decide to implement this kind of traditional safe zone, it must be adequately resourced and defended. A well-protected safe zone can create the conditions for recovery and development, as Operation Provide Comfort in 1990-91 achieved for Iraq’s Kurds, who are now at the forefront of the fight against Daesh. However, a safe zone that is not adequately defended can have disastrous consequences up to and including genocide, as with the Srebrenica tragedy.
 - In other cases, safe zones can be created by default, by enhancing residents’ capabilities to defend themselves. Giving vetted, non-extremist opposition groups in Syria limited numbers of portable anti-aircraft weapons, for example, would allow them to protect themselves against attack from Assad’s air force. Additionally,

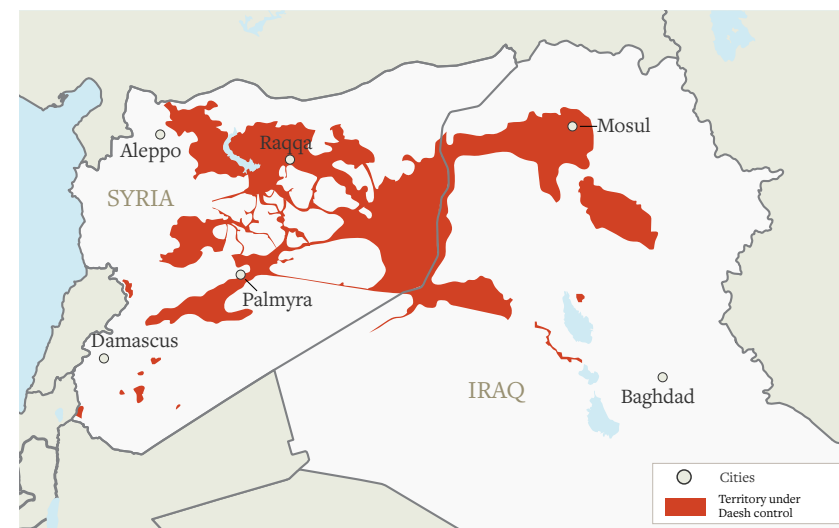
supporting the civil defense efforts of populations on the ground, such as Syria's White Helmet volunteer rescue workers, can help provide civilians some relief.

3. Expand and Strengthen Military Measures Against Daesh and al-Qaeda.

Confronting Daesh and al-Qaeda more decisively is essential for security in the region and beyond. More is required of the United States, like-minded states from outside the region, and friends and allies in the region. Enhancing the effort against these terrorist groups can create more favorable strategic conditions on the ground that can be used as leverage to help wind down the civil wars in Syria and Iraq.

- **Begin by stepping up US efforts against Daesh and al-Qaeda.** We are not suggesting an America-led intervention in Syria like the invasion of Iraq in 2003 or the kind of massive occupation and reconstruction effort that followed. What we instead propose is a program of enhancing the capability of local forces already fighting Daesh and al-Qaeda on the ground, with support from the United States and its friends and allies from within and outside the region.
- **Empower those tribal forces that are already fighting Daesh and al-Qaeda.** These forces are the most credible allies in this battle and they need more training, weapons, and operational and intelligence support. It is important to avoid allying with sectarian forces linked to Iran. Such alliances would only worsen the sectarian character of the problem by giving credence to the radicals' narrative of a sectarian war.
- **Employ the special catalytic capabilities that only the United States has to support local forces on the ground.** While local tribal forces need to do most of the heavy lifting on the ground, there are unique catalysts—such as intelligence capabilities, command and control, close air support, special operations forces, stand-off weapons, and other specialized capabilities—that only the United States can provide. Combining these capabilities with those of partners on the ground will be essential. These efforts should include embedding more Special Forces with these groups and the use of stand-off weapons to suppress Assad's air forces and artillery, whose mass-casualty assaults on civilian neighborhoods are a recruiting tool of great value to Daesh and al-Qaeda, both in Syria and around the Sunni world.
- **Deprive Daesh of the territory it controls and disrupt its networks to undermine its narrative of invincibility.** Degrade Daesh's operational capabilities so it is not a threat to the United States, its friends and allies in

Map 1. Territory under Daesh control in Syria and Iraq, October 2016



Source: IHS Conflict Monitor.

Europe and the region, or other countries around the world—including Russia and China. Deny it safe havens where it can plan, train, and mount operations. Disrupt its image as a winning force. Ensure that al-Qaeda does not come in behind Daesh and take control of territory as Daesh is pushed out.

- **Use enhanced military efforts to alter the perceptions of regional stakeholders and set the table for peace efforts throughout the region.**
 - For Israel, Saudi Arabia, and the UAE, enhanced US-led military efforts will renew the bonds between the United States and its traditional friends and allies, and address their anxieties about American leadership and their concerns about Iran.
 - For Turkey, these efforts will signal that Turkey's unilateral actions can now be part of a broader US-led strategy that will seek to take into account Turkish interests and concerns.
 - For Iran, they will signal that the United States is willing to deter and contain Iran's hegemonic activity and interventions in neighboring states even while it leaves the door open to positive engagement.
 - For Russia (and Syrian President Assad), they will signal that defeat or stalemate, not victory, are the only realistic military outcomes, and will help to convince Russia that it must seek peace if it is to preserve its interests in the region.

Civilian Volunteers Making a Difference in Syria

Despite the horrors that have come to define the Syrian conflict, Syrian civilians are still working to protect each other and survive, even in the most difficult of circumstances. The White Helmets, who were nominated for the 2016 Nobel Peace Prize, are a collection of community volunteers throughout the opposition-held areas of Syria who rush to the sites of airstrikes to free those trapped by the rubble and administer first aid. They do this often at great personal risk to themselves, given the Syrian government's habit of deliberately targeting these first responders through the practice of double strikes. Others are working to protect Syrian civilians as well. Hala Systems, a social enterprise company, has created a smartphone application that allows for the crowdsourcing of early airstrike warnings. Observers on the ground can plug an alert into a central server, which calculates the likely trajectory and target of an air strike, and sends out alerts through both traditional and social media, giving civilians precious extra minutes to find family and take cover.

4. Recognize that Enhanced Military Measures Are Not Enough, on Their Own, to End Terrorism and Bring Lasting Peace and Stability.

Internal and external stakeholders need to work together not only to defeat Daesh and al-Qaeda on the battlefield, but to confront them everywhere they operate and gain influence—including cyberspace and the realm of public opinion. Efforts need to be made to counter their propaganda and to undermine their appeal. Extremist groups are unlikely to be eliminated completely until the underlying causes behind their rise are addressed.

- **Encourage regional governments to give Muslim voices space to challenge extremist narratives.** There are a range of credible public intellectuals, civic leaders, and religious thinkers within the Arab world who have been challenging the extremists' claims to speak in the name of Islam. They need the freedom to air their views to as wide an audience as possible, even if in doing so they sometimes criticize government policies. Spontaneous and mounting public opposition to violent extremists will be essential to their eventual demise.
- **Rigorously update and expand religious education.** Despite a high degree of religiosity in the region, and widespread religious education in its public schools, religious literacy is in fact quite low. Terrorist groups exploit this to draw recruits to their cause by employing fallacious religious arguments. Hence, contrary to Western observers' instincts, one of the most powerful solutions for combatting Islamic extremism may be *more* religious education in schools, not less. However, educators

must ensure that when religion is taught, it is taught well and responsibly according to mainstream Islamic traditions. This, along with offering courses in comparative world religion wherever possible, can help combat religious bigotry rooted in the misunderstanding of others' beliefs, and help students come to understand the "other" within their society. Young people must be taught not merely "tolerance," but appreciation of the diversity in their own communities as the historic norm, rather than a threat to their own faith.

- **Ensure that students in religious schools and universities receive a comprehensive education that goes beyond only religious subjects.** In religious schools, non-religious subjects including the sciences, humanities, and citizenship should feature in the curriculum as well. This will help ensure that seminaries produce religious scholars who are in touch with the reality of the modern world.
- **Leave the counter-messaging to more credible voices in the global Muslim community.** Many of the US efforts to counter violent extremism rest on the premise that the words of Western governments have some sway or authority over those susceptible to extremism. As much as we might wish it, the United States is not the right messenger. The monies spent on counter-messaging might better be used elsewhere, most particularly in helping Muslims build better communities, so as to give lie to the extremists' narrative that there is no alternative to violence.
- **Treat Muslim communities fairly to rebut terrorist propaganda of a war on Islam.** To help ensure the extremists' ultimate defeat, the West's strongest weapon is how it treats its own Muslim citizens, and the Muslim refugees who have sought safety within their borders. The West needs to live up to its own values of freedom and tolerance to defeat the scourge of Daesh and other radical Islamist terrorists, who feed on hate and fear. Countries need to demonstrate by example that multi-ethnic states built upon the rule of law can provide security and prosperity to all their citizens.

5. Work to Wind Down the Civil Wars—Particularly in Syria.

Internal and external stakeholders need to work together to wind down the Middle East's civil wars that have contributed to so much death, destruction, and instability across the region. As long as the combatants believe they can prevail militarily, the civil wars will continue, the defeat of Daesh and al-Qaeda will be impossible, and the refugee flow will not stop. Halting civil wars

is no simple task, but contrary to conventional wisdom, it can and has been done. And third-party intervention can be crucial. We discuss here, in the abstract, the requirements for successful third-party interventions, then how they might be applied in practice to each of the region's ongoing civil wars.

To achieve success, outside actors will need to:

- **Convince all parties to the conflict that victory on the battlefield is impossible and that they can safely stop fighting and negotiate a peaceful settlement.** At times, this will require outside actors to threaten to or actually escalate the conflict in order to get the parties to the negotiating table.
- **Negotiate an inclusive political settlement that addresses the popular grievances at the heart of the conflict.** Political causes underlie all civil wars. It is essential to address these causes to end the war and sustain the peace.
- **Enforce the settlement, so that all parties have confidence that the terms of their agreement will endure and that spoilers are deterred from taking advantage of weak post-conflict societies.**³⁵ If combatants are to put down their weapons and accept a political settlement, they require assurances that the settlement achieved will be enforced over time.

In practice, this will mean in Syria and Iraq:

- Using the enhanced military action against Daesh and al-Qaeda—combined with robust civilian protection efforts—to change the facts on the ground, alter the expectations of the combatants in the civil wars, and give the United States leverage on the civil wars themselves.
- The winding down of these civil wars, combined with American policies to reassure Saudi Arabia of continued US support and to deter and contain Iran's intervention in neighboring states, should lay the foundation for beginning to reduce the Saudi/Iran confrontation. That in turn will help to cool the hyper-sectarian environment that has fueled so much violence in the Middle East.

Civil War: Syria

Syria has been the bloodiest and most destabilizing of the region's conflicts. The decision of the Assad government in 2011 to turn the full force of its

³⁵ This section borrows heavily from the work of our Security and Public Order working group. Kenneth M. Pollack, *Security and Public Order*, Atlantic Council and The Brookings Institution, 2016, pp. 19-20.



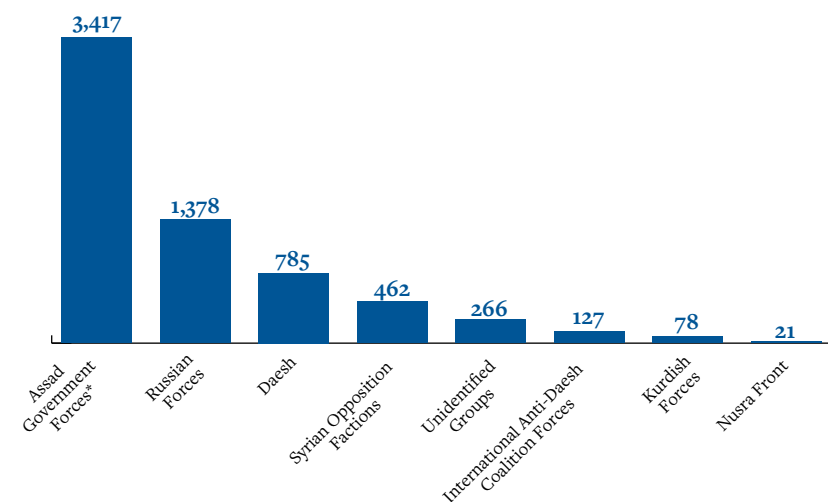
A young mother crosses the Jordanian border from Syria, April 2013.
Photo credit: United Nations High Commissioner for Refugees.

security apparatus against peaceful protesters was pivotal. It militarized the uprising and all but destroyed the Syrian state, drawing outsiders into the conflict and creating a proxy war. It produced a humanitarian catastrophe for millions of Syrians and created a safe haven for Daesh and other terrorists. As a result, two interlinked battles are being waged in Syria today, which adds to its complexity: a civil war between the Assad regime and the Syrian opposition, and the international war against Daesh and al-Qaeda. Assad remains in power because of the military support of Iran, Hezbollah, and Russia. The Assad regime's survival strategy of siege and collective punishment continues as it attempts to torture, gas, starve, and barrel bomb the population into submission, without regard to ceasefires. As of this writing, the Assad regime, with the active support of its allies, is seeking to crush its opponents in Aleppo, Syria's second largest city, as part of an effort to consolidate its control over the populated western portion of the country. To begin to wind down this calamity, outside actors should:

- Begin by halting the worst humanitarian abuses.** This should include eliminating the regime's capacity to bomb civilians from the air (by threatening Assad's aircraft, air fields, and weapons stores), enforcing an end to starvation sieges in line with UN Security Council resolutions, and even creating safe zones (with air defense and counter-artillery capability) to protect people displaced by the fighting, allowing them to stay in Syria. The United States should be prepared to employ airpower, stand-off weapons, covert measures, and enhanced support for opposition forces to break the current siege of Aleppo and frustrate Assad's attempts to consolidate control over western Syria's population centers. Ideally, these actions would be undertaken with UN authorization, but if such authorization is not forthcoming, the United States and its partners should move forward without it, as was done in Kosovo. This action could be legally based on the responsibility to protect. Russia's expanding presence through aircraft, ships, and air defense deployments increase the risks of such operations but cannot be allowed to deter the United States and partners from taking those actions, while avoiding Russian targets as much as possible. In addition to alleviating some of the immense humanitarian suffering and slowing refugee flows, these measures, combined with ongoing operations against Daesh and al-Qaeda, can help alter the balance of power on the ground, encouraging—both de facto and through negotiations—steps that will wind down the conflict.

