

4. A COUNTRY-BY-COUNTRY APPROACH

The jihadists seek to overthrow existing governments in Islamic nations and replace them with Taliban-style theocracies or caliphates. Although the United States needs a broad strategy to counter the jihadists (both by arresting the individual terrorists and by appealing to the broader Islamic world), it must also develop country-by-country strategies. Tailoring tactics toward particular nations will help policy-makers to think more systematically about the trade-offs and collateral effects associated with targeting particular circles within the concentric circles framework.

This chapter examines conditions in five nations in which the jihadists are either seeking to replace existing governments or have already succeeded in installing a fundamentalist regime. Those nations are Saudi Arabia, with the world's largest oil reserve; Egypt, with the largest Arab population; Iran, a non-Arab Islamic nation that supports terrorism and is believed to be actively seeking nuclear capability; Pakistan, a non-Arab Islamic nation with nuclear weapons; and Iraq, a country that faces the risk of descending into civil war in the wake of the U.S.-led ouster of Saddam Hussein.

This analysis explores the dimensions of democratization, stability, anti-Americanism, and jihadism in those countries with an eye toward assessing changes in the next five to seven years.

Although near-term radical change in the governments of most of these nations is not the most probable scenario, our lack of understanding of political, religious, and socioeconomic undercurrents in these countries means that we cannot rule out surprise shifts. The governance and economic systems in all of them are inherently unviable over the near to long term.

In 1979, the United States was surprised by the extent of the opposition to the Pahlavi government in Iran. Our surprise stemmed in part from our lack of independent sources of intelligence and our reliance upon the regime's reports of its own stability. Although the

U.S. government pledged after the fall of the shah not to be put in a similar situation in the future, it is the case that we lack adequate independent sources of information on the stability of most of these key countries.

Potential leadership changes will likely play a critical role in the future of all of these countries, particularly with regard to their stability and democratization in the long term.

For example, if jihadi extremists were to succeed in assassinating President Musharraf and thereby initiate a struggle for control of the state, that country's security would be less certain, and significant change and instability could be expected.

The prospect for democratization in these countries remains dim. In Egypt and Saudi Arabia, advances in democratization will most likely come in the form of minor or cosmetic liberalization of their political systems. At the same time, economic liberalization is likely to increase in Egypt along with economic diversification in Saudi Arabia—the consequences of such economic reform, however, are likely to increase the discontent of the citizenry and, therefore, to result in increased repression by the state. This atmosphere is not conducive to real democratic progress.

In Iran, a stalemate between conservatives and reformists, coupled with foreign security threats, is likely to overshadow efforts to bring democratization onto the political agenda. Iranian society has proved extremely patient and is likely to exhibit unity at a time when it faces significant international pressure related to its nuclear program and the changes taking place in neighboring Iraq. A similar situation exists in Pakistan, where President Musharraf's efforts, in spite of his rhetoric, seem to focus more on regime survival than substantive democratization.

Were democratic elections held today in many parts of the Islamic world, pro-jihadist candidates would likely be elected. That has already happened in the abortive Algerian election and in provincial elections in Pakistan. Polling shows 48 percent support for al Qaeda's goals and philosophy in Saudi Arabia. The risk is that such elections would be "one man (and perhaps only men), one vote, one time," followed by the institution of a nondemocratic theocratic system. Thus, it is as important to create the rules and conditions surrounding a true democratic process as it is simply to hold a vote. Such conditions include a prolonged period of unrestricted journalism and public education. They involve constitutional arrangements guaranteeing minority rights, rights that cannot be easily changed.

A deeper understanding of jihadism and anti-Americanism requires an appreciation for the way in which such phenomena vary from one country to another. Conventional approaches propose that anti-Americanism is a reaction to American policy in the region. Such calls to “take Arabs seriously” insist that a dialogue with Middle Eastern social elites, which results in a shift in American foreign policy, would significantly reduce the level of anti-Americanism in the region. Some Middle East experts argue, however, that U.S. policy in the Middle East has a much less significant impact on anti-Americanism in the region. Scholar Barry Rubin contends that “neither launching a public relations campaign nor changing Washington’s policies will affect [anti-Americanism].”

As conventional explanations have become increasingly inadequate, determining the origins and objectives of anti-American movements and understanding how the movements are consistent and different across countries have become crucial. Whereas state-sanctioned anti-Americanism thrives in Egypt and Saudi Arabia, the state-sponsored anti-Americanism of Iran is detached from a population that is effectively pro-American. One common thread uniting anti-Americanism across the region is that it is propagated by various powerful interest groups within the countries.

It is likely that such ideological phenomena will have an impact on the progress of stability and democratization. If the forecast for progress remains dismal, then jihadism will continue to increase in Egypt and Saudi Arabia, and state-sanctioned anti-Americanism will heighten the likelihood of an insurgency. The Saudi regime will need to act swiftly to stem this impending social catastrophe. Anti-Americanism in Iran, propagated by the conservative regime, will continue to widen the gap between the regime and the population, further intensifying the call for democratization and serious political change.

In this chapter, we describe what we believe is the current state of affairs in these nations. We do not offer specific country-by-country strategies, which must be developed in detail by teams of experts on each nation, including nongovernment specialists. But in general, the strategies to be formulated must seek to persuade parties in these nations to engage in rapid but nonrevolutionary change, increasing participation in governance, expanding economic opportunity, strengthening public education, and encouraging democratic and civil societal forces. Increasing the status and rights of women is a key part of the overall effort to

increase stability in these nations. The United States must have tailored, detailed, proactive, and integrated policies for enhancing stability and democratic forces in key Islamic nations. As part of this effort, the United States must develop its own reliable sources of information about domestic political, social, and security trends in these nations.

Because the U.S. government is widely disdained in these nations, nongovernmental organizations and other like-minded governments may have to take the lead in these efforts. The word “democracy” has often been misunderstood to mean “the American way,” so it will often be necessary to describe democracy in other terms, building on existing historical, cultural, and religious concepts that favor openness and participation in governance.

SAUDI ARABIA

The fate of Saudi Arabia has long been the subject of scrutiny. In the heyday of Nasser-inspired pan-Arabism, many predicted the dissolution of Saudi Arabia in the face of pressure from then radical Arab regimes of Egypt, Iraq, and Syria. Similarly, the 1979 Iranian Revolution and glimmers of Islamist dissent in the 1980s prompted commentators to question the viability of the al Saud government in the Arabian Peninsula. All this, of course, took place in a context of declining oil revenues, rapid population growth, and the increasingly public fragmentation of interests and generations within the Saudi clan. This made for a dismal picture of Saudi Arabia’s future. Yet a quarter of a century later, the al Saud still reign.

- ♦ **SUCCESSION:** Can the various factions within the Saudi clan agree upon a mechanism for future succession that will minimize tension within the family while maintaining its legitimacy within the kingdom?
- ♦ **ROLE OF THE CLERGY:** How will the relationship between the royal house and the religious establishment evolve?

Disputes between various factions over a legitimate mechanism for succession could prove destabilizing for Saudi Arabia. The issue of succession in Saudi Arabia is linked to the challenge of defining the role and

power of the Wahhabi religious leaders. The precarious relationship between spiritual and temporal power forged over two centuries ago may now demand realignment. This will be the single most important determinant of anti-Americanism and jihadism in the coming years. Most critically, there has been an alignment of the violence-prone “bin Ladenist” agenda of groups like al Qaeda and the traditional Wahhabi religious establishment. Future rulers will have to find new ways of navigating between the puritanical demands of the Wahhabi clerics, the possibility of an enduring insurgency, and international pressure for democratization and economic reform. In the rhetoric of the extremist opposition—one that represents a departure from earlier patterns—the al Saud have been identified as a “backward” contingent to be expunged from Saudi Arabian society. Whether and how the al Saud can address all such challenges in a cohesive, and popularly legitimate fashion, will largely determine the prospects for stability in Saudi Arabia.

WHO WILL RULE? AND HOW WILL THEY RULE? Succession by the king’s eldest son, known as primogeniture, has gradually become the guiding principle for succession in most Gulf countries, with the exception of Saudi Arabia.¹ Instead, the pattern there has been the succession of Ibn Saud’s sons in order of their age and presumed fitness to rule (Saud, Faisal, Khaled, and the current King Fahd). Early on, in 1954, the Saudi monarch also took on the position of prime minister, assigning the office of deputy prime minister to the heir apparent. In 1967, an additional post of second deputy prime minister was created to include the heir to the heir apparent. The al Saud have historically been very conscious of the importance of publicly affirming the future of succession, although such public affirmations may have more to do with the need to appease or preempt ambitious throne-seekers than a desire to cultivate public support.

Thus, the ruling family has taken steps to institutionalize succession. In 1992, for example, King Fahd established the important precedent of publicly announcing Prince Abdullah as heir apparent. The 1992 Basic Law also established the power of the king to appoint or remove his heir apparent at will. These steps reflect al Saud recognition of the increasing difficulty of controlling the uncertainties surrounding the succession. Further complicating the succession process is the size of the Saudi ruling family, which has grown to nearly 5,000 princes, and the generational cleavages that exist alongside traditional tribal, historical, and ideological divisions within the Saudi clan.

Another threat to Saudi stability lies in the fragmentation of the ruling family itself. Speculation about the possibility of such a breakdown raises the question of whether any viable opposition actually exists in Saudi Arabia that could take advantage of such disorder. It is more likely that family elders, tribal leaders, and skillful negotiation (characteristic of the al Saud past) would prevent such fragmentation from making the family vulnerable. In the end, the critical imperative for all family members is to maintain al Saud control over the Saudi state. Therefore, it is unlikely that any threat to such essential goals will be tolerated from within the family.

Some observers have detected an emerging split within the family between Crown Prince Abdullah and Prince Nayef, both of whom are thought to represent distinctly different visions of Saudi Arabia's future. According to some assessments, Crown Prince Abdullah represents the liberal face of *taqarub*—rapprochement between Muslims and non-Muslims—and the expansion of the political community to include those that have traditionally been left out. Unencumbered by ties to the more corrupt members of the Saudi family, Abdullah's rule is seen as more conducive to promoting democratic reform, as demonstrated by his key role in the recent "national dialogue" with Saudi liberals and Shiites.

On the other side of the spectrum is the conservative interior minister, Prince Nayef, who is said to embrace more fully the Wahhabi conception of *tawhid*, or monotheism, as central to Saudi identity and the legitimacy of the royal house. At the heart of *tawhid* is a conception of jihad aimed not only against non-Muslims but also against non-Wahhabi Muslims. Prince Nayef's priority is to bolster the support of the religious leaders, known as the *ulema*, for the Al Saud by ensuring their unique authority over the boundaries of Islamic belief and practice within the kingdom and their perceived responsibility for propagating Wahhabism in the rest of the world. By supporting the struggle of the Wahhabi clerics against the West, against liberal reformers, and against religious minorities within Saudi Arabia, Prince Nayef seeks to reinforce the stability of the al Saud as the ruling political authority. The flaw in this arrangement lies in the intensifying connection between the *ulema* and violent extremists.

The war in Iraq has sparked a new wave of jihadist insurgency in Saudi Arabia. One insurgent group, calling itself the Fallujah Brigade of a larger group known as "al Qaeda in the Arabian Peninsula," claimed responsibility for the kidnapping and beheading of Paul Johnson, a Lockheed Martin employee. The leader of the Fallujah Brigade, Abdulaziz

Muqrin, also claimed a role in ongoing campaigns in Iraq. Such jihadist organizations proclaim the goal of pushing the “infidels” out of Arab lands. The Saudi government has only recently recognized the threat posed by militant jihadism and begun acting to thwart an insurgency. With twelve out of twenty-six major suspects apprehended, Saudi security officials claim to have disrupted the five major cells in Saudi Arabia. The insurgency, however, continues to attract a younger generation of militant Saudis who, unlike their older counterparts, were not part of the campaign in Afghanistan. Instead, many have returned from exploits in Iraq and are now directing their energies at the al Saud.

Political reform has become a casualty of the regime’s struggle against jihadists. With the sanction of the religious leaders, the al Saud are facing off against extremists and, in exchange, the al Saud have been reluctant to push for any type of social and political reform that threatens the esteemed position of the ulema.

Crown Prince Abdullah’s accession to the throne would bring little real change to the system. This is not to say that Abdullah will lack allies: Saudi liberals are likely to support him for his inclinations for reform, while some Wahhabi clerics will continue to rate him highly for his commitment to a Bedouin lifestyle in the face of the massive corruption and scheming of the more dominant factions of his family. At the same time, the reforms that Abdullah may seek to carry out are likely to anger a large segment of the ulema, especially if such reforms are seen to represent a rupture with the tradition of the past or the powers of the ulema.

Crown Prince Abdullah, indeed, has done little to implement political reforms. For example, the government announced in October 2004 that women would not be allowed to vote or run for office in municipal elections now scheduled to be held in three stages from February 10 to April 21.

Most likely, the government will continue to crack down on extremists with the support of the ulema in exchange for leaving women’s rights, education, and the international momentum of Wahhabism off the reform agenda. Democratization is likely to be met with opposition from the ulema, who will correctly see any step toward democracy as a threat to their ability to ensure that the standards of pious living continue to guide public and private life within the kingdom. Meanwhile, Saudi citizens lament the current state of economic reform and they see little sign that anything will improve. In a 2002 poll by Zogby International, 67 percent of Saudis aged eighteen to twenty-nine indicated that they felt they were better off economically than their children ever would be.