The Syrian civil war is the worst humanitarian crisis of the twenty-first century. Five years into the conflict, the killing continues to accelerate, with the civilian population bearing the brunt of the assault. Although

Figure 16. Perpetrating Forces: Civilians Killed in Syria, January-June 2016



Source: Syrian Network for Human Rights.

* Including Syrian Army, Syrian security forces, pro-government militias, and foreign Shia militias.

the atrocities of extremist groups like Daesh claim most international headlines, the Assad regime and its supporters remain the top killers of civilians in Syria, fueling refugee flows.³⁶

- Expand and strengthen Syrian opposition forces.** Changing the trajectory of Syria's civil war and breaking the siege of Aleppo will require vetted moderate opposition forces that are expanded in numbers and strengthened by enhanced training, weapons supply, and intelligence support. It will also require a redoubling of the commitment of American catalytic capabilities, including close air support, operations planning assistance, and the presence of special operations forces. Most importantly, forces receiving American support need to be freed to strike against Assad regime assets in addition to Daesh and al-Qaeda; current restrictions on engagement with regime forces must be lifted.
- Accelerate the military defeat of Daesh and al-Qaeda in eastern Syria and consolidate opposition control there.** Defeating Daesh and al-Qaeda on the battlefield in eastern Syria will take more than airstrikes and a Kurdish-dominated militia. The newly enhanced Syrian opposition

³⁶ Syrian Network for Human Rights, "The Killing of 6567 Civilians in the First Half of 2016," July 1, 2016, http://sn4hr.org/wp-content/pdf/english/Death_of_1274_civilian_in_june_2016_en.pdf.

forces should be supported in retaking territory and then administering that territory as soon as it is liberated from Daesh control. This territory can become a safe zone protected by local opposition forces, including with air defense weapons against attacks from the air. This is essential to preventing the Assad regime and extremist groups like al-Qaeda from re-filling the void. Specifically, the United States and its partners should work to this end with the full range of Syrian opposition political, military, and governing bodies, including local governing councils, non-jihadist rebel military units, the Syrian National Coalition, the Syrian Interim Government, and the Syrian opposition's High Negotiations Committee.

- **Begin efforts now to support Syrian reconstruction, reconciliation, reform, and refugee return.** Successful military operations will be meaningless without concurrent arrangements that protect people, expedite humanitarian assistance, enable restoration of basic infrastructure, facilitate the return of refugees, jump-start economic reconstruction, and pave the way for reconciliation and accountability. Early recovery efforts that begin now, in areas where it is feasible, even before the conflict is over, will be critical to the long-term success of reconciliation and reconstruction efforts in Syria.
- **Leverage the combined pressure of the above measures to seek to compel Assad and his supporters toward a political solution.** The steps articulated above should result in a material change in the military situation in Syria that is sufficient to force a change in the calculation of Assad and his patrons. It will be important to seize upon these changes for the purposes of achieving a sustainable settlement to the war. Reaching any peace arrangement will require the participation of all the relevant parties within and outside the region—including Russia, China, Saudi Arabia, and Iran. This effort should be informed by the Geneva Communiqué of 2012, and its call for the creation of an inclusive transitional governing body with full executive authority, formed on the basis of mutual consent between elements of the Assad regime and the non-extremist elements of the Syrian opposition.
- **Hold to our principles, but recognize the realities on the ground.** With the Russian intervention, the opportunity for the United States and its allies to remove Assad from power in the short run has been lost. It should remain an objective, for there will be no sustainable peace until Assad leaves. But the reality is that it may take some time to achieve that objective. Similarly, the transitional governing body contemplated by the Geneva Communiqué of 2012 may take some time to achieve as well. In the interim, countries supportive of the moderate opposition can work

Great Power Interests

Part of the inherent complexity of the current turmoil in the Middle East is the fact that the region has attracted the competing interests of those countries of the world that see themselves as great powers.

Russia: Foremost in this group is Russia, which desperately wants to reclaim its international status and be recognized as a top-tier player in the world generally, and in the Middle East in particular. Moscow wishes to be treated with dignity and respect, and for its interests to be recognized and taken into account. It wants to end what it sees as an American (and Western) policy program of regime change by force of arms, first in Afghanistan, then Iraq, then Libya, and now Syria. It wants to be seen as the most reliable player in the Middle East, standing by its ally Assad in Syria, in marked contrast to what is perceived in the region as America's abandonment of Mubarak in Egypt. Related to this is Moscow's desire to set back American power and influence in the Middle East. Russia asserts that its biggest concern in the region is terrorism, and Sunni extremism in particular. It worries that the collapse of the Syrian state will open the door to an even more robust terrorist safe haven in Syria that ultimately will threaten Russia itself. This suggests that it would be hard for Russia to reject on its merits an expanded American-led effort against Daesh and al-Qaeda in Syria, and might be brought to cooperate with it. Russia might even be inclined to support a diplomatic settlement to the Syrian civil war, so long as it is a full and equal participant in the process and its interests—including a face-saving deal that does not paint Moscow as abandoning Assad—are taken into account.

China: Like Moscow, Beijing wants to be seen as a global player and to have a seat at any major diplomatic table. Yet unlike Russia, China's dependence on hydrocarbon imports and its cultivation of the Middle East as a significant export market for consumer products mean that China's interests in the Middle East are much more tied to overall regional stability than to the specific outcome of any single conflict. For this reason, it may be easier than Russia to engage in cooperation. While China will want to have a role in any diplomatic settlement to the major civil wars in the region, it is unlikely to have major requirements for such a resolution or highly specific conditions on which it will insist. China's needs are therefore likely to be somewhat easier to meet than those of Russia.

now to help them build their governing and institutional capabilities so that they can be ready to be constructive participants in enacting a negotiated settlement when the time is right.

- **Offer the prospect of a stable, secure Syria.** Although support for a central transitional governing authority in Damascus will remain important, successful reconciliation and reconstruction in Syria will have critical ground-up dimensions and should herald a new political reality in which local communities have more say and autonomy over their own affairs. This emphasis on politically rebuilding the Syrian state not just from Damascus, but throughout Syria's diverse communities, will help

promote the civic institutions and engaged citizenship that are crucial to political sustainability.

Civil War: Iraq

The conflicts in Syria and Iraq are at the moment inextricably linked. As in Syria, the conflict in Iraq is a political one that goes deeper than Daesh itself: it is rooted in the competing interests of the country's Sunni, Shia, and Kurdish populations, and exacerbated by the external influence of Iran. Nevertheless, over the course of the next US administration, the conflicts in Iraq and Syria are likely to diverge. Greater progress is likely to occur in Iraq, which will in turn contribute to progress in Syria. Once Mosul is liberated and Daesh stripped of the bulk of its Iraqi territory, the US engagement there should focus increasingly on reconciliation and governance—especially local governance—in Iraq. To accelerate this process:

- **The Iraqi Army must take the lead in defeating Daesh swiftly, but without reliance upon Shia militias.** An effort that clears Daesh from territory but relies on Shia militias in doing so will not lead to a sustainable end to the conflict. It will instead help perpetuate it. Iraqi national forces must have the lead role in any anti-Daesh operations, free from the influence of Iran-backed groups. Where they may need additional assistance, Iraqi national forces should partner with the tribal forces local to the area. To further reduce the need of the Iraqi government to rely on problematic groups, United States forces in Iraq should be freed from current restrictions on their support for Iraqi forces in combat. This will help ensure that missions by Iraqi forces are conducted professionally, effectively, and responsibly.
- **The Iraqi government must urgently develop a plan for bringing reconciliation, local governance, and economic revival to areas liberated from Daesh.** Without such a plan, there is a high risk of sectarian and reprisal violence in liberated areas, disaffection of the local population, and fertile ground for al-Qaeda, or even the return of Daesh. The United States and the international community must provide assistance and support to ensure that the Iraqi government and society can adequately meet this need.
- **The central government in Baghdad must demonstrate to its Sunni population that it can be a more credible guarantor of its interests than Daesh.** This means allowing for more meaningful Sunni political representation at the federal level, as well as more self-government at the regional and local levels. International partners can help by continuing their support for the Abadi government, while encouraging it to make necessary

reforms to achieve more inclusive politics at the national level and to grant more autonomy and resources to the provincial and local levels.

- **The government in Baghdad and the Kurdish Regional Government (KRG) must resolve their differences.** The federal government and the Kurdish government have quarreled over oil export and revenue sharing at a time when their cooperation is crucial. These disagreements have severely hampered the ability of the Kurdish government to pay essential security forces fighting Daesh, and to support a large population of displaced people. The international community should help facilitate talks on this issue as well as on territorial disputes. Moreover, both parties should understand that the boundaries of the Kurdish Region can only be altered by mutual agreement in line with established constitutional processes.
- **Iraq's governing institutions must address the pervasive corruption in their midst.** At its current levels, corruption prevents the Iraqi government from being able to deliver services and carry out its functions. This corruption also contributes to the appeal of outsider groups such as Daesh or other sectarian leaders. Accountability will be essential to Iraq's stability going forward, and the example of reform must start at the top through changes in the culture of Iraqi leadership. Ceding more control over local affairs to communities themselves will help dilute power and reduce opportunities for the massive corruption seen at the federal level. Providing more and better channels for citizens to report corruption will also help chip away at corruption's impunity. Still, reform will often be difficult and sometimes provoke violent reactions from vested interests. To help ease this process of change, the international community should stand by Iraqi leaders who take personal risks in combatting corruption, and it should support efforts to build a functional Iraqi parliament that passes laws on such matters.

Civil War: Libya

Since the fall of Qaddafi, Libya has suffered from a lack of security. Militias control large swaths of the country. Tensions run high between the eastern and western parts of the state. Capitalizing upon Libya's instability, Daesh established a foothold there, as it metastasized from Syria and Iraq. The situation in Libya is of particular concern to people in the region, because it shares borders with both Tunisia, whose political progress remains fragile, and Egypt, whose instability would dramatically deepen the crisis in the region.

To try to bridge the country's differences, the United Nations helped establish the Government of National Accord (GNA) in late 2015. The GNA was accepted

by the former Tripoli-based government, but it has yet to be recognized as legitimate by the Tobruk-based House of Representatives, which draws its support largely from the country's east. To begin to resolve the conflict:

- **Europe, because of its proximity and historical political and economic ties to Libya, has a key role to play.** It should contribute significant financial, technical, and security assistance to the GNA. Different European countries should assume different roles according to their strengths: the Italians, for example, might assist with police training, the French with military training, the British with intelligence training, and so on.
- **The United States needs to step forward and provide overall leadership of a coordinated international effort to address the Libyan crisis.** Because of Europe's ongoing internal challenges, it has unfortunately up to now been unable to mount an overarching response to the highly fragmented and complex reality on the ground. As difficult as it will be, the United States must take on this role, and help galvanize Europe and other partners to step up and bear their share of the burden. The next president should appoint a special envoy for this purpose, who would work in tandem with the UN special representative and the European Union.
- **Key stakeholders must get on the same page and seek to build a consensus behind the Government of National Accord.** While hardly perfect, the GNA represents a reasonable political compromise between contending factions. Outside powers—European countries, Turkey, Qatar, the UAE, Egypt, and the United States—all play a role in Libya. Often their support has been of differing groups, has worked at cross purposes, and has actually encouraged the conflict. This needs to end. These states need to use their influence to convince all the parties to the conflict that a victory on the battlefield is impossible and that the GNA is the only way forward.
- **These stakeholders should create positive inducements for various political groupings to support the GNA.** Acting together, they should employ a combination of pressure and incentives to get different local factions to back the GNA. They also need to find creative ways to bring potential spoilers into this new political framework.
- **These stakeholders should help bolster security in Tripoli so that the new government is not beholden to militias, and so that easterners in Benghazi have greater assurance that their interests will be represented in this new government.** They will also need to help

Turkey

A long-standing ally of the United States and a NATO member, Turkey has been deeply affected by the Syrian civil war and other regional developments, and currently hosts more than 2.7 million Syrian refugees. Turkey's proximity to the Syrian conflict has rendered it a target of opportunity for Daesh, which has staged multiple attacks that have cost lives and devastated the country's tourist industry.