The growing influence of Islam in Saudi Arabia has had a significant impact on the kingdom, with numerous implications for democratization and stability. Whereas older Saudis generally identify themselves first as Arabs, the younger generation prefers identification by religion. Only 14 percent of Saudis aged thirty and older preferred to identify themselves as Muslims first, in comparison to 35 percent for Saudis between the ages of eighteen and twenty-nine. Interestingly, Saudi women are also a reservoir of conservatism, with 27 percent preferring to define themselves first by religion in contrast to only 17 percent for men.

The early 1990s marked a series of initiatives by the al Saud to counter the effects of Islamization within the military and society at large. The Ministry of Islamic Affairs was created to oversee Islamic discourse in sermons and Saudi Arabia's universities. In October 1994, the Majlis al-Da'wa (Religious Propagation Council) was established and given the power to oversee and standardize Friday sermons as well as take a role in designing educational programs. The Islamization of the National Guard may prove a threat to the ruling family if its members stake out a path of reform targeting such issues as women's rights or the education system.

The crucial questions remain: Who will follow Crown Prince Abdullah, what type of society will Abdullah leave behind, and how much longer will it be until such a transition occurs? Given the age of Ibn Saud's sons and the ambition of the younger generations, the next ten to twenty years will most likely see the ascension to the throne of one of the younger cadres of the al Saud. The greatest gift the current elders could give to such a ruler—and the greatest contribution they could make to Saudi stability and the prospects for democratization—would be to create a legitimate process by which rulers will succeed to the throne. How such a ruler will meet the challenges of anti-Americanism and jihadism, however, is a far more complex question.

Anti-Americanism and jihadism in Saudi Arabia are inextricably linked and skillfully manipulated by key players. Unlike in Egypt where, for example, regime-sponsored anti-Americanism seeks to deflect the public's attention from government abuses, anti-American posturing in Saudi Arabia would provide political contenders with a means to demonstrate to the ulema their commitment to the status quo. For ambitious members of the al Saud clan eager to move up the ladder, a reputation for anti-Americanism would signal to the ulema their opposition to reforms that would threaten the position of the ulema. Prince Nayef's

self-conscious anti-Americanism and his widely known lack of enthusiasm for the American approach to the war on terrorism has earned him the esteem of the ulema. Essentially, supporting America is tantamount to rocking the boat.

Although much of the Middle East views both the United States and American foreign policy unfavorably, Saudi Arabia consistently scores the highest in its anti-Americanism. Of a random sample of 700 individuals in Riyadh and Jeddah, only 4 percent had a favorable opinion of the United States, with 95 percent or more believing that the recent war with Iraq would bring less democracy and more terrorism. Ninety-seven percent of Saudis believe that U.S. policy in Iraq is influenced primarily by oil, in addition to American support for Israel. Such numbers are intriguing, given the history of close relations between Saudi and American elites.

Anti-Americanism in Saudi Arabia is fueled by resentment against liberals and prejudice against minority religious communities within the borders of Saudi Arabia. As one observer has put it, anti-Americanism in Saudi Arabia is a “product of self-interested manipulation by various groups within Arab society.” This is not to say that some Saudi princes are not truly anti-American—indeed, the complexity of ideology within the family includes both Americophiles and the most ardent of anti-Americanists. Rather, religious and political authorities resort to anti-Americanism as an important tactic in their own efforts to secure their dominant positions within society. These authorities have skillfully used the U.S. occupation in Iraq and the newly prominent role of Shiites in Iraq to inflame anti-Americanism. Anti-Americanism, therefore, serves as a pretext for opposing forces of change within Saudi Arabia. Changes in U.S. policy will have little significant impact on the scope and quality of anti-Americanism.

EGYPT

Stability and authoritarian leadership have historically progressed hand in hand in Egypt. Understanding why stability and authoritarianism have been mutually reinforcing will be important as we try to appreciate how democratization will fit into Egypt’s future. Does stability require that future Egyptian leaders continue the tradition of authoritarian tendencies

shown by leaders who have followed Gamal Abdel Nasser? Given the recent buzz about the rapid rise of Hosni Mubarak's son, Gamal, and rumors of his eventual ascension to power, this is a timely question, especially in view of Gamal's promotion as a "liberal."

More important is the historically dominant role that the military has played in Egyptian politics. Gamel Abdel Nasser, Anwar Sadat, and current president Hosni Mubarak have each emerged from the ranks of the military to reign as Egypt's most powerful leader. Egypt relies heavily on powerful security services that are linked closely to the regime and dominate all aspects of life. Arbitrary jailing, the oppression of individuals, and the permanence of emergency laws all serve as reminders of the extensive law enforcement powers of security officials loyal to the regime. The enduring role of the military in civil affairs has left an imprint on Egyptian society, some segments of which are anxious about Gamal's ascension to power given his nonmilitary background.

At the same time, Egypt can be classified as relatively democratic when compared to its immediate neighbors. The courts are more independent, at times even ruling against the executive, as when in 1987, 1990, and 2000, the Supreme Constitutional Court declared the election of deputies to parliament to be unconstitutional, which forced new elections. The press enjoys a substantial amount of freedom, although it stops short of directly criticizing the president. Civil society and human rights organizations also enjoy a fairly vibrant set of freedoms, with approximately 16,000 civil society organizations registered in Egypt in 2003, including business associations, youth groups, clubs, political parties, and nongovernmental organizations.

The implications of reform in Egypt are hard to assess. A look at the effects of liberalization in the past suggests that reforms affecting wages, food prices, and rents can spur instability. In 1977, demonstrators in Cairo protested Sadat's reforms, which had sent the price of food staples soaring. Yet, reforms in the political realm are more likely to find favor. Democracy continues to be a broadly popular concept in Egyptian society and progress toward it—sponsored from within and not by outside actors—will be met with approval. Unlike Saudi Arabia, where the ulema stand to lose from the process of democratization, in Egypt no major sector of society—apart from the regime—is threatened by democratization. In fact, Islamist groups like the Muslim Brotherhood, whose ultimate objectives remain deliberately cloaked in ambiguity, would make serious gains if their informal support were translated into formal political power.

Mubarak's successor, however, is unlikely to back such reforms. Changes that have taken place thus far have been cosmetic, including Sadat's introduction of a formal multiparty political structure and Mubarak's electoral reform. Neither of these initiatives truly expanded the scope for political participation by Egyptian voters. Rather, the reforms were manipulated by the regime to strengthen itself while continuing to exclude potential competitors. Within Egypt, the anticipation of political change has been heightened by Mubarak's failing health, the impending end of his fourth term in office, and debates about democracy that now dominate the airwaves. Despite this yearning, it is unclear whether genuine political reform, if it were to happen, would result in the kind of democracy that Egyptian liberals—and Washington—wish for. Hopelessness, financial hardship, and an increasingly Islamist mindset have become as pervasive in Egypt as has longing for meaningful political expression. Those factors may be as much of a barrier to democratization as regime intransigence.