Turkey favors the removal of Assad from power but seems increasingly to understand that this cannot be achieved by force of arms and may take some time. It also wants to ensure that the civil wars in Syria and Iraq do not inadvertently result in the emergence of a Kurdish state in the Middle East that could lead its Kurdish population to seek to secede, threatening its own territorial integrity. It is mending fences with both Russia and Iran, with a view to being a player in resolving both conflicts. Turkey has become a partner of the United States in fighting Daesh, and has a clear interest in seeing the Syrian civil war wound down in order to end cross-border attacks and refugee flows. It would want in any settlement, in addition to Assad's ultimate departure, to see Syria continue as a single state, to prevent any autonomous Syrian Kurdish state on its border, and, ideally, to establish a buffer zone between the Syrian Kurds and the Turkish border. Some of these requirements will be a bit of a reach—the only way Syria will be able to stay together as a country is if the regions are given a high degree of autonomy. But an outcome in Syria acceptable to Turkey could probably be found.

In addition to these external challenges, Turkey is also beset by internal political turmoil. A decade ago, many in the Arab world looked to Turkey as a model: a country that had reconciled Islam and modernity; constrained its military's role in politics to become a functioning, if still fledgling, democracy; revived its economy; and bridged successfully the divide between east and west.

Today, Turkey is viewed quite differently in the Middle East. Its perceived shift toward Islamism worries many. Institutions have been weakened in favor of the presidency—a process that has only accelerated since the failed coup in July. Independent media have become more and more restricted. A promising peace process with the Kurds has collapsed back into war, and a “Zero Problems with Neighbors” foreign policy has given way to disputes with the Syrian regime, Israel (until recent fledgling efforts at rapprochement), and a number of the Gulf states.

Despite current tensions, the United States has common interests with Turkey and mutual obligations as allies. The only way forward is a more strategic dialogue. The United States needs a strategic dialogue with Turkey to reestablish trust and gain a better understanding of Turkey's interests and objectives—especially with respect to Syria and the broader Middle East. It also needs to find a way to convey its concerns, as friends and allies do. The United States needs to find ways to cooperate with Turkey on better addressing the refugee crisis there, confronting Daesh on the battlefield, and applying pressure on the Assad regime. At the same time, the Turkish government should condemn domestic anti-American rhetoric and make clear that the United States government was not behind the attempted coup. The United States and our European friends and allies must do all they can to encourage the Turkish government to return to the kind of openness and democratic success seen earlier this century.

perform concerted “housecleaning operations” in support of the GNA to defeat remaining Daesh factions and prevent them from spoiling the country’s political progress.

- **Once the security situation improves, these stakeholders should station an international cadre of experts in Tripoli to assist the GNA.** Their presence itself can serve as a stabilizing force. These experts can assist with everything from modernizing the bureaucracy to improving tax collection to training new police and security forces.
- **The GNA, with the assistance of outside stakeholders, should seek to broker local settlements with the leaders of different municipalities and tribes and begin a process of national reconciliation from the bottom up.** Support for the government must be national, and it must be stitched together from among Libya’s various tribes and other interests. This process of building local support will be tedious, but it is essential to the government’s success.

Civil War: Yemen

Yemen has long been a weak state, with an impoverished population and major divisions between north and south. The Arab Spring protests eventually brought down long-time President Ali Abdullah Saleh. Under an agreement brokered by the Gulf Cooperation Council, his vice president, Abbed-Rabbo Mansour Hadi, replaced him. Hadi proved to be a weak leader and failed to address the country’s burgeoning problems. Frustrated at being shut out of the country’s process of national dialogue and sensing a vacuum, the country’s Houthi tribe, allied with the factional forces of former president Saleh and benefitting from some Iranian support, marched into the country’s capital, Sana’a, and seized power in September 2014. The Saudis, viewing the Houthis as Iranian proxy forces, invaded six months later. In coalition with other Arab Gulf states, the Saudis have managed to halt the Houthis’ gains, but at severe human cost to Yemeni civilians. In the meantime, al-Qaeda and Daesh continue their presence in the troubled country. In Yemen, outside actors should:

- **Seek to get humanitarian supplies to vulnerable populations.** The humanitarian crisis in Yemen is dire and will become more so the longer the conflict persists. The international community must coordinate with combatants on both sides to convince them to limit the impact of their fighting on civilians, and to allow aid to flow where it is needed most.
- **Convince the Saudis that having achieved most of their military objectives, they now have an interest in finding a political settlement**

The Palestinian-Israeli Conflict

The Palestinian-Israeli conflict, though not a civil war, is the longest-running conflict in the region. Given the immense suffering, displacement, and loss of life that it has caused over the last century, it needs to be resolved for its own sake. Even though it is not the cause of the region’s current problems, it continues to fuel extremists’ narratives, while remaining a top issue of concern among Arab publics throughout the Middle East.

No solution appears on the immediate horizon: the Palestinian leadership is fractured between Fatah in the West Bank and Hamas in Gaza, and the current Israeli government has demonstrated little enthusiasm for further peace talks. Additionally, Israel’s continued settlement construction in the West Bank and increased incidents of Palestinian violence have frayed trust on both sides and further undermined prospects for peace.

Most stakeholders in and outside the region share an interest in achieving a final settlement to the Palestinian-Israeli conflict based on the two-state solution. Terrorist groups such as Daesh, al-Qaeda, Hezbollah, and Hamas exploit the conflict for their own propaganda purposes. And for many Arabs, Palestinian suffering has long been the “prism of pain” through which they view Israel and, by extension, its close ally the United States. Moreover, with the rise of violent extremism and growing Iranian influence in the region, Israel has found common ground with many of its Arab neighbors. Many states in the region regard Israel as a de facto partner in the struggle against extremism and terror, and there is significant “under the table” cooperation with Israel on these issues.

Yet the potential for far greater Arab-Israeli cooperation will remain unrealized so long as the conflict festers. Israel would like to see its current cooperation with its Arab neighbors brought out into the open and formally acknowledged. These states, however, have made clear that this cannot occur unless and until there is a comprehensive settlement between Israel and the Palestinians. So the persistence of the conflict places a ceiling on the possibilities for Arab-Israeli cooperation. It prevents Israel, which has the region’s most high-tech economy, innovative business culture, and sophisticated community of venture capitalists, from becoming an engine of regional economic growth and a major entrepreneurial and financial hub. It should be a natural partner of those states in the region seeking to empower entrepreneurs and promote innovation.

For this reason, Israel could help itself by facilitating and supporting the efforts of Palestinians to build now the institutions of a future Palestinian state. This should include enhanced economic and security cooperation between Israel and the Palestinian Authority.

But these efforts can only go so far in the absence of an active peace process involving Israelis and Palestinians. There has to be political will from the parties themselves. The prospect of a region-wide peace along the lines envisioned in the Arab Peace Initiative could provide both incentives for Israel and political cover for the Palestinians to make the hard decisions that an Israeli-Palestinian peace will require.

to the conflict. They have demonstrated their resolve in enforcing red lines against Iran, but they can neither afford, nor do they have the expertise, to govern Yemen over the long term. The moment is ripe for a satisfactory political settlement. Such a settlement should take a “no victor, no vanquished” approach that allows both sides to save face. The Houthis should pull back from urban areas, while Sunni groups should surrender their heavy weapons.

- **Insist the Houthis halt attacks on Saudi Arabian territory and cut them off from external support.** These attacks only make it more difficult politically for the Saudis to negotiate an end to the conflict. If necessary, the United States should provide the intelligence and operational support to the Saudis to allow them to destroy Houthi units that continue to target the Saudi border, and prevent their resupply.
- **Continue to support military operations against al-Qaeda.** al-Qaeda in the Arabian Peninsula—the group’s Yemeni branch—remains its most dangerous. The chaos in that country has given the group a safe haven to plan and execute sophisticated global attacks. It is home to some of the group’s best bomb makers, as well as its key propagandists, and it is the most important affiliate of the group in terms of recruiting and training attackers. Any strategy for Yemen must maintain military pressure on the group and should robustly support those forces on the ground, like those of the UAE, that are actively targeting it.

6. Deter and Contain Iran, While Simultaneously Engaging it on Issues of Mutual Interest.

The region is in need of a more stable and predictable balance of power. Since the Iranian Revolution and Tehran’s subsequent efforts to export it, Iran’s neighbors have become increasingly anxious about its strategic ambitions. This concern has sparked a cycle of actions and reactions that harm the prospects of long-term regional stability. This cycle has intensified in the wake of the 2003 Iraq war and the Arab Spring. Indeed, the Arab countries perceive a regional balance of power that is tilted significantly in Iran’s favor. Iran’s aggressive foreign policies, cultivation of regional clients, and conduct of asymmetrical operations have unsettled many Arab states, creating dangerous mutual suspicions. Over time, the struggle for regional hegemony has also increasingly taken on a sectarian dimension. This regional geopolitical competition is dangerous and could ignite a broader conflagration fought along sectarian lines. The United States and its international partners can help reduce regional tensions through the following measures:

- **Reassure partners in the region of support.** The United States must start by reassuring its longtime regional partners, through words and deeds, of its deep commitment to the region’s defense. Only by reassuring its friends and allies can the United States and other international partners gain their support for efforts to engage with Iran and try to alter its behavior.
- **Ensure that Iran complies fully with the terms of the nuclear deal and addresses other concerns.** The 2015 nuclear agreement contributes to greater regional stability by reducing the likelihood that Iran will develop a nuclear weapon in the near term. But this requires the international community to police vigilantly Iran’s adherence to the terms of the agreement, with consequences for any violations. The international community must not let Iran use threats to abrogate the agreement as a means to avoid appropriate consequences for violations. Concerns about Iran’s missile programs, its treatment of its own people, and its lack of respect for human rights also need to be addressed.
- **The United States and international partners should seek to deter and contain Iran, while at the same time look for opportunities to engage with it.** The aim is to prevent Iran from further undermining regional order and expanding its reach into neighbors’ territories. At the same time, it is important to seize opportunities to engage Iran on matters of mutual interest in order to provide an incentive to moderate its behavior and to give hope to its people.
- **Ensure that Iran faces tough consequences for any aggressive actions, no matter whether direct or via proxy.** Arab states rightfully fear that the nuclear deal, by unfreezing billions of dollars in Iranian assets, will free Iran to pursue even more vigorously its regional ambitions. These fears are rooted in Tehran’s efforts to consolidate control over a corridor running from Iran, across Iraq and Syria, and into Lebanon, with an interest in supplying and supporting Hezbollah, the Assad regime, and Iraqi Shia militias. These groups—along with Houthi forces in Yemen—are essential to Iran’s attempts to project its power regionally and build leverage as part of its geopolitical and sectarian struggle against the Saudis. Nevertheless, even with sanctions relief, Iran remains sensitive to the costs (both financial and human) of its military engagement in the region. The United States and other international partners need to exploit this sensitivity by raising the costs of actions by Iran to destabilize the regional order, thereby discouraging and deterring such actions. This sensitivity also opens the possibility that Iran would be willing to see the Syrian and Iraqi civil wars wind down. Turkish and Russian cooperation

would be required here. Iran would want both Syria and Iraq to remain intact and its influence and access within them preserved. But one could envision an outcome that respected these needs.

7. Adopt a Different Approach Toward Assisting and Supporting Refugees and Internally Displaced Persons.

While much has been made of the refugee crisis facing Europe, the burden is much greater—and the available economic resources and governmental capacity to deal with it are much less—for those states in the Middle East hosting the bulk of those displaced. To help prevent the refugee crisis from destabilizing these states—thereby spreading further chaos and creating potentially even more refugees—supporting these host states must be a key focus of the humanitarian effort. International assistance efforts need to expand beyond a Band-Aid approach that focuses only on refugees' immediate humanitarian needs. Instead, they should work to integrate refugees productively into their host communities and prepare them to help rebuild war-torn societies once they are able to return home. Rather than a burden, refugees can be engines of change and progress, first in their host countries and later in their countries of origin. The private sector has an important role to play, and the recent refugee summits in New York succeeded in attracting important commitments from large companies and governments alike. Follow-up will be necessary to ensure that those commitments are realized.

- **Shore up regional governments, such as Jordan and Lebanon, that are coping with large influxes of refugees**, so that they have adequate state capacity both to meet these refugees' needs and preserve their own stability. These governments have been remarkably compassionate in providing safety to people fleeing the civil wars. They deserve support in meeting the tremendous demands placed on their societies by this refugee influx.
- **Teach refugees the skills and resilience necessary to rebuild their local communities once they return**, and help them in the meantime to successfully contribute to their host communities. Imparting education and useful skills, and providing access to local economies, not only benefits host societies' tax bases, but it also speeds the process of freeing refugees from public assistance. Cutting them off from the local economy and society ensures their permanent and costly dependence on aid. And the steps above make it more rather than less likely that the refugees will return home.
- **Ensure that underserved citizens in host countries see benefits from open policies toward refugees, so as not to create resentment.**



Syrian refugee children in a Lebanese school classroom, November 2013.
Photo credit: United Kingdom Department for International Development/Flickr.

“In Cleveland, \$4.8 million spent resettling refugees returned \$48 million to the city in economic impact.”³⁷

Countries should see some immediate economic benefits from their immigration policies, in addition to the longer term ones that economists have shown come to societies that welcome refugees.³⁸ Otherwise, political support for accepting so many refugees will evaporate over time. One way this can be done is by distributing aid to refugees as cash payments rather than in-kind aid, so that assistance feeds back into the local economy and benefits small businesses. Another is to provide education and skills training to needy citizens of the host country in parallel with the assistance provided to refugees.

³⁷ Manal Omar and Elie Abouaoun, “Risk and Reward: How to Unlock Refugees’ Potential,” *Foreign Affairs*, September 21, 2016, <https://www.foreignaffairs.com/articles/2016-09-21/risk-and-reward>.

³⁸ Philippe Legrain, *Refugees Work: A Humanitarian Investment that Yields Economic Dividends*, Tent: May 2016, http://www.opennetwork.net/wp-content/uploads/2016/05/Tent-Open-Refugees-Work_V13.pdf.

Syrian Doctors Filling a Dire Need in Germany

The question of whether to accept refugees has become highly controversial in Germany, with Chancellor Merkel supporting the resettlement efforts despite strong opposition from the far right. Yet despite these political battles, a look at what is actually happening on the ground reveals that refugees are making unique contributions to German society. Germany is suffering from a shortage of doctors, as its population ages and German-born doctors retire. By 2030, some estimate that the country will be 111,000 doctors short of its needs.ⁱ To fill this gap, Germany has been turning to Syrian doctors and medical professionals, demonstrating that when given the chance to work, refugees can contribute greatly to their host countries. Syrian doctors who have come to Germany have integrated quickly, with the promise of work providing them incentives to develop professional fluency in German. Even those who have not yet become licensed to practice in Germany have opportunities to assist German doctors in migrant centers. Furthermore, organic support networks have emerged among the Syrians, who help newcomers navigate bureaucracy and file paperwork. These social bonds further encourage integration and help protect against the social ills that occur when refugees are isolated. Additionally, this type of integration is crucial to refugees’ futures—though not for reasons one might expect. Investigations by the World Bank indicate that refugees who are economically successful in their host countries are in fact more likely, not less, to eventually return to their home states.

ⁱ Elisabeth Braw, “Syrian Doctors Are Saving German Lives—and That’s a Problem,” *Foreign Policy*, March 7, 2016, <http://foreignpolicy.com/2016/03/07/syrian-doctors-are-saving-german-lives-problem-refugee-crisis>.

- As soon as conditions allow—potentially even before the formal declared end of a war—smooth the path for those refugees and displaced persons who wish to return quickly to their home countries, so they can start the job of rebuilding their war-torn societies. Refugees and displaced persons should be in the vanguard of rebuilding their communities, which will likely start in parts of a country even before a war has formally ended. Only they possess the local knowledge and the commitment to repair these communities both physically and psychologically. They should be provided in advance with the skills to do both, then supported as soon as it is feasible for them to return to their homes to begin the rebuilding process. Such an approach can help encourage further political progress toward a final peace settlement, and jump-start recovering economies.

Syrian Refugees and Jordan’s Special Economic Zones

Jordan is home to more than 600,000 Syrian refugees, or about 10 percent of the entire Syrian refugee population. A small country with an already struggling economy, Jordan was pressed to find a solution that engaged the refugees, but also provided visible and concrete benefits for all Jordanians. In cooperation with the World Bank, Jordan in 2016 launched an innovative Special Economic Zone program. This program allots legal work permits to Syrian refugees to take jobs inside specially designated zones, where they receive training alongside Jordanian workers. The goods produced in these special zones receive preferential treatment as imports to the European Union, thus providing an important boost to Jordan’s GDP and demonstrating a national benefit from the refugees.

CHAPTER 6: UNLOCKING THE REGION'S HUMAN POTENTIAL IMPLEMENTING PRONG TWO

This chapter turns to Prong Two of the strategy. It makes recommendations regarding the bottom-up lines of effort required to unlock the region's vast human potential.

1. Develop the Region's Human Capital—Especially Youth and Women.

The region's people are its most important resource. If nurtured, this human capital can help transform the future of the Middle East. Investments in education should focus on developing a country's human resources for the challenges of the twenty-first century. Above all, the aim should be to ensure that the next generations are active citizens who are:

- informed critical thinkers resistant to extremist appeals,
- collaborative problem-solvers motivated to address the challenges within their own societies,
- entrepreneurial in their outlook,
- equipped to compete successfully in the global economy, and
- committed to values of tolerance, pluralism, and inclusion.

This will require a thorough revamping of most educational systems in the region, including moving from curricula centered around rote learning to ones focused on critical thinking. Regional governments will therefore need to:

- **Make strategic investments that will produce quality education meaningful for the twenty-first century.** Regional leaders must make hard choices about the allocation of educational resources and commit themselves to a reform process that may take a generation to complete. For example, they need to have the courage to weigh the unintended regressive consequences of free university education for all, and consider limiting government scholarships to those most in need. In the interest of better outcomes, a portion of these resources should be reallocated toward investments in early childhood and primary education where the

American Universities in the Middle East

The American University of Beirut (AUB), founded by American Protestant missionaries in 1866, is the oldest of its kind in the Middle East, and the archetype of the American-style liberal arts colleges that have proliferated over the past century in places like Cairo (AUC), Sharjah, and Sulaimani. With their broad curricula and emphasis on critical thinking, these universities have helped raise the bar for higher education across the region, facilitated cross-cultural exchanges, and educated some of the region's and the world's top leaders. Prominent alumni include:



Ashraf Ghani, President of Afghanistan (AUB)



Salam Fayyad, Former Prime Minister of the Palestinian Authority (AUB)



Lamees Al Hadidi, Journalist and Television Personality (AUC)



Zaha Hadid, Architect (AUB)



Shiekha Lubna Al Qasimi, UAE Minister for Tolerance, First Female Cabinet Minister of the United Arab Emirates (American University of Sharjah)



Ismail Al Azhary, First Prime Minister of Independent Sudan (AUB)



Yuriko Koike, First Female Governor of Tokyo (AUC)



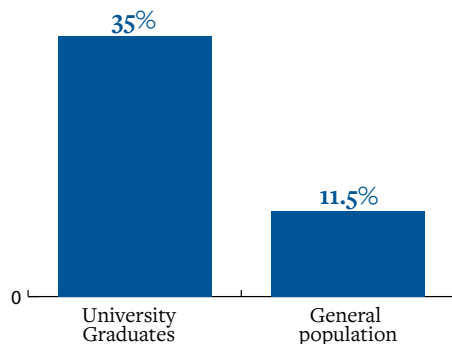
Zalmay Khalilzad, Former US Ambassador to the United Nations (AUB)



Rania Al Abdullah, Queen of the Hashemite Kingdom of Jordan (AUC)

Figure 17. In Tunisia, Egypt, and Jordan, those with a university degree are three times more likely to be unemployed than the general population.

Unemployment Rate: Tunisia, Egypt, Jordan (average)



Source: World Bank, 2010.

need is greater and the impact more widely felt. Likewise, they must be willing to cut bloated educational bureaucracies. In Egypt, the Ministry of Education is the largest public employer in the country, yet the country lacks sufficient numbers of classroom teachers. Governments must pare the number of bureaucrats and dedicate the savings to hiring more and better teachers.

- **Existing educational institutions should be overhauled in line with research on the best educational outcomes.** For reform to succeed, governments need more than a strategy; they must develop the administrative capacity to implement it over time and across the country. Governments may want to start with model programs to test new reform ideas and then scale up the most promising changes. This has the added advantage of demonstrating to skeptics early on the potential benefits of reform.
- **Regional leaders need to engage the public in educational reform efforts.** The most important stakeholders in education are students and their parents. They can play an important role in ensuring reforms succeed. If given adequate information, they can help keep educators accountable for results. In embarking on any reform effort, regional leaders need to be willing to mount campaigns to explain their plans to the public and enlist their support. They need to provide families with the data to make informed educational choices and to advocate for schools that meet their needs.

Thriving Under the Most Difficult Circumstances: Palestinian Students in UNRWA Schools

The Palestinian situation is the most protracted refugee crisis in the world, affecting more than five million people. Of these, a significant number are children who rely on UN administered schools in refugee camps. The UN Refugees Works Administration (UNRWA), the agency tasked with assisting Palestinian refugees, operates 677 elementary and preparatory schools providing free education to more than 500,000 children. UNRWA does this under challenging circumstances, in refugee camps that are often destabilized by conflict or wracked by poverty.

Yet in spite of these difficult conditions, Palestinian children in UNRWA schools show high levels of achievement, and are among the most literate in the region. In many cases, students in the UNRWA schools are even outpacing those in public schools in the camps' surrounding communities. World Bank researchers, who have studied the case in the hope of finding lessons that can be applied to other challenging educational environments, have pinpointed a number of contributing factors to the UNRWA schools' successes. Teachers are well prepared and highly satisfied with their jobs. They often come from the refugee community themselves, making them relatable role models for the children. Additionally, students' parents, families, and the community at large are highly involved in school activities, providing a support network and accountability. These are all impactful but simple factors that can be successfully transferred to other educational systems—not just those in refugee camps

- **Give local communities greater decision-making power on educational matters.** Centralized bureaucracies are ill-equipped to manage every detail of a nationwide system of education. More decisions should be left to localities and local schools themselves, where parents and students can help exercise accountability.
- **Policy makers should look for targeted interventions that can have immediate impact on educational outcomes with limited investments.** Such interventions can show tangible benefits early in a reform process that is likely to take a generation, thereby strengthening the constituency for reform. For example, the Jordanian minister of education recently focused his efforts on making the high school graduation exam fairer. By cracking down on cheating, he eliminated questions about the exam's reliability and raised the caliber of new students entering university. A relatively modest intervention had significant impact on the quality of higher education.
- **A well-prepared teacher is the single best way to improve educational achievement.** Teacher recruitment, training, and retention must be a priority. The best school systems recruit talented individuals, develop

their skills, and ensure they have strong incentives to continue teaching over the long term.

- **Use technology to extend education's reach, not only to help underserved communities, but also to alleviate broader deficiencies.** Creative solutions, such as e-learning platforms, can help ease the demographic pressures confronting overcrowded school systems. They can also help older people supplement their skills where their own educations may have been lacking, improving their qualifications and broadening their economic opportunities. Under the right circumstances, technology can additionally allow for the education of hard to reach populations “whenever, wherever,” including in refugee camps, conflict zones, and remote areas. However, technology needs to be employed thoughtfully, more often as a complement to, rather than a replacement for, traditional teaching. Technology cannot substitute for a bad teacher.
- **Alongside improving the traditional educational system, policy makers should develop strong vocational training programs.** Not every student is meant to attend university. Indeed, modern economies have significant need for individuals with technical and vocational skills. A number of countries—both developed and developing—have built apprenticeship and vocational training models that focus on cultivating the skills most in demand by the market. Germany has been a leader in this field in Europe, while Morocco's efforts have shown the model's adaptability to less advanced economies.
- **Support large-scale exchange programs focused on training the next generation of educators.** Following the fall of the Berlin wall, the European Union introduced the Erasmus program. It was an ambitious effort to underwrite the free movement of students, educators, and scholars between Europe's east and west. The idea was to erase the psychological, cultural, and knowledge barriers that divided the continent. A similarly bold initiative is needed today to address the barriers between the Middle East and the rest of the world. These exchanges should focus in particular on enhancing the capabilities of the next generation of educators. Participants should be required to return to their home university to teach for an equivalent period of time, at a minimum. The long-term aim should be to create local educational institutions of sufficient quality that students do not need to venture overseas for higher education, though there will always be a value in doing so. Technology-enabled “virtual” exchanges can also complement physical exchanges, especially to help connect scholars and students in hard-to-reach areas to the rest of the world. Additionally, private sector-supported educational

exchanges with business and technical schools can help equip the next generation of business and industry leaders with the management, technical, and ethical skills to jumpstart economies.

- **The independent, liberal arts-based “American universities” throughout the Middle East should become hubs of excellence,** supporting educational reform and teacher training in the region as a whole. Historically, one of the most welcome contributions of the United States to the region has been the network of American-style liberal arts universities established in cities such as Beirut and Cairo. They have helped educate the region's brightest minds, demonstrated the benefits of liberal education, inculcated critical thinking, and propagated values

The Importance of Vocational Training

University degrees are prized assets in the Middle East, where education is a cherished value. At the same time, unemployment remains stubbornly high in many countries in the region, and ironically, it is often highest among university graduates. For example, in Egypt, Jordan, and Tunisia, unemployment amongst university graduates in 2010 averaged more than 35 percent—compared to 11.5 percent for the population of these countries at large.ⁱ This disparity is due to a number of economic and cultural factors, but is partially explained by the fact that universities are not training students in the skills most in demand for their national economies. Indeed, jobs in many of these economies' most productive industries do not require a university degree at all.