Egyptian observers of the post-Hosni Mubarak era have envisioned two succession scenarios: in one, Gamal Mubarak accedes to power, much as Bashar al Asad did, though as a determined liberalizer; in the other, Omar Suleiman, a senior army officer and long-serving intelligence chief, takes over, determined to preserve the status quo. The nature of Egypt's political system depends on the nature of the leader, so the question of succession is critical. Whatever the "true" nature of the candidates might be, the pressing question is whether either of them can be expected to maintain stability.

It appears now as if the ground is being carefully prepared for Gamal Mubarak's succession. His father has been doing all he can to ensure that Gamal will take office. The most recent Egyptian cabinet, formed in July 2004, is the first cabinet ever to include businessmen alongside a limited number of regime stalwarts. More controversial was the exit of two of Mubarak's longest-serving ministers, including old guard Information Minister Safwat al-Sherif. Nine out of thirty-four of the ministers sit on the Policy Committee, which itself is chaired by Gamal. Moreover, fourteen of them also have some sort of personal or business ties to Gamal. Led by the relatively obscure and inexperienced Ahmed Nazief, the mission of this new—and overwhelmingly young—cabinet is to focus exclusively on economic reform. To this end, Rashid Muhammad Rashid, a former senior executive at Unilever, has been brought in along with thirty-nine-year-old Mahmoud Mohiedin as head of a newly formed Ministry of Investment.

Gamal, in the meantime, has been careful not to rule out an interest in the presidency. If the transition from a Hosni Mubarak government to one led by Gamal takes place, it could set in motion serious political shifts that could ultimately pave the way for the increased participation of Islamists in Egyptian politics. The stakes are high. Bearing in mind the historical connection in Egypt between authoritarianism and stability, no one can say what will happen to stability if Gamal Mubarak jettisons his father's authoritarian style.

Gamal Mubarak's ascension is unlikely to produce immediate ruptures within Egyptian society. Most Egyptians will patiently wait to see what direction Gamal intends to take the country. Yet multiple uncertainties during the next five years will contribute to increasing instability. First, Gamal's ascension to the presidency will be seen as illegitimate by many Egyptians, regardless of the nature of the process. Moreover, America's embrace will only serve to increase Gamal's image as illegitimate and label him, in Egyptian opinion, as an American poodle.

Whether or not Egyptian commentators are right about Gamal's supposed liberalism, conditions for instability are likely to grow within the first two years of his presidency. At least three trends will encourage instability: the increasingly Islamist outlook of the population, the millennialism associated with the current political moment, and the financial burdens on an already despairing population that are likely to result from Gamal's expected economic reforms.

These factors could lead to instability along two separate paths. First, Gamal's introduction of substantive political reforms could open the political process to the opposition. Although political reforms would boost Gamal's popularity at home, while appeasing international pressure for reform, these positive outcomes would be clouded by economic hardships stemming from Gamal's economic liberalization. Growing dissatisfaction with the consequences of economic reform would manifest itself publicly, and Islamists—capitalizing on new opportunities in a more open political system—will seek to mobilize the population in their favor. This Egyptian variant on “glasnost and perestroika” would increase instability rapidly and create the conditions for an Islamist seizure of power.

In the second, more likely scenario, the Gamal government's pursuit of economic reform would not be complemented by corresponding political liberalization. The Egyptian state would become increasingly repressive as it sought to control a population angered by the consequences of economic reform. Whether and for how long Gamal could control such

discontent will determine the length of time before Islamists mobilize the Egyptian population in an attempt to seize power from the regime.

The most important task facing Gamal will be to manage the regime's relationship with the Islamists, who would seize the opportunity to convert their immense informal social strength into significant gains in the political sphere. Depending on the actual goals of the Islamists, such political gains may set the scene for conflict between Gamal's policies of political and economic reform and those of the Islamists. Although political reforms may appease the small minority of Egyptian intellectuals and liberals, the consequences of economic reform are likely to have a profound impact on the deep structures of Egyptian society.

Compounding the difficulty of economic reform, in Egypt, as in many other nations in the Middle East, governments do not engage in open and competitive bidding and procurement. *Bakshis* means not just bribery, but a system of favors that prevents a free market. This economic corruption reduces support for governments and restricts opportunity and employment. Such conditions contribute in some ways to the growth of jihadism. Governments would be well advised to have active inspectors general, ombudsmen, and offices of governmental accountability to ferret out such economic corruption. The surprised citizenry would be more favorably inclined toward their governments, at least for a short time.

In Egypt, a tango of economic reform and crisis has been playing out from the mid-1980s onward. During this period, economic reforms intended to improve the situation seemed only to yield a worsening social stratification. Riots and protests became a normal occurrence and even the repression of the state could do little to prevent uprisings. In 1991, there were twenty-six such events; in 1992, twenty-eight; and in 1993, sixty-three—all of them triggered primarily by the material losses of workers as a result of layoffs or the nonrenewal of contracts. The 1996 Human Development Report for Egypt indicates that between the years 1981 and 1991, poverty increased from 16.1 percent to 28.6 percent of the total population. Unemployment followed in the 1990s and rose from 8.6 percent in 1990 to 11.3 percent in 1996. Unofficial estimates of current unemployment in Egypt are as high as 20–25 percent of the population.

Discontent with Gamal's reform policies combined with the more open political system will result in increased protests, emboldening the

Islamists and promoting instability within the regime itself. It is likely that certain elements within Gamal's circle will find it beneficial to create links with the opposition as the political leverage of the Islamists increases. The Islamists, however, have yet to articulate how a distinctly Egyptian Islamic state would look. Indeed, the weakness of Islamists in Egypt lies in their inability to formulate a clear vision and program for the establishment of the Islamic state it seeks.

Most likely, Gamal's presidency will inaugurate an era of economic liberalism in Egypt. As for Gamal's intentions for reform on the political front, we can expect him to continue the repressive policies associated with his father's regime. In the short run, the continuance of authoritarianism will maintain a semblance of the stability in Egypt has demonstrated, on and off, for the past fifty years. Prospects for democratization, however, will fade. Increasingly repressive tactics will be needed to control opposition to Gamal's economic reforms. Gamal is likely to make minor cosmetic changes such as the sanction of new parties and increasing press freedoms so as to keep up the appearance of liberalization for Western audiences. The security services may become a less salient presence in daily life. More important, he will make no critical changes such as the banning of torture, an end to emergency laws, or amending the constitution. The Islamists will continue to be excluded from formal politics. Their enduring role in the informal sector, however, will allow them to capitalize on popular discontent more effectively than they have before. They will continue to offer subsidized education, food, and health care to a population that is increasingly unable to attain such primary goods from the state.

If these conditions were to spur renewed insurgency, along the lines of the low-level warfare of the 1980s and 1990s, the willingness of the armed forces to support Gamal will be a key factor in the way events unfold. Although the army leadership certainly sees its interests as inextricably bound up with the current and likely future political elite, the degree to which younger army officers have been Islamicized is unknown.