In this case, vocational training can be a much more effective strategy for reducing unemployment than universal free university education, which often disproportionately benefits the rich. Germany has integrated highly successful vocational programs into its educational system for years, contributing to one of the lowest youth unemployment rates in Europe. Within the region itself, Morocco puts a heavy emphasis on vocational training, often through innovative public-private partnerships. One such project, launched in 2015, involves a partnership between the Moroccan Ministry of National Education and Vocational Training, the Volvo Group, the United Nations Industrial Development Organization (UNIDO), and the United States Agency for International Development (USAID).ⁱⁱ The program will annually train 150 students in heavy industry and automotive manufacturing technology. It aims to produce workers who have skills that meet the needs of the labor market, and will also feature training in general business skills and “soft skills” like organization, communication, and teamwork.

i Lili Mottaghi, “The Problem of Unemployment in the Middle East and North Africa Explained in Three Charts,” *Voice and Views: Middle East and North Africa*, World Bank, August 25, 2014, <http://blogs.worldbank.org/arabvoices/problem-unemployment-middle-east-and-north-africa-explained-three-charts>; World Bank, “Unemployment, Total (% of Total Labor Force) (Modeled ILO Estimate),” <http://data.worldbank.org/indicator/SL.UEM.TOTL.ZS?end=2014&start=2010>.

ii USAID, “USAID and Volvo Partner on Morocco Workforce Training Academy,” November 21, 2014, <https://www.usaid.gov/news-information/press-releases/nov-21-2014-usaid-and-volvo-partner-morocco-workforce-training-academy>.

of tolerance and pluralism. Their impact has also been felt in primary and secondary education settings, as these universities work together with these schools to develop better applicants. Yet these universities are now under enormous financial pressure because foreign students, whose tuition payments help keep the schools afloat, are reluctant to enroll given the current security environment. Some of the campuses of American universities that were established more recently by Gulf states in places such as Doha and Abu Dhabi could face similar pressures as a result of low oil prices. These marquee US university campuses are important to preserve, not only for the high-quality education that they provide, but also because they can serve as regional hubs to help train the next generation of educators. As part of their mandate, they should recruit and provide scholarships for gifted students who come from poorer and more rural backgrounds, as well as assist with professional development at local institutions of higher education.

- **Universities in the region should partner with world-class universities elsewhere as they seek to modernize their faculty, teaching methods, and curricula.** Educational institutions throughout the world have the capacity to be essential partners in this process, bringing deep experience and proven best practices to help guide reforms. Effective partnerships already operate in places as challenging as Iraq, improving not only educational offerings, but also inculcating the open values of the university setting.

The Global Business Institute at Indiana University

Even short, non-degree exchanges can be an effective way to help build skills and inspire entrepreneurship. Indiana University's (IU) Global Business Institute is an example of an initiative that could serve as a model for expansion or replication. In an innovative public-private partnership, IU's Kelley School of Business, with the support and partnership of the Department of State and the Coca-Cola Company, annually brings one hundred students from across the Middle East and North Africa to the United States. They attend a month-long intensive course in business and entrepreneurship, providing them with top business instruction and exposure to some of America's most prominent corporate leaders. Of the nearly five hundred students who have participated in the program since its start in 2012, seventy-three have gone on to start their own businesses, creating hundreds of jobs in their home communities.

Stanford meets Suli: The Iraq Legal Education Initiative

Launched in 2012, the Iraq Legal Education Initiative (ILEI) is a partnership between Stanford Law School (SLS) and the American University of Iraq, Sulaimani (AUIS). ILEI was created in response to demand from Iraqi legal scholars and practitioners, who recognized quality legal education as a key step in developing a stronger legal system and rule of law. After decades of dictatorship, war, isolation, and political change, Iraq's law school curricula tended to be outdated and impractical, with many textbooks dating back to the 1970s.

Using new textbooks and curricula developed by SLS in collaboration with Iraqi experts, professors began teaching AUIS's first law courses in the spring of 2014. After the completion of the pilot phase in 2014, SLS continues to produce original legal education materials for use at AUIS and beyond. ILEI works collaboratively with a range of local partners, sharing feedback, ideas, and new developments in Iraqi and Kurdish law.¹

¹ Text adapted from Stanford Law School, "Iraq Legal Education Initiative," <https://law.stanford.edu/projects/iraq-legal-education-initiative>.

2. Support and Facilitate "Big Bang" Regulatory Reform to Foster Greater Trade, Investment, and Economic Integration, with a Focus on Empowering Entrepreneurs.

Governments in the region need to create an "ecosystem for entrepreneurship and innovation" by adopting liberalizing legal and regulatory reforms. The policy changes required to develop such an ecosystem are extensive enough that the net effect of these reforms will be transformative for the economy as a whole. Putting in place laws and policies that deregulate markets and move from commodity-based models to consumer-based ones will both encourage the region's private capital to remain in the Middle East and attract foreign direct investment to the region. This will help energize existing industries, while at the same time empowering small businesses and start-ups. Generally, the private economy needs to be encouraged and the state sector needs to shrink.

- **Create the enabling legal and regulatory environment for entrepreneurship to flourish.** Regional governments should simplify the process for registering a new business, enact banking reforms that support the availability of credit and small business loans, reform bankruptcy laws to decriminalize debt, and change labor laws to make it easier to hire and fire employees. If country-wide reforms are not immediately feasible, then states should implement "free zones" with advantageous regulatory regimes as a bridge to broader national reforms.

The Entrepreneurial Engine

The correlation between a healthy entrepreneurial environment and wider economic success is well documented. Statistics show, for example, that young firms—those less than five years old—are the most important engines of job creation.ⁱ Additionally, through its “Prosperity Index,” the Legatum Institute has shown a strong correlation between entrepreneurship and overall economic health.ⁱⁱ By promoting entrepreneurship and creating supportive policies, governments can help shift the burden of job creation from the public to the private sector.

i Jason Wiens and Chris Jackson, “The Importance of Young Firms for Economic Growth,” The Kauffman Foundation, 2015, <http://www.kauffman.org/what-we-do/resources/entrepreneurship-policy-digest/the-importance-of-young-firms-for-economic-growth>.

ii Stephen Koltai, “Entrepreneurship Needs to Be a Bigger Part of U.S. Foreign Aid,” *Harvard Business Review*, August 15, 2016, https://hbr.org/2016/08/entrepreneurship-needs-to-be-a-bigger-part-of-us-foreign-aid?utm_content=buffer58070&utm_medium=social&utm_source=twitter.com&utm_campaign=buffer.

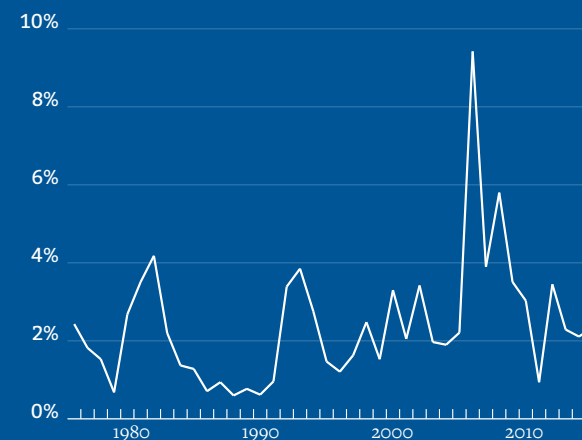
- **Build the necessary protections and incentives to attract foreign direct investment, particularly early stage venture capital.** Regional governments should ensure a predictable investment environment that emphasizes consistent rule of law and contract enforcement, allows for a more transparent tax code, provides adequate protections for minority investors, and modernizes commercial and accounting law to bring it into line with international standards.
- **Help regional governments improve the broader macroeconomic climate.** The Middle East sits at the crossroads of the global economy. But at the moment the region is only marginally engaged with it, largely due to government policies designed to create control rather than prosperity. Although the macroeconomic challenges that many governments across the region face are real, there are still steps they could take to improve the situation. These include improving public finances by transforming broad subsidies into more targeted cash transfers to the truly needy, and creating independent, empowered central banks.
- **Liberalize trade and facilitate the free movement of goods across borders.** Under current circumstances, it is easier for the countries of the Middle East to trade with partners thousands of miles away than it is with their neighbors. This holds back the economy of the entire region. Lowering these barriers to trade—not just by reforming tariffs and regulations, but also by improving regional transport infrastructure and creating special economic zones —will grow the region’s economies and

incentivize regional cooperation. Outside partners can help through such things as loan guarantees, trade agreements, and technical assistance.

- **Consider Tunisia as a test case to demonstrate success.** Because of its relatively small size and population, a concerted focus on improving Tunisia’s economy would take fewer resources than larger economies. This could potentially demonstrate progress faster, and thereby encourage other countries to follow suit. Just as Tunisia was a leader in the Arab Spring, it could be a leader in demonstrating the positive benefits from these types of economic changes. Having a demonstrable success in the region would empower others to invest in change.

TUNISIA VITAL STATS

- Population: 11,107,800 (2015, World Bank)
- Unemployment: 13.3% (2014, World Bank)
- Jobs needed to fill unemployment gap: 1.48m
- Foreign direct investment: net inflows (percent of GDP)



3. Encourage and Reward Those Governments that Enable Citizen-based Problem Solving and Business and Social Entrepreneurship.

In the wake of the Arab Spring, many in the region view non-governmental organizations with a certain degree of suspicion. Some even view them as tools used by outsiders to promote regime change. This is especially the case for those groups that are based abroad or receive funding from foreign sources. We view this suspicion as unfounded and unfortunate. The vast majority of these groups are local organizations that are indigenous to their societies and address local needs. All these organizations of course have an obligation to follow the laws of the countries in which they operate. They also have a responsibility to be transparent with the public about their finances and activities, as do governments. But “bottom-up” efforts by local civic groups and social and business entrepreneurs—technologically empowered and connected—represent the best hope for the region. These groups are the natural partners of governments that want to improve governance, enhance economic activity, create jobs, build legitimacy, and better serve their people. These objectives simply cannot be achieved without allowing people to engage one another in meeting their own needs and solving their own problems.

What we heard from the region is that governments need to engage their people more actively—particularly their youth and women—in building a more stable and prosperous future for their nations. Internal and external stakeholders need to catalyze bottom-up citizen initiatives as a way to engage their energies while helping governments solve problems. Five years after the Arab Spring kicked off a “participation revolution,” the region's people are actively reshaping their societies. And in some places they are getting their government's support in doing so, creating a positive demonstration effect for the rest of the region. They merit much greater support.

- **Regional governments need to provide their citizens, particularly the younger generation, with the space and freedom to be empowered, productive, and innovative citizens.** They should foster and encourage creativity rather than suppressing it, and channel it in positive directions that have broad benefits for all of society. They should embrace the civic sector as a valuable partner in helping chart a better future for their countries, and make every effort to empower it. Even very small amounts of financial, technical, or in-kind assistance can go a long way toward catalyzing valuable bottom-up initiatives. Some of these initiatives will help grow the economy, others will improve community life, and still others will enrich public discourse and promote pluralistic societies.

Iraq Reconciliation Work: Overcoming Daesh's Atrocitiesⁱ

The Daesh massacre of 1,700 unarmed Iraqi air force cadets and soldiers, overwhelmingly Shia men, in June 2014 at Camp Speicher in Tikrit, was one of the deadliest atrocities of recent years in Iraq. The massacre worsened the already acute tensions between Sunnis and Shias. Angry Shias accused Sunnis who lived near the camp of encouraging or even joining the Sunni Daesh fighters. Young men related to the Camp Speicher victims joined Shia militias (known as the Popular Mobilization Forces) to avenge those deaths. Thousands of Sunni families from near the camp fled their homes in fear of their lives.

For months, guided by its Iraqi partner organizations, the United States Institute of Peace (USIP) supported dialogue and reconciliation between Sunni and Shia tribal leaders. USIP worked with two local partners, Sanad for Peacebuilding and the USIP-initiated Network of Iraqi Facilitators (NIF), to conduct dialogues among Sunni and Shia tribal leaders, government officials, and others. USIP and its partners formed a Speicher Intervention Team, which worked with sixteen tribal sheikhs from Sunni tribes of Salahuddin province (of which Tikrit is the capital) and Shia tribes from the southern provinces that are home to most of Iraq's Shia militiamen. The NIF facilitated a dialogue between the Sunni and Shia tribal leaders, who agreed to work concretely toward peace and to facilitate the return of displaced families.

In June 2015, hundreds of Sunni families who had fled were able to begin returning home. They were escorted safely by the very Shia militiamen who might have sought revenge, if tensions in the area had not been reduced. This was a crucial test of the Shia-dominated central government's ability to stabilize and peacefully reintegrate Sunni regions as they are recovered from Daesh's control.

ⁱ Omar, Abouaoun, and Pouligny, *Rebuilding Societies: Strategies for Resilience and Recovery in Times of Conflict*, April 2016, Atlantic Council, p.24, http://www.atlanticcouncil.org/images/publications/Rebuilding_Societies_web_0413.pdf.

- **Support skills training, civic initiatives, and public dialogues that help create more resilient and vibrant societies.** Given the violence and sectarian tensions that have plagued many countries in the region, there is a need for greater dialogue and understanding across religious, ethnic, communal, and national lines. Citizens need to better appreciate each other's perspectives and needs following the years of domestic turmoil. They need to learn peaceful methods to mediate their differences. Such exercises improve tolerance, respect, and understanding, as well as build the basic skills of citizenship.
- **Encourage greater roles for women in communities, the workforce, and politics.** Women represent the region's greatest underused resource. Internal and external stakeholders should use education and technology to empower women economically. In cases where conservative populations

might be resistant to such changes, these efforts can take place within existing cultural traditions. Once they are successful, such constraints are likely gradually to fall away. In this sense, new technology is an essential part of the story, allowing women even in the most conservative societies to more fully participate in public life.

- **Build channels that ensure regular communication and exchanges between local civil groups and government.** Creating means for government and civic groups to communicate and cooperate is essential to ensuring that good ideas are scalable across societies and durable over

How Civic Groups Thwarted War in Tunisia

The struggle for democracy and fundamental rights has come to a standstill or suffered setbacks in many Arab countries. But since its 2011 revolution, Tunisia has seen a democratic transition supported by a vibrant civic sector. While still fragile, the case of Tunisia demonstrates how active cooperation among civic groups can help secure peaceful political progress, even in the face of terrorist violence.