The Mubarak regime's approach to the challenges of an Islamist opposition has been complex and often contradictory. Ironically, the regime itself laid the foundation for Islamist mobilization of the population. The Egyptian state has sidelined the Muslim Brotherhood by excluding it from formal politics (although Muslim Brothers have been elected to legislative office under the label of other, sanctioned parties

such as the Labor Party). In conjunction with this rejection of a role for political Islamist opposition, the Mubarak regime has assumed a deeper, more Islamic identity. To this end, the regime has given an esteemed role to conservative Azhari ulema within the education, media, and judicial sectors of government.

Thus, Egypt's Islamization can be partly traced to the Egyptian government's official support for Islam. Islam has also become the context in which conflicts between the state and the Islamist opposition takes place. This represents a relatively recent development that only began in the last twenty years. The state's own contribution to the Islamization of Egypt, therefore, has paved the way for increasing the popularity of the Islamists, who will always have a stronger Islamic social and political agenda than that of the government. This is a battle that the government can never win. Yet in maintaining its battle for political legitimacy in Islamic terms, the government will continue to strengthen the credibility and influence of the Islamist opposition and of Islamism as an ideology.

Jihadism is a latent force in Egyptian politics. This has been obscured since 1997, when Islamist groups in Egypt renounced violence and announced that they intended to work within the system for political change. The insurgency that plagued the Mubarak regime in the early 1990s dwindled away to the extent that some commentators have assumed that activist, violent extremism in Egypt is a thing of the past. Although it is true that outright jihadi violence has declined in Egypt, it is too early to assume that such violence has been brought to a complete halt. At this point, the Islamists claim to continue to work within the system for change. Given the fact that the system is rigged against them, this commitment cannot be guaranteed over the long term. Meanwhile, "jihadism" as an ideology of struggle continues to permeate the discourse and rhetoric of the opposition. As in Saudi Arabia, this jihad is framed as a struggle against the regime and foreign governments that support it, chiefly the United States.

The recent absence of religious violence in Egypt can be attributed not only to the Islamists' satisfaction in their gains at the grassroots level but also to the regime's effective use of the security services to clamp down on Islamists. Torture and arbitrary jailing continue to be mainstays of the Mubarak regime's war against Islamists, and it is this tendency—not any real decline in jihadism—that has marked an end to outright, visible violence. At the same time, government oppression of Islamists has played effectively into Islamist rhetoric on the regime's unrighteousness.

In this manner, human rights groups are often the first organizations to come to the support of Islamists, even though the groups' agendas are quite different.

The generational cleavages between older leaders of Islamist organizations and the younger, newer recruits may also have a significant impact on the Islamist movement. The younger cadres have been described as being less inspired by violent extremism than their forefathers, a majority of whom spent time in jail under Nasser, Sadat, or Mubarak. On the whole, however, it is too soon to conclude that the next generation of Islamists is relatively less extreme. Again, the early months of a Gamal Mubarak presidency may be extremely revealing on this point.

Anti-Americanism in Egypt is a vibrant force, in part because it has been encouraged by the government as a means of deflecting public attention from its shortcomings and, paradoxically, masking continuing cooperation with the United States. This is not to say that the public passively accepts such tactics, but in general, the overriding anti-American themes used by Mubarak's regime find a sympathetic audience. These themes include U.S. support for Israel, the plight of the Palestinians, and the status of morality in America, all of which continue to attract the attention of the public and intellectuals alike. Only 13 percent of Egyptians had a favorable opinion of the United States, according to the 2002 Zogby poll. Clearly, the regime benefits from coddling such discontent with the United States. The rise of Gamal Mubarak to office, however, may mark a gradual, if slight decline in the frequency and vehemence of state-sponsored anti-Americanism in Egypt owing to his commitment to increasing foreign investment. On balance, though, he is likely to walk the delicate line between the tactical deployment of anti-Americanism to buttress his domestic legitimacy in the media, while seeking to create strong ties between his administration and the American government.

IRAN

For nearly twenty years after the 1979 revolution, Iran enjoyed a relatively high level of internal stability resulting from its increasing international isolation, its embroilment in a series of military conflicts with its

neighbors, and the general unpredictability associated with the new clergy-dominated rule of Ayatollah Khomeini. In large part, the stability of the system resulted from general agreement among those in power on the course, pace, and content of the revolution.

The 1997 election of reform-oriented Mohammad Khatami as president of Iran represented a second revolution of sorts in Iranian politics. This “second revolution” has largely failed to realize its goal of liberal democracy in a distinctly Islamic and Iranian context. Despite the criticism of disappointed reformers, Khatami has been hesitant to sanction anti-regime activism.

The reason perhaps for Iran’s continued stability in the wake of Khatami’s 1997 election lies in the stalemate between elites, with status quo-oriented interest groups on one side and reformers on the other. The structure of governance in Iran contributes to this stalemate. Although reformers play a role within the bureaucracy and educational institutions, conservative forces dominate the judiciary, military, police, and media. The structure of government constrains legislative power by conferring on the clerical elite the rights to block electoral candidates from competing and to invalidate legislation deemed counter to revolutionary Islamic standards.

Neither conservative nor reformist forces represent homogenous groups with cohesive ideologies or completely shared interests. This fragmentation has hobbled conservatives’ ability to respond creatively to reformers’ demands, while impeding reformers’ capacity to agree on the tactics, speed, or desired outcome of their overall program. The stalemate between conservative and reformist forces will likely persist as domestic and international issues absorb Iran’s attention in the coming years.

Stability and democratization in Iran will be largely influenced by a set of international challenges facing the country. Iran is different from Saudi Arabia and Egypt in that domestic change is not linked closely to international challenges in those countries. Challenges facing Iran include: the stability and nature of the new regime in neighboring Iraq, continued American pressure against Iran’s nuclear program, the role of the conservative hard-liners in clinging to vehement anti-Americanism, and the general isolation of the Iranian regime from a population that is increasingly tied to the rest of the world through cultural, informational, and social interactions. The manner in which Iran responds to this series of “wild cards” will define the context in which democratization will advance or stagnate.

It is important to distinguish between two dimensions of Iranian society, namely, the citizenry and the regime. Within each group, further categorization separates clerics from lay people, liberals from conservatives, and radicals from reactionaries. In general, the two exist in a symbiotic relationship in which the regime requires the sanction of the people to maintain its revolutionary legitimacy, and the citizenry, in turn, look to the regime for reform and change. This distinction between state and society is crucial to accurately understanding the pursuit of democratization and the nature of anti-Americanism in Iran.

First, regional dynamics arising from American interventions in the Middle East factor in as a key determinant of Iran's stability. With American forces in both Iraq and Afghanistan, Iran will be forced to decide the nature of its relationship with the United States. Moreover, the possibility of the Khatami regime becoming an ally of the United States will also contribute to the importance of Iran determining its position vis-à-vis both the United States and a new Iraq. In this context, the traditional anti-Americanism of conservatives within the regime is an important factor. It is critical to distinguish between the regime and the population of Iran. Although conservatives who inveigh against the "Great Satan" dominate the regime, the population largely admires the United States. Iran stands apart in this respect in the region as one of the few states with a pro-American population in opposition to the anti-American sentiment of the government.