An essential factor for the success of Tunisia's 2014 elections was the effort made by the country's National Dialogue Quartet. The Quartet was formed in the summer of 2013, when the democratization process was in danger of collapsing as a result of political assassinations and widespread social unrest. It established an alternative, peaceful political process at a time when the country was on the brink of civil war.

The Quartet is made up of four key organizations in Tunisian society: the Tunisian General Labor Union (UGTT), the Tunisian Confederation of Industry, Trade and Handicrafts (UTICA), the Tunisian Human Rights League (LTDH), and the Tunisian Order of Lawyers (ONAT). These organizations represent different sectors and values in Tunisian society: working life and welfare, principles of the rule of law, and human rights.

The Quartet was instrumental in securing popular approval of the constitutional process. The organizations used their moral authority and popular legitimacy to pave the way for a peaceful dialogue between citizens, political parties, and the authorities, and helped find consensus-based solutions across political and religious divides. This broad-based national dialogue countered the spread of violence in Tunisia by offering another pathway toward change.

The Quartet's activity shows that civic groups can play a crucial role in a country's democratization, even under threat of violence. Although much work remains to be done to consolidate Tunisia's democratic gains, the work of the Quartet is essential to overcoming these challenges, and can be used as an example in other parts of the region. The member groups of the Quartet together were awarded the Nobel Peace Prize in 2015 for their efforts.

Adapted from "The Nobel Peace Prize 2015 - Press Release."

ⁱ Nobel Media, "The Nobel Peace Prize 2015 - Press Release," September 22, 2016, http://www.nobelprize.org/nobel_prizes/peace/laureates/2015/press.html.

New Technology and Its Impact on Saudi Women's Mobility and Economic Participation

In Saudi Arabia, new technologies are having a positive impact on women's participation in public life, even if there remains much progress to be made in terms of juridical reforms regarding their status. Legally forbidden from driving, only rich women could afford dedicated cars and drivers to give them access to the world outside the home. However, with the advent of Uber—in which Saudi Arabia's sovereign wealth fund has invested a hefty stake—drivers are more affordable and accessible than ever, giving middle- and lower-class women opportunities to exercise more autonomy. In fact, more than 80 percent of Uber's users in Saudi Arabia are women. Additionally, many women in Saudi Arabia are taking advantage of sites like Instagram to start small businesses in their homes. Their pages act like virtual showrooms and connect them to buyers from all over the world. And while these examples are inadequate solutions to what continues to be a pressing human rights issue, they represent a practical step in the right direction and a significant improvement in quality of life. Steps that promote women's economic participation, even if at first from the home, can over time help shift social norms by demonstrating the broad societal and family benefits of empowering women. As these norms shift among the public, governments can feel more secure in revising laws or policies that currently hold women back.

time. Governments should create avenues for soliciting citizen input, whether in the form of public hearings, town hall meetings, or via social media. Governments could consider creating cabinet portfolios for "civic engagement" to ensure that society as a whole can reap the talent of creative youth and activists.

4. Encourage States in the Region to Prioritize Good Governance, Which Includes Empowered and Well-resourced Local Governance.

Good governance is a crucial ingredient in addressing the underlying causes of the current chaos in the Middle East and in rebuilding the social contract. Over the long term, governments in the region need to become more inclusive, effective, transparent, and accountable if their citizens are to view them as legitimate. These are not concepts being imposed on the region. The countries of the Middle East have themselves signed up for these principles in endorsing the United Nations' Sustainable Development Goals.³⁹ The United States and the international community can help advance the process of reform and institution building if they are prepared to be long-term partners

³⁹ Goal 16 is particularly relevant, resolving to "Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels." United Nations, "The 2030 Agenda for Sustainable Development," 2015, <https://sustainabledevelopment.un.org/?menu=1300>.

and support, encourage, and reward political leaders and citizens who take risks in the interest of this kind of political change.

- **Ensuring security in the face of terrorism and other threats without compromising the rights of ordinary citizens is vital.** Otherwise security will be purchased at the price of legitimacy and public support. The international community should help states work toward sustainable security arrangements consistent with this principle. This includes assisting with traditional security measures, such as border control and policing, as well as ensuring that security is always seen as a means to an end, rather than just an end in itself.
- **Governments must demonstrate the political courage to root out corruption and ensure the rule of law if they are to be perceived as**

How This Might Work: Egypt

The relationship between the Egyptian and US governments has worsened since Egyptian President Sisi came to power in 2013. For Americans, the Egyptian government's crackdowns on the media, civic groups, and peaceful political dissent have strained ties. In Egypt, the view is widespread that the United States supported the Muslim Brotherhood when it was in power, while others think that the United States assisted in the removal of former President Mohammed Morsi as part of an anti-Islamist agenda. Mistrust and recrimination run deep on both sides.

Nevertheless, Egypt remains a linchpin of regional security because of its peace treaty with Israel and its historic role in the Arab world. The region simply cannot cope with an Egypt that descends into chaos. Egypt faces serious security challenges from Daesh and other extremists. But its stability is also seriously undermined by the government's domestic repression, which risks fueling greater extremism. The challenge for the United States is how to shape a new policy that is sensitive to the terrorist threat facing Egypt, while also encouraging the political reform and commitment to basic freedoms that are vital to its long-term stability.

The Washington policy community, and our own Task Force membership, is divided over Egypt, with many falling into two opposing camps: those who argue the US should engage with the Egyptian government and downplay human rights, and those who argue it should dramatically scale back its engagement with the Egyptian government until there are significant political reforms.

Although our recommendation is likely to leave both camps unsatisfied, we do not believe either of those options is viable. Thus, we suggest a middle course:

First, the United States must find ways to work with the current government on security matters vital to both countries. For example, we must preserve our long-time military relationship with Cairo and support its efforts against Daesh, al-Qaeda, and other ►

legitimate by their citizens. Modern states need to be able to provide a predictable legal environment where the rule of law prevails, as opposed to that of arbitrary rulings, brute force, or one that privileges insiders at the expense of ordinary citizens. Strong, transparent, accountable institutions will be critical in this regard, including professionalized, issue-based political parties. The international community should also recognize the short-term peril that many governments face in tackling corruption, and provide assistance, support, and incentives to take on political cronies and vested interests. Additionally, it is important to recognize that corruption is not limited to the public sector, and can also afflict non-governmental entities. Yet no matter where it occurs, it must be confronted, and transparency remains the most effective tool for countering corruption.

demonstrably violent groups. We should in particular help them fight the insurgency in the Sinai, partly in hopes of helping them bring their operations in line with current counterterrorism and counterinsurgency best practices.

Second, we should signal our willingness to help improve their economy. This is an important element of stability in Egypt and the best approach to shoring up US-Egyptian relations in the near-term, given the Egyptian government's emphasis on economic development.

Third, we must engage in a real, substantive dialogue with Egypt regarding issues of pluralism and political reform. We need to consistently state our view that there will be no long-term security and prosperity in Egypt unless it ends domestic repression, releases political prisoners, vacates the sentences of convicted foreign and domestic NGO staff, and begins a process of meaningful political reform. To the extent that Egypt takes steps in this direction, as well as other efforts at economic and political reform, it should receive substantially increased diplomatic, financial, and technical support, including support to facilitate adequately resourced and empowered local governance.

Finally, the Egyptian and US governments need to identify two or three projects or initiatives of common interest that will convince the populations of both countries of the importance of the US-Egyptian relationship. A diplomatic initiative regarding Libya might be one such example. The United States needs to see Egypt—and Egypt needs to see itself—as having an important regional role beyond its traditional focus on the Israeli-Palestinian question.

Undoubtedly, this approach will strike many readers as contradictory. It is. But for centuries, US foreign policy has balanced the need to protect our security interests with the recognition that one important way to do so is to advance universal democratic principles over the long term. The United States has to deal with the world as it is, but at the same time we should make clear where we stand and what we believe.

Figure 18. The link between corruption and conflict: The Middle East's conflict states also score worst on corruption perception measures.



Source: Transparency International. Countries were ranked out of 167.

- Improve the efficiency with which governments deliver basic services to their citizens.** Citizens want governments that can deliver. Efficient service delivery has become a key test of state legitimacy in the modern era. The international community can assist governments at improving service delivery as a means of establishing their credibility as effectively functioning states.
- Help these states professionalize their security services.** Regional states need to be able to restore order but must do so in ways that do not alienate ordinary citizens. Citizens' primary contact with the state is often through its security services. This "customer experience" needs to be a positive one if citizens are to accord legitimacy to the state. Enlisting citizens in security efforts through trust-building and community policing operations will have a positive impact. Communities need to be partners in the state security strategy, not the objects of it. In addition, so-called "smart policing," and the integration of technology into community-police relations, can go a long way toward improving this state-citizen relationship.
- Allow broad latitude for local governance.** Local communities should be empowered to solve local problems. People have a natural trust and affinity for their local governments, whose officials they often know personally and are more accessible than central government officials. Local governments are also more in touch with their communities and understand their needs better. Because of this, they are more natural service providers than central government bureaucracies. To further increase capacity among these local actors, Western countries might

Smart Policing

Smart policing efforts integrate new technology into the traditional functions of police work, making officers more effective and accountable. These types of efforts are already underway in many places around the world, including in the Middle East. In Dubai, for example, police cars are outfitted with integrated cameras that have the capability to send images back to a central control system. This enables officers to receive real-time guidance on the ambiguous situations with which they deal every day. In other parts of the world, such as the United Kingdom, big data is crunched to help predict where crime is most likely to occur. This permits targeting patrols to "hot spots" where they are most needed and reducing reliance on questionable methods, like profiling, that can raise police-community tensions. Smartphones are also important tools for involving the community in its own security. Crime reporting apps, like Dubai's "Police Eye" mobile program, significantly reduce the bureaucratic hurdles to reporting a crime, and allow a faster, more effective response. "We aim to increase public satisfaction and provide mobile services that will make people's lives easier and save their time," says Colonel Khalid Nasser Al Razouqi, General Director of Smart Services at Dubai Police. These tools are not instant fixes. They would need to be deployed in the hands of a security service with the best interests of its citizens at the forefront of its mission. Nonetheless, such measures could help improve relations between police and the communities they serve.

consider twinning their local government officials with counterparts in the region to provide such expertise.

- Help regional governments achieve their own benchmarks for reform.** Progress needs to come in a form and timeline that makes sense to local sensibilities; it cannot be dictated by outsiders. At the same time, benchmarks are often essential to demonstrate that meaningful improvements are occurring. The international community can help encourage adoption of clear plans, and help monitor progress on those plans, but regional governments must devise and own them. In judging a country's progress, overall trends should matter more than the occasional setback.

5. Begin Moving Toward a Regional Framework.

As we have noted, almost every other region of the world has institutions that facilitate regional dialogue and cooperation. The Middle East needs such mechanisms to help wind down the civil wars, tamp down regional tensions, foster greater collaboration, and set rules of the road for state behavior. Such a framework cannot be imposed on the region as some product of a major international conference. Rather, it has to emerge gradually and organically over time in response to developments in the region. The region itself could propose such a regional framework, and challenge stakeholders from outside

the region to join and support it. This would ensure that the framework reflects local needs and culture and has indigenous support.

- **Start by focusing on technocratic confidence-building measures that are politically uncontroversial.** It will take time to build the trust and capabilities of any such regional institution, as well as its membership. The bar should not be set too high too early. Rather, the initial emphasis should be on technical matters where the stakes are lower, in order to build functionality and demonstrate value until the institution is established enough to tackle more serious challenges. Cooperation on humanitarian relief and simple confidence-building measures might be good places to start.
- **A charter could articulate certain core principles to guide state behavior in the region.** The members themselves would determine these principles, but they could include: the promotion of cross-border trade and investment, the non-violent resolution of disputes, respect for sovereignty and the territorial integrity of states, non-interference in neighboring states, non-indifference to humanitarian suffering and a responsibility to protect, norms of non-proliferation, and the protection of minority rights, among other things.
- **This regional framework could develop mechanisms for encouraging compliance with these norms.** It could include a mechanism for states to create their own benchmarks for more effective, inclusive, transparent, and accountable governance and peer-review procedures for evaluating progress. For example, a review board of independent regional scholars, akin to the group that wrote the seminal Arab Human Development Reports, could monitor how well states are living up to their commitments.
- **This framework could help ratchet down the Saudi-Iranian confrontation.** It could provide a means to develop confidence-building and dispute resolution measures. It could also provide the framework for a sustainable regional balance of power among Saudi Arabia, Iran, Turkey, and Egypt.
- **This framework could help establish and maintain not only a regional order among states, but also a constitutional order within states.** It could provide support for greater regional or local autonomy within Iraq, Syria, Libya, and Yemen once they emerge from civil war and sectarian violence.
- **This regional forum could even become a means for advancing the cause of Arab-Israeli peace.** It could provide a regional framework for providing positive incentives to Israel and the Palestinians for making



GearUP Cairo hosting a startup workshop in Cairo, Egypt, for aspiring and idea-stage entrepreneurs. *Photo credit: Startup Mena/Flickr.*

peace. Building on the Arab Peace Initiative, the forum could make clear to Israel that a peaceful resolution to the Israeli-Palestinian conflict based on two states—Israel and Palestine—living side by side in peace and security would lead to a broader Israeli-Arab reconciliation. For Palestinians, the forum would make clear that they would have broad Arab support for making peace with Israel.