This duality of sentiment revealed itself most vividly in a recent poll conducted by the Ayandeh Institute. The September 2002 poll, commissioned by the Iranian Majlis' National Security Committee, found that 74 percent of Iranians favored resumption of relations with the United States and as many as 46 percent felt that U.S. policy toward Iran was "to some extent correct." Similarly, in 2003, in the shadow of the war in Iraq, an Iranian newspaper published a poll that was hosted on the web page of former Iranian president Hashemi Rafsanjani. In response to the question "What are the actual demands of the Iranian people?" as many as 45 percent chose "change in the political system, even with foreign intervention." Only 13 percent reflected the conservative hard-line view that the Iranian people demanded "the continuation of the present political policy."

Iranian regime-sponsored anti-Americanism differs from that of most Arab states in its revolutionary dimension. In many ways, anti-Americanism is a byproduct of the rhetoric of the 1979 revolution. The

question remains as to whether such rhetoric plays any significant role at all in contemporary Iran. It is safe to say that attempts by the regime to deflect criticism through anti-Americanism are largely ineffective. Unlike in Saudi Arabia, anti-Americanism serves relatively little purpose within domestic politics.

Instead, anti-Americanism functions as a useful club that conservatives and reformers use to attack each other, but rarely use to increase their legitimacy in the eyes of the people. For conservatives, anti-Americanism legitimates the continuing political repression associated with the revolution. Anti-Americanism allows conservatives to argue that they are upholding the revolutionary tradition. Reformers, on the other hand, may spout pro-American rhetoric as a means of signaling their opposition to the regime without stating it explicitly. Indeed, when President Khatami called for engagement with the United States, Iranians interpreted the move as a symbol of his commitment to political reform. In this respect, Iranian politicians—conservative and reformist alike—use their sentiments about America as a proxy expression of their own positions vis-à-vis the regime and the revolution that brought it to power.

It is important to note that anti-Americanism does exist among Iranians. Experts have drawn attention to three particular strands of anti-Americanism that deserve attention in the coming years: Iranian nationalists dedicated to Iranian primacy in the region, the leftist adherents of Third World socialist ideology, and traditionalists who fear that engagement with the United States will negatively impact Iranian culture and social values. Ultimately, however, the more important question regarding anti-Americanism is whether it plays a role in influencing Iran's policies. Historically, anti-Americanism has become a more important force in Iranian society when the United States has given it something to be angry about.

International crises have historically brought Iranian society together. For instance, President Bush's recent reference to Iran as part of an "axis of evil" witnessed a unified response of Iranians—conservative, reformist, or otherwise—denouncing American designs. Recent international scrutiny of Iran's nuclear development program and the sense that America has done little to respond to Khatami's gestures for rapprochement are likely to increase the disillusionment of the population in spite of its immense fragmentation of ideology. Serious efforts for domestic reform are likely to take a backseat as Iranian society reacts to increasing international pressure.

Both the conservatives and reformists will remain at an impasse, in part because both sides tacitly agree that the ascendance of either party over the other could lead to instability. In the meantime, more of the clergy is shifting to the reform camp, as are the rank and file of the Iranian Revolutionary Guard Corps.

Change, however, is not likely in the near- to medium-term. Iran's consensus-driven and informal style of decisionmaking, the vested interests of the clerical and business elite—especially in the government-dominated economy—and the lingering influence of the revolutionary tradition will all slow the transformation of the impulse for economic liberalization and political accountability. Deadlock, punctuated by occasional incremental progress, will continue to characterize the country's political and economic performance.

On balance, democratic values and practices enjoy a relatively high position in Iranian society, in contrast to most of its Arab neighbors. Regular elections have been held, though they are sometimes followed by reactionary measures. The 1997 elections, for example, delivered a reformist to the presidency on an ideological platform that challenged the interests, ideology, and status quo of the ruling regime. The problem, however, came after the regime realized that the mood of the people was with reform. Elections were allowed to continue regularly and on schedule, but the 2000 parliamentary and 2001 presidential elections witnessed the activist intervention by the Council of Guardians to reject the suitability of countless reformist candidates. Surely, this reactionary intervention calls into question whether elections in Iran have been as democratic as some have claimed.

Many commentators have noted that Iranians today enjoy a higher level of liberty than they ever had under the shah or since the revolution, due in large part to the leadership of President Khatami. Open criticism of the regime is lightly tolerated, but certain criticisms, such as attacking the personhood of Khomeini or the Islamic Revolution itself, remain taboo.

The 2005 election is likely to repeat the regime's pattern of restricting the participation of reformist candidates in the election to a select few. Khatami himself is likely to continue to advance limited reform within the framework of the revolution. Even moderate conservatives will advocate reform only to the extent that the system established by them will remain intact. Such a delicate balancing on the part of conservatives will be necessary for them to maintain a semblance of legitimacy in the face of an increasingly discontented population.

The biggest challenge to democratization is the regime's isolation from the people. Instead of integrating democratization efforts into its platform, the conservative elements will seek a path of "controlled liberalization." This recalls the "controlled liberalization" schemes used by leaders like Sadat and Mubarak in Egypt. What states like Egypt have revealed is the lengthy period of time such systems can actually remain stable. The question remains whether in the Iranian case, the massive pressure for reform from the population will encourage Iranians to call out more forcefully for—and possibly even seize for themselves—real democratization.

Perhaps the most important variable in the critical issue of democratization and stability remains the role, power, and function of the supreme guardian (the head of the Council of Guardians). In a political structure that elevates the power of the supreme guardian above all others, it ultimately represents the most important factor in determining increased democratization or continued repression. It is likely that debates about democratization in Iran in the coming years will revolve around various conceptions of what the power of the supreme guardian should be in a society that is at once Islamic and republican.

PAKISTAN

Pakistan is on the precipice of political instability. A double suicide bombing in December 2003 narrowly missed killing the president, Pervez Musharraf. Subsequent attacks against other senior Pakistani officials also nearly succeeded. In March 2004, Ayman al-Zawahri fueled the fire of religious dissent by calling upon Pakistanis to overthrow the Musharraf government.

What little stability Pakistan has is owed to a historical alliance between the military and religious leaders, which bears some resemblance to the alliance between the ruling family and the clergy in Saudi Arabia. This implicit alliance between the ruling military and the sectarian party leaders and clergy has been a constant of Pakistani politics since its independence. The "military-mullah alliance" has now emerged as the key feature of the Musharraf government.²

The renewed prominence of the relationship stems from Musharraf's rivalry with the so-called democratic opposition in Pakistan, which has been excluded from political participation since the 1999 coup that ended

the civilian rule of Nawaz Sharif. Musharraf's strategy is to rely on religious parties for political support and marginalize mainstream secular parties, while asserting that Pakistan remains a democracy. Musharraf harbors a deep conviction that these secular parties were feckless when in power and served primarily as a cover for feudal families that looted and mismanaged the country. Although his preference might be that army rule continue—particularly given his belief that the army is the only Pakistani institution untainted by corruption—Musharraf understands that the army itself needs the cover of broader political participation to exercise control with at least a veneer of legitimacy. The senior echelon of the army also sees the need for some distance between the army as an institution and its administrative role, if only to preserve its reputation for competence amid multiple policy failures, especially in the economic realm. Moreover, the support Musharraf needs from the international community would be vastly more difficult to obtain if Pakistan made no effort to mask the authoritarianism of its current government.