6. Create a Regional Development Fund for Reconstruction and Reform.

Unlike other regions of the world, the Middle East lacks a regional development institution that includes participation from both inside and outside the region. Such a multilateral organization is important not only to provide development funds, but also to ensure that those funds are apportioned according to rigorous performance criteria and professional standards, rather than narrow geopolitical interests. A Regional Development Fund for Reconstruction and Reform would be financed by stakeholders inside and outside the region. It would support reforms and cooperative projects that emerge from the new Regional Framework and support countries that endeavor to create an enabling environment for bottom-up change.

- **Key states in the region should propose, design, and finance such a Regional Development Fund and challenge the international community to offer matching contributions.** Potential funders could include the Gulf States, the United States, the European Union, Russia, and key Asian countries such as China, Japan, and Korea. But as much as possible, the Fund should be private sector-led and partner with private banks.
- **The Fund would operate according to the principle of “more-for-more.”** Governments and other actors that were taking steps to create an enabling environment for progress and reform, as described in Prong Two of the strategy, would receive technical assistance and financing to support these efforts. Those governments and other actors not taking such steps would not receive such support—not as a sanction or punishment, but because they are less attractive investment opportunities over the long term.
- **The Fund could draw upon a number of existing international financial institutions for lessons learned with regard to its design and for technical assistance in getting launched.** The Inter-American Development Bank, the Asian Development Bank (especially its Multilateral Investment Fund), the Asian Infrastructure Investment Bank, the European Bank for Reconstruction and Development, the

Millennium Challenge Corporation, and the Central and East European enterprise funds established after the end of the Cold War could all serve as models. The Fund, however, should create its own innovative model and set-up in order to provide effective and immediate support that is driven by need (rather than by donors) and customized to the specificities of each country and sector. Many of these other regional development institutions would be willing to lend personnel and expertise for the Fund's creation.

- **The Fund could develop a range of financing vehicles and facilities to support different kinds of bottom-up initiatives.** The most pressing needs are likely to support the growth of the private sector and generate jobs for unemployed youth. However, many of the most important long-term needs in the region will not have a commercial character, but nevertheless will require fast and flexible support, whether in terms of technical expertise or grant monies. Additional facilities could include a scholarship fund to facilitate academic mobility, a regional foundation for cross-border citizen initiatives, a local governance-training institute, and a community matching grant program to encourage the emergence of community foundations to nurture local leadership and local civic projects.
- **The Fund should start modestly.** While the region will set the pace, several experts from the Middle East suggested that the Fund start modestly. It should work first to establish a record of success supporting the private sector, and then gradually develop other non-traditional financing vehicles to support a broader range of societal actors. As a fund rather than a bank, it need not wait to develop a large infrastructure to start its work.

CHAPTER 7: CONCLUSION

If there is a single take-away from this report, it is that the Middle East is not condemned to the current cycle of conflict. Although the situation is difficult, there is a distinct—if challenging—pathway that people in the region, along with supportive international partners, can take not only to address the current crises, but also to put the region on course for a future better than many might believe possible. In this endeavor, realism is important. The challenges of the region are enormously difficult and will take time to resolve. However, imagination is even more important. Those who cannot imagine a better region will never be able to achieve it.

Luckily, there is a large and growing number of people in the Middle East who can not only imagine this better future, but are actively working, even in the most difficult circumstances, to bring it about. Full of ingenuity, they have the energy to seek this vision and, increasingly, the education and self-confidence to achieve it. Shocked awake by new realities, much of the Middle East's leadership is also starting to realize that the region's future depends on fulfilling the potential of their populations, regardless of gender, age, or sect. It is in the interest of the United States and the world to support and encourage these new dynamics.

While hope is not a strategy, neither is cynicism. As we have said throughout this paper, changes will take time, and there will be painful setbacks along the way. There are no guarantees of success, but we believe the strategy that we outline here, if pursued vigorously by those in the region and supported by outsiders, over time presents the best chance for success.

Although the challenges may seem insurmountable, it is important to remember that the world has succeeded in dealing with problems like these—some worse than these—before. Whether in Western Europe or Japan, the Balkans or Colombia, there is a history of international efforts helping to achieve what at times seemed impossible, even if in some cases there remains progress to be made.

The Middle East can be the next of these impossible accomplishments.

ACKNOWLEDGMENTS

The Middle East Strategy Task Force has been one of the most challenging, interesting, and thought-provoking projects that either of us has been involved in since leaving government. By attempting to formulate and then articulate a new strategy for the region, we knew we were taking on an ambitious task. Fortunately, we had the help of a team of brilliant, capable, and hard-working staff and advisors to keep us going in the right direction.

We are especially indebted to Stephen Grand and Jessica Ashooh, the Executive Director and Deputy Executive Director of the Task Force, who brought intellectual firepower, management skill, and deep regional expertise to this project. Their patience and professionalism were extraordinary.

The Atlantic Council's Rafik Hariri Center for the Middle East provided an institutional home for this effort, and we are grateful to Fred Kempe and Ambassador Francis Ricciardone for helping to conceive and launch this project. Fred Hof, who succeeded Ricciardone as the Hariri Center's director, helped bring this effort across the finish line with the assistance of an extraordinary team, including his deputy, Mirette Mabrouk, as well as Andrea Taylor and Stefanie Hausheer Ali. Other individuals at the Atlantic Council who provided invaluable guidance and support included Mat Burrows, Susan J. Cavan, Mohamed Elgohari, Matt Hall, Mohsin Khan, Barry Pavel, Bilal Saab, Peter Schechter, Adam Simpson, and Romain Warnault.

The project began with the launch of five different working groups covering a range of critical issues. Each group had a top-notch convener who volunteered significant time and effort to this project. We are grateful to Geneive Abdo, Manal Omar, Kenneth Pollack, Christopher Schroeder, and Tamara Cofman Wittes for serving as conveners, and also to our many working group members and senior advisors. We would also like to thank Aysha Chowdhry and Jacob Freedman, who worked closely with Steve and Jessica on a day-to-day basis to forge consensus and to make sure the report reflected our views, and to Jan Stewart, Catherine Eng, and Kate Pietkiewicz who provided administrative support to the two of us.

This report could not have been written without the deep insights from the regional ambassadors we frequently consulted throughout the entire process. These include ambassadors and charge d'affaires and deputy chiefs of mission from Afghanistan, Bahrain, Egypt, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Qatar, Saudi Arabia, Tunisia, Turkey, the United Arab Emirates, and Yemen.

During our trip to the region we were supported by the US embassies and staffs in Egypt, Israel, Jordan, Saudi Arabia, Tunisia and the United Arab Emirates. Special thanks to Ambassadors Stephen Beecroft, Barbara Leaf, Daniel Rubenstein, Alice Wells, Joseph Westphal and Deputy Chief of Mission Tim Lenderking.

Thank you to Jim Clifton, Neha Sahgal, Mohammad Younis, and Jim Zogby for helping to imbue our research with rigorous data and research.

Many individuals in addition to those already named were helpful as we wrote the paper, including Elie Abouaoun, Odeh Aburdene, Mondher Ben Ayed, Nathan Brown, Sandra Charles, General Michael Hayden, Ayatollah Ahmad Iravani, Sharif Kamal, Rami Khouri, Frank Kramer, Richard LeBaron, Imam Mohamed Magid, Beatrice Pouligny, Leigh Morris Sloane, and Walter Slocombe.

In addition we would like to thank the following institutions and individuals for their support in hosting events or meetings: Al Hayat Center for Civil Society Development, the American Task Force for Lebanon, the Brookings Institution, Carnegie Corporation of New York, the International Republican Institute, Johns Hopkins School of Advanced International Studies, the Mohamed bin Salman Foundation, Maqsoud Kruse and the Hedayah Center, the National Democratic Institute for International Affairs, NYU Abu Dhabi, the Pulitzer Center on Crisis Reporting, Search for Common Ground, Senator Corker, Senator Cardin and the members and staff of the Senate Foreign Relations Committee, Stanford University's Freeman Spogli Institute and its director Michael McPaul, the Tunisian Confederation of Industry, Trade, and Handicrafts, the Tunisian General Labour Union, the United Nations High Commissioner for Refugees, and the United States Institute of Peace.

Needless to say, although we had a great deal of help and support for this project, the views expressed are ultimately our own, and any shortcomings or oversights are solely our responsibility.

APPENDIX

LIST OF EVENTS AND MEETINGS

PUBLIC EVENTS

June 4, 2015

Launch of the Middle East Strategy Task Force—A View from the Region

Washington, DC, Atlantic Council

Speakers:

- Madeleine K. Albright and Stephen J. Hadley, MEST Co-Chairs
- Frederick Kempe, President and CEO, Atlantic Council
- James Zogby, President, Zogby Research Services
- Mohamed Younis, Senior Analyst, Gallup
- Rabab Al-Mahdi, Associate Professor of Political Science, American University in Cairo

July 15, 2015

What's Religion Got to Do With It?

Washington, DC, Atlantic Council

Speakers:

- Madeleine K. Albright and Stephen J. Hadley, MEST Co-Chairs
- Geneive Abdo, Convener, MEST Religion Working Group
- Mohamed Magid, Executive Director, All Dulles Area Muslim Society (ADAMS)
- Neha Sahgal, Associate Director of Research, Pew Research Center
- Alberto Fernandez, Vice President, The Middle East Media Research Institute
- Hayder al-Khoei, Research Director, The Centre for Shia Studies
- Ahmad Iravani, President, Center for the Study of Islam and the Middle East

September 28, 2015

Beyond Refugees

Washington, DC, United States Institute of Peace

Speakers:

- Madeleine K. Albright and Stephen J. Hadley, MEST Co-Chairs
- Nancy Lindborg, President, United States Institute of Peace
- David Miliband, President and CEO, International Rescue Committee
- Antoine Frem, Mayor, Jounieh, Lebanon

October 22, 2015

Rethinking Regional Security: An Enabler, Not an End

Washington, DC, Johns Hopkins School of Advanced International Studies

Speakers:

- Madeleine K. Albright and Stephen J. Hadley, MEST Co-Chairs
- Michael Hayden, Former Director of the National Security Agency and Central Intelligence Agency
- Kenneth Pollack, Convener, MEST Security Working Group
- Rami Khouri, Senior Fellow, Middle East Initiative, Belfer Center, Harvard
- Vali Nasr, Dean, School of Advanced International Studies, Johns Hopkins

February 3, 2016

Youth, Tech, and Entrepreneurship: Unlocking the Middle East's Economic Potential

Washington, DC, Atlantic Council

Speakers:

- Madeleine K. Albright and Stephen J. Hadley, MEST Co-Chairs
- Christopher Schroeder, Convener, MEST Economics Working Group
- Fadi Ghandour, Co-Founder and Vice Chairman, ARAMEX
- Ahmed Alfi, Founder and Chairman, Sawari Ventures
- Sherif Kamel, Dean, School of Business, American University in Cairo
- Rana El Kaliouby, CEO, Affectiva

June 22, 2016

How Tech Entrepreneurship is Transforming the Middle East

Stanford, CA, Stanford University

Speakers:

- Michael McFaul, Professor of Political Science, Director, and Senior Fellow, Freeman Spogli Institute for International Studies, Stanford
- Condoleezza Rice, Denning Professor in Global Business and the Economy, Graduate School of Business, Stanford
- Stephen J. Hadley, MEST Co-Chair
- Christopher Schroeder, Convener, MEST Economics Working Group
- Ahmed Alfi, Founder and Chairman, Sawari Ventures
- Ruba Al Hassan, Chairman and Co-Founder, Global Youth Empowerment Movement
- Ala Al Sallal, CEO and Founder, Jamaloon

September 21, 2016

Islam and Politics in the Age of ISIS: A Smarter Strategy for Countering Violent Extremism—Launch of MEST Religion Working Group Report

Washington, DC, Atlantic Council

Speakers:

- Frederic C. Hof, Director, Rafik Hariri Center for the Middle East, Atlantic Council
- Genevieve Abdo, Convener, MEST Religion Working Group
- Nathan Brown, Professor of Political Science and International Affairs and Director, Institute for Middle East Studies, George Washington

October 3, 2016

Banding Together: How the World Bank, Humanitarian Community, and Private Sector Support Refugees

Washington, DC, Atlantic Council

Speakers:

- Frederic C. Hof, Director, Rafik Hariri Center for the Middle East, Atlantic Council

- Jessica P. Ashooh, Deputy Director, Middle East Strategy Task Force, Atlantic Council
- Matthew McGuire, US Executive Director, World Bank
- Manal Omar, Convener, MEST Rebuilding Societies Working Group
- Christopher Schroeder, Convener, MEST Economics Working Group

November 21, 2016

Real Security: Governance and Stability in the Arab World—Launch of MEST Governance Working Group Report

Washington, DC, The Brookings Institution

Speakers:

- Madeleine Albright and Stephen Hadley, MEST Co-Chairs
- Suzanne Maloney, Deputy Director, Foreign Policy Program, The Brookings Institution
- Tamara Cofman Wittes, Senior Fellow, Center for Middle East Policy, The Brookings Institution and Convener, MEST Governance Working Group
- Amr Hamzawy, Senior Associate, Middle East Program and Democracy and Rule of Law Program, Carnegie Endowment for International Peace



Photos from left to right: MEST Co-Chairs Madeleine K. Albright and Stephen J. Hadley meet with young Saudi entrepreneurs in Riyadh, Saudi Arabia; MEST Co-Chairs Madeleine K. Albright and Stephen J. Hadley meet with parliamentarians in Tunisia.