With regard to elections, a report by the Human Rights Commission of Pakistan states:

The vast majority of voters fell in the category of “captive voters”—prisoners (voting inside prisons was claimed to be 100 percent), state and local bodies employees, factory workers (who were driven to the polling booths located within the factory premises in controlled batches). Voluntary turnout was very low.³

Put simply, “Musharraf's main objective is regime survival, not creation of a democratic, tolerant culture by eliminating extremism.”⁴

Reliance on the religious parties to provide this cover carries its own costs. These parties, especially the Jamiat ul-Islami (JUI), have never done particularly well at the polls. Typical returns in the years before the ascension of military government were quite low, around 2 percent of ballots cast. Their dismal performance was not due so much to their ideological cast, which resonated with a religiously committed public, but rather to their inability to provide the essential services that a ruling party can deliver to constituents. The JUI might have been appealing in its dedication to a strict form of Islam, but it could not get potholes filled. The government's new reliance on the support of these parties has increased their political clout, which they have not hesitated to deploy.

At the same time, Musharraf has sought to improve Pakistan's reputation as a responsible international player. To accomplish this, he has sought to cut down on terrorist infiltration of Kashmir, to adopt a conciliatory stance toward India, and to provide concrete support for the war on terrorism. Here, Musharraf's international agenda has clashed with his domestic political priorities.

Al Qaeda and the ideology of jihad also continue to affect Pakistan's stability. Public opinion surveys show that Osama bin Laden is an enormously popular figure in Pakistan. His popularity is inversely proportional to that of the United States, which functions as an all-purpose symbol of protest in a relatively discontented society. Bin Laden's now fabled role in the war against the Soviets during the 1980s forms the narrative base of his popularity. American pursuit of bin Laden is emblematic, for many Pakistanis, of a larger war they believe the United States is waging against Muslims. His successful attacks against the United States in 2001 consolidated his image as a self-denying hero.

The ideology of jihad flowered in the 1980s as well. During that period, the war against the Soviets and later against Mohammad Najibullah, the Communist ruler installed in Kabul by Moscow, was consistently labeled as a jihad. As a result, *jihad* has come to mean physical warfare—as opposed to inner spiritual struggle—in the imaginations of many Pakistanis, and it is understood to be a fateful battle between Islam and the West.

These conditions have been nourished by the proliferation of madrassas, especially those that are affiliated with militant Islamic political parties, such as the JUI. Although even the best estimates are shaky, there are currently as many as 10,000 madrassas in Pakistan, which is a dramatic increase from the roughly 200 or so that existed at the time of Pakistan's formation. These schools are thought to enroll between 1 million to 1.7 million students, compared to an official enrollment of 1.9 million in government primary schools. Most analysts attribute the explosive growth of madrassas to the collapse of Pakistan's public school system in the mid-1980s to mid-1990s due to underinvestment and general neglect. Madrassas are clearly going to have a significant role in Pakistan's future.

Although the curricula in these schools necessarily emphasize Koranic studies and Islamic ritual and practice, not all accord the same prominence to jihad as a key element of Islamic identity. According to the International Crisis Group (ICG), the madrassas' "constrained worldview,

lack of modern civic education and poverty make them a destabilizing factor in Pakistani society” and render the students “susceptible to romantic notions of sectarian and international jihad.” Indeed, it is widely known that schools sponsored or subsidized by extremist parties have used the student bodies at these schools as a recruitment base for the jihad in Kashmir and, formerly, the jihad in Afghanistan.

Not enough is known about curricular matters to assess which schools are teaching what sort of material. Nor is it clear that all enrollees are in these schools as a matter of ideological commitment. Given the virtual absence of a government-run alternative in many areas of the country, and the fact that many madrassas include health care and room and board, a majority of parents probably find madrasa education to be highly desirable on purely practical grounds.

Hemmed in on one side by his reliance on religious parties to shore up his legitimacy, Musharraf is pressed on the other by a U.S. administration intent on destroying al Qaeda infrastructure in Pakistan and neighboring areas of Afghanistan. This objective cannot be achieved without Pakistan’s cooperation; but cooperation with the United States will inevitably arouse the enmity of religious parties and their affiliated jihadists, on which Musharraf’s government relies. If there had been any uncertainty on this score, back-to-back assassination attempts against Musharraf surely erased it.

The U.S. approach thus far has consisted entirely of threats and pleadings. Pakistan has been designated a major non-NATO ally, which gives it preferential access to some kinds of military equipment. Washington has also turned a blind eye to Pakistani nuclear physicist A. Q. Khan’s transfer of nuclear technology to Iran, North Korea, and Libya. The Bush administration has also backed a five-year, \$3-billion aid package for Pakistan.

Musharraf’s ability to meet Washington’s expectations, given the serious countervailing pressures he faces, is open to doubt. As a way of navigating the Scylla of domestic political demands and the Charybdis of American pressure, Musharraf has become a “minimal satisfier,” in the words of one expert. Thus, he periodically offers the United States a midlevel or senior al Qaeda militant, while prohibiting the deployment of U.S. troops to Waziristan and ordering generally unconvincing sorties of Pakistani forces into that region. He has little flexibility, since the deployment of government soldiers into the autonomous areas could unite tribal chieftains against him. As these conflicting pressures mount, Pakistan is going to become an increasingly unstable place.

IRAQ

In September 2004, three prestigious think tanks, including the Center for Strategic and International Studies, delivered the same verdict: The Bush strategy for winning the peace in Iraq has failed badly. Leaked reports from officials with the National Intelligence Council confirmed that in the very best case scenario, Iraq will have a shaky security environment and unstable government in the coming years. In the worst-case scenario, the national intelligence estimate predicted a civil war.

Little has been written on the impact the Iraq war has had on the terrorist threat facing the United States. It is a bitter irony that Iraq has turned into the very thing we went to war to prevent: a terrorist sanctuary with an al Qaeda and jihadist presence that far exceeds what was there during Saddam Hussein's reign. The Bush administration's decision to go after Saddam before al Qaeda had been crippled and Afghanistan had been stabilized has had many negative effects, with four in particular worth highlighting.

First, Iraq has no connection to the terror threat facing the United States, and Saddam's removal has done nothing to lessen the threat we face from al Qaeda and the jihadists. Perhaps the most vivid demonstration of this point is that a year and a half after Saddam's removal, the terror alert level in America remains unchanged and there is anticipation of a major al Qaeda attack within the next few months. The simple fact is that even if Iraq magically turned into a stable, secure democracy one day, the United States could suffer another 9/11-type attack the next day.