REGIONAL CONSULTATION TOUR

February 11-12, 2016	Tunis
February 13-14, 2016	Cairo
February 15, 2016	Amman
February 16-17, 2016	Riyadh
February 18-19, 2016	Abu Dhabi
February 20-22, 2016	Jerusalem and Ramallah

PRIVATE CONSULTATIONS WITH REGIONAL AMBASSADORS

January 30, 2015
February 27, 2015
April 8, 2015
December 4, 2015
April 6, 2016
July 18, 2016
September 16, 2016
October 13, 2016

PRIVATE CONSULTATIONS WITH SENIOR ADVISERS

April 21, 2015
September 17, 2015
October 21, 2015
April 7, 2016
July 21, 2016
September 16, 2016
October 13, 2016

RELIGION WORKING GROUP MEETINGS

April 27, 2015
June 10, 2015
July 6, 2015
July 23, 2015

SECURITY WORKING GROUP MEETINGS

April 28, 2015
May 11, 2015
May 15, 2015
May 19, 2015
May 22, 2015
May 26, 2015
May 28, 2015

June 8, 2015
August 7, 2015

REBUILDING SOCIETIES WORKING GROUP MEETINGS

May 21, 2015
June 24, 2015
August 3, 2015
September 8, 2015

ECONOMICS WORKING GROUP MEETINGS

June-December, 2015 Ongoing individual consultations

GOVERNANCE WORKING GROUP MEETINGS

April 29, 2015
July 7, 2015
July 30, 2015

EXPERT ROUNDTABLES AND OTHER PRIVATE CONSULTATIONS

October 13, 2015	Expert roundtable on regional military issues
December 3, 2015	Senate Foreign Relations Committee closed-door session
May 16, 2016	Expert roundtable on Iran
May 27, 2016	Expert roundtable on MENA economies
June 23, 2016	Crisis simulation in cooperation with Brent Scowcroft Center on International Security, Atlantic Council
June 27, 2016	Expert roundtable on China
July 13, 2016	Expert roundtable on education reform in the Middle East
September 22, 2016	Expert roundtable on development finance
October 26, 2016	Expert meeting on development finance

WORKING GROUPS

Security and Public Order

Convener

Kenneth M. Pollack - The Brookings Institution

Working Group Members

Jessica P. Ashooh - Deputy Director, Middle East Strategy Task Force, Rafik Hariri Center for the Middle East, Atlantic Council

Dan Byman - Research Director, Center for Middle East Policy, The Brookings Institution

Janine Davidson - Senior Fellow for Defense Policy, Council on Foreign Relations

Ilan Goldenberg - Senior Fellow and Director of the Middle East Security Program, Center for a New American Security

Stephen Grand - Executive Director, Middle East Strategy Task Force, Rafik Hariri Center for the Middle East, Atlantic Council

Bruce Hoffman - Director, Center for Peace and Security Studies Program, Georgetown University

Faysal Itani - Senior Fellow, Rafik Hariri Center for the Middle East, Atlantic Council

Brian Katulis - Senior Fellow, Center for American Progress

Abdel Monem Said Aly - Chairman and CEO, Regional Center for Security Studies, Cairo

Marc Otte - Director General, Egmont

Bilal Saab - Senior Fellow, Brent Scowcroft Center on International Security, Atlantic Council

Karim Sadjadpour - Senior Associate, Middle East Program, Carnegie Endowment for International Peace

Kori Schake - Research Fellow, Hoover Institution, Stanford University

Jessica Stern - Lecturer, Harvard University

Omer Taspinar - Member, National Security & Law Task Force, Hoover Institution, Stanford University

Barbara Walter - Professor of International Relations and Pacific Studies, University of California San Diego

Readers

General James Cartwright (ret.) - Harold Brown Chair in Defense Policy Studies, Center for Strategic and International Studies

Admiral Kevin J. Cosgriff - President & CEO, National Electrical Manufacturers Association

Brigadier General Guy Cosentino - Vice President, Business Executives for National Security

John Jenkins - Executive Director, IISS-Middle East

Stephen Kappes - Partner and Chief Operating Officer, Torch Hill Investment Partners

Franklin D. Kramer - Distinguished Fellow, Brent Scowcroft Center on International Security, Atlantic Council

General James Mattis (ret.) - Former Commander, US Central Command

Vice Admiral John Miller (ret.) - Former Commander, US Naval Forces 5th fleet/Combined Maritime Forces

Emma Sky - Director of the Yale World Fellows Program, Yale University

Walt Slocombe - Senior Counsel, Caplin & Drysdale

Gillian Turner - Senior Associate, Jones Group International

General Wesley Clark - CEO, Wesley K. Clark & Associates, LLC

Religion, Identity, and Countering Violent Extremism

Convener

Geneive Abdo - Senior Nonresident Fellow, Rafik Hariri Center for the Middle East, Atlantic Council

Co-Author

Nathan Brown - Professor of Political Science and International Affairs, George Washington Elliott School of International Affairs

Working Group Members

Ahmed Abbadi - President, Mohammedia League of Moroccan Ulama

Rume Ahmed - Assistant Professor of Islamic Law, University of British Columbia

Khalil Al-Anani - Adjunct Professor, Johns Hopkins School for Advanced International Studies

Joseph Bahout - Visiting Scholar, Middle East Program, Carnegie Endowment for International Peace

Drew Christiansen - Senior Research Fellow, Berkley Center for Religion, Peace and World Affairs, Georgetown University

Mark Farha - Assistant Professor, Georgetown School of Foreign Service in Qatar

Fanar Haddad - Research Fellow, Middle East Institute, National University of Singapore

H.A. Hellyer - Nonresident Senior Fellow, Rafik Hariri Center for the Middle East, Atlantic Council

Ahmad Irvani - President, Center for the Study of Islam and the Middle East, Catholic University of America

Mehran Kamrava - Director, Center for International and Regional Studies, Georgetown School of Foreign Service in Qatar

Humera Khan - Executive Director, Mufflehun

Harith Hasan Al-Qarawee - Robert G. James Scholar at Risk Fellow, Radcliffe Institute for Advanced Study, Harvard University

Imad Salamey - Associate Professor of Political Science and International Affairs, Lebanese American University

Chris Seiple - President Emeritus, Institute for Global Engagement

Emad El-Din Shahin - Hasib Sabbagh Distinguished Visiting Chair of Arabic and Islamic Studies and Visiting Professor of Political Science, School of Foreign Service, Georgetown University

Rebuilding Societies

Convener

Manal Omar - Associate Vice President, Middle East and North Africa, United States Institute of Peace

Co-Convener

Elie Abouaoun - Director, Middle East Programs, United States Institute of Peace

Lead Author

Béatrice Pouligny - Independent Researcher

Working Group Members

Linda Bishai - Director, North Africa, United States Institute of Peace

Ali Chahine - Regional Facilitator-Lebanon, United States Institute of Peace

Hogr Chato - Regional Facilitator-Iraq, United States Institute of Peace

Sherine El Taraboulsi - Regional Facilitator-Egypt, United States Institute of Peace; Research Fellow, Humanitarian Policy Group, Overseas Development Institute

Elizabeth Ferris - Co-Director, Brookings-LSE Project on Internal Displacement, The Brookings Institution

Nathalie Fustier - Senior Humanitarian Affairs Officer, United Nations Office for the Coordination of Humanitarian Affairs

Andy Griminger - Executive Vice President, Management Systems International

Sarhang Hamasaeed - Senior Program Officer, Middle East and Africa, United States Institute of Peace

Georgia Holmer - Director, Rule of Law, Center for Governance, Law, and Society, United States Institute of Peace

Rana Jaber - Libya Crisis Coordinator, International Organization for Migration

Laith Kubba - Senior Director for Middle East and North Africa, National Endowment for Democracy

Lucy Kurtzer-Ellenbogen - Director, Arab-Israeli Programs, United States Institute of Peace

Kristin Lord - President and CEO, IREX

Jomana Qaddour - Co-Founder, Syria Relief & Development

Samuel Rizk - Senior Program Adviser, United Nations Development Programme

Abdulkarim Thabet - Senior Economist, Facilitator, and Consultant, Tamim for Consultation and Training (TCT); Regional Facilitator-Yemen, United States Institute of Peace

Zoughbi Zoughbi - Founder and Director, Wi'am Palestinian Conflict Resolution and Transformation Center

Readers

Kaitlin Conklin - Contractor, Iraq Program, United States Institute of Peace

Melanie Greenberg - President & CEO, Alliance for Peacebuilding

Trevor Keck - Deputy Head of Communications and Congressional Affairs, International Committee of the Red Cross

Andrea Koppel - Vice President of Global Engagement and Policy, Mercy Corps

Nancy Lindborg - President, United States Institute of Peace

Sandra Melone - Executive Vice President, Search for Common Ground

Mark van Ommeren - Focal point for mental health and psychosocial support in emergencies, Department of Mental Health and Substance Abuse, World Health Organization

Shelly Pitterman - Regional Representative for the USA and the Caribbean, United Nations High Commissioner for Refugees

Nigel Quinney - Independent Consultant (Report Editor)

Serena Rasoul - Program Specialist, United States Institute of Peace

Leila Roumani - Research Assistant

Alys M. Willman - Senior Social Development Specialist, Fragility, Conflict & Violence, World Bank Group

Politics, Governance, and State-Society Relations

Convener

Tamara Cofman Wittes - The Brookings Institution

Working Group Members

Daniel Brumberg - Associate Professor and Co-Director of the MA in Democracy & Governance Studies, Department of Government, Georgetown University; Special Adviser for Iran and North Africa, United States Institute of Peace

Leslie Campbell - Senior Associate; Regional Director for Middle East and North Africa, National Democratic Institute

Steven Cook - Hasib J. Sabbagh Senior Fellow for Middle Eastern Studies, Council on Foreign Relations

Larry Diamond - Senior Fellow, Hoover Institution, Stanford University

Kristin Diwan - Senior Resident Scholar, Arab Gulf States Institute in Washington

Issandr El Amrani - Project Director, North Africa, International Crisis Group

Shadi Hamid - Fellow, Center for Middle East Policy, US Relations with the Islamic World, The Brookings Institution

Amy Hawthorne - Deputy Director for Research, Project on Middle East Democracy

Steven Heydemann - Professor and Janet N. Ketcham 1953 Chair of Middle East Studies, Smith College

John Jenkins - Executive Director, International Institute for Strategic Studies

Amb. Richard LeBaron - Nonresident Senior Fellow, Atlantic Council

Karim Mezran - Senior Fellow, Rafik Hariri Center for the Middle East, Atlantic Council

Chibli Mallat - Presidential Professor, College of Law, University of Utah

Nadim Shehadi - Director, Fares Center for Eastern Mediterranean Studies, The Fletcher School of Law and Diplomacy, Tufts University

Maria Stephan - Nonresident Senior Fellow, Brent Scowcroft Center on International Security, Atlantic Council

Maha Yahya - Director, Middle East Center, Carnegie Endowment for International Peace

Zeine Zeidane - The International Finance Corporation

Karen Kornbluh - Former US Ambassador to the Organization for Cooperation and Development; Executive Vice President of External Affairs, Nielsen Holdings N. V.

Toni Verstandig - Executive Vice President of the S. Daniel Abraham Center for Middle East Peace

Mirette F. Mabrouk - Deputy Director, Rafik Hariri Center for the Middle East, Atlantic Council

Economic Recovery and Revitalization

Co-Conveners

Sherif Kamel - Vice President for Information Management, American University in Cairo

Christopher M. Schroeder - Entrepreneur and Author, *Startup Rising: The Entrepreneurial Revolution Remaking the Middle East*

Working Group Members

Ahmed Alfi - Founder of Sawari Ventures and Flat6Labs

Jim Clifton - Chief Executive Officer (CEO) at Gallup

Nafez al Dakkak - Founding Director at Edraak

Fadi Ghandour - Founder of Aramex; CEO and General Partner Wamda Capital

Ruba al Hassan - Senior Advisor at the United Arab Emirates Embassy; Chairman and Cofounder of Global Youth Empowerment

Dina Sherif - Founder and CEO of Ahead of the Curve

Mohamed Younis - Senior Analyst and Senior Practice Consultant at Gallup

Readers

Lina Sergie Attar - Cofounder of the Karam Foundation

Andrew Dugan - Advanced Design and Analytical Analyst at Gallup

Chris Rieser - Client Service Manager and Project Manager at Gallup

Gerver Torres - Senior Specialist at Gallup

Majid Jafar - Founder of the Arab Stabilization Plan

Patricia McCall - Executive Director of the Arab Stabilization Plan

Mohsin Khan - Senior Nonresident Fellow, Rafik Hariri Center for the Middle East, Atlantic Council

CJ Oates - Chairman of Rim Light LLC

J. Andrew Spindler - President and CEO of the Financial Services Volunteer Corps

Charles Kilbourn - Senior Advisor and Secretary at the Financial Services Volunteer Corps

ABOUT THE TASK FORCE

The Middle East Strategy Task Force (MEST), a bipartisan Atlantic Council initiative, aims to better understand the underlying dynamics behind the current crises in the region. It seeks to develop a new approach to the Middle East to support a stable, prosperous order based on legitimate, well-governed states that embrace the talent and potential of their people. To accomplish this, the Task Force emphasizes collaboration with international partners and experts—especially those in the Middle East.