Some have argued that Iraq has expanded our security perimeter; that it is better to fight the terrorists in Iraq than here in United States. It would be a fabulous argument, if only it were true. It mistakenly assumes that the terrorists killing U.S. soldiers and civilians in Iraq are the same ones who would be trying to attack the United States. The jihadist operations in Iraq are being conducted by a deadly mix of Sunni extremist groups, such as Abu Mus'ab al-Zarqawi's Tawid wa *Jihad*, foreign fighters eager to conduct jihad against the Americans, remnants of Saddam's regime, and criminal elements. These are not the people who have been targeting America. Rather, America has been targeted by the original al Qaeda organization; that group is indeed a leader in the global jihadist movement, but it is a separate and distinct entity from the terrorist presence inside Iraq. Over a period of years, a stable, free, and democratic

Iraq may be a positive force for change in the Middle East, but our mistakes in Iraq and the attendant boost to the jihadist cause has put us at a serious disadvantage to ever make that happen within a useful time frame.

This leads to the second effect, that the failure to provide the most fundamental of requirements—safety and security—after Saddam’s overthrow has turned Iraq into a strategic opportunity for the jihadists to harm the United States. The terrorists were able to establish a presence in many Iraqi cities and towns and form an alliance of convenience with the remnants of Saddam’s government. Over the past eighteen months, they have established firm control over several cities in Iraq and, more important, brought violence to almost all parts of the country. The randomness of violence has further undercut support for the new Iraqi government and the United States. A new battlefield for jihad has been created, one that is far more “lucrative” than Afghanistan turned out to be. By successfully conducting regular car bombings and kidnappings, the jihadists are trying to convince Iraqis and the rest of the Muslim world that the United States can’t be trusted, that its promises of democracy, freedom, and security are merely empty words.

Third, Iraq has had little effect on the behavior of the real state sponsors of terrorism. In the aftermath of Saddam’s overthrow, some in Washington argued that Iraq would send an unmistakable message to Iran and Syria: Change your behavior, or you’re next. In fact, the opposite has happened. Not only has Iran continued with its nuclear program, but our invasion of Iraq has done little to deter Syria and Iran from continuing to sponsor anti-Israeli terrorism. Their support for Hizbullah and the Palestinian rejectionist groups, who are killing Israelis, remains as strong as ever. Although the Syrian government has opposed jihadism for decades and cooperated against al Qaeda, it has only recently begun combined border patrols with U.S. forces in Iraq. It continues to sponsor Hizbullah’s terrorism and has recently rejected UN Security Council resolutions calling for the withdrawal of Syrian forces from Lebanon. Our mistakes post-Saddam have also afforded Damascus and Tehran the opportunity to “bloody our nose in Iraq,” quietly supporting the insurgency inside Iraq and encouraging Hizbullah operatives to do the same. The result is that Iraq’s neighbors, particularly Iran, are well positioned to influence events inside Iraq to the detriment of U.S. interests.

Fourth, the continued unrest in Iraq will further delay any U.S. effort to create a new international coalition to confront Syria and Iran's terrorist activities. The international consensus to confront state sponsors of terrorism evaporated as a result of the Iraq war, a point not lost on Damascus and Tehran. As a result, they will do everything in their power to further bog down U.S. efforts in Iraq. Ironically enough, we have contributed to creating the breathing room Syria and Iran so desperately needed to avoid international action in response to their terrorist activities.

As the analysis by the Army War College's Strategic Studies Institute, written by Jeffrey Record, argues, the war in Iraq was a "strategic blunder of the first magnitude." Instead of energetically pursuing the priority of creating an ideological counterweight to al Qaeda, we invaded Iraq and gave bin Laden exactly what he needed: new propaganda to fuel the battle of ideas and a new front in which to train and attack the United States.

Despite all the missteps, faulty planning, and false assumptions that guided Iraqi postwar planning, there is still an opportunity to succeed in Iraq. It will be more costly and take longer than it should have, but the requirement that we succeed has not changed.

The invasion of Iraq cost us many friends and allies. To have any chance of reversing the current trend in Iraq, the next administration must directly approach European governments to persuade them that assisting in Iraq is directly in their national interest.

We should go to NATO allies with specifics in mind. If we simply levy demands on the Europeans, as we have done in 2004, we will not gain additional support. We can rebuild credibility with our allies by addressing international concerns in areas that are near and dear to our European friends' hearts and directly benefit us.

The government should capitalize on current concern over high oil prices and U.S. dependency on foreign oil to propose a joint research endeavor with the Europeans to develop new technologies for alternative energy. This is a win-win proposal: The environment is prominent in Europeans' minds (particularly after the Kyoto snub), and they are more advanced in this field. This will also be a concrete step toward eliminating a major national security vulnerability.

Notwithstanding the Bush administration's claim that the war on terror cannot be fought as a "police effort," we should seek to expand cooperation in bringing terrorists to justice. Hunting terrorists down and

eliminating them is important, but enforcing the rule of law is critical. We cannot afford the diplomatic or operational repercussions that result from a case like that in Germany, where the Moroccan Abdelghani Mzoudi, indicted on more than 100 counts of assisting the 9/11 terrorists, was acquitted of all charges because the Bush administration refused to provide the Germans with evidence deemed “too sensitive.” The United States should propose bolstering the capacity of international legal institutions and treaties. The institutions themselves may have limited utility, but our commitment to them will win favor with our allies.

On the basis of the leverage gained from the actions above, we should enlist our allies in a fast-track program to train Iraqis to provide for their own security and bring in additional troops. In order to improve the dangerous situation in Iraq, we need to spend assistance funds now, and fast. By spending less than \$1 billion of the \$18 billion that Congress allocated for Iraqi reconstruction, we have lost crucial momentum that would have won support from ordinary Iraqis by creating jobs and improving the country’s dilapidated infrastructure. We need to get funds flowing immediately into small, quick-impact projects focused in Najaf, Sadr City, Fallujah, and other hot zones. Large-infrastructure projects are important in the long run; however, smaller sums, spread to thousands of community-based projects, are the best hope we have to deflate the insurgency. Reconstruction funds should be diverted from U.S. contractors to Iraqi organizations and U.S. procurement rules altered to permit such a change.

The United States must mount a massive marketing operation, making it plain to Iraqis and others that the United States has no plans for, or interest in, a permanent base for U.S. forces in Iraq; that we have no designs on Iraqi territory or oil; and that we will no longer permit reconstruction money to support sweetheart deals in Iraq for contracts that exclude Iraqi firms.

We should work with our allies to establish a stabilization fund, administered by a U.S.-approved UN high commissioner (similar to successful operations in Bosnia) who will work with Iraq to assist its transition to stability and democracy. Finally, we should cease the counter-productive assaults on the so-called no go zones. Civilian casualties and infrastructure damage done by such elective urban combat will, in the long run, strengthen anti-Americanism.