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## ***U.S. - EGYPT FRIENDSHIP SOCIETY (USEF)*** **PANEL DISCUSSION NOTES**

On Tuesday, June 15, 2004 the U.S. - Egypt Friendship Society (USEF) and the U.S. Institute of Peace co-hosted a USEF Speaker Series event entitled “G8 Summit Initiatives on the Middle East: Perspectives from the U.S. and Egypt.” The event, moderated by Ambassador Edward S. Walker, Jr., President and CEO of the Middle East Institute, featured opening remarks by Steven Kashkett of the U.S. Department of State (substituting for Amb. William Burns, who had been called to a White House meeting) and a panel, both addressing the outcome of the recent G8 Summit. The panelists included: Ambassador Hussein Hassouna of the League of Arab States, Abdel Monem Said Aly of the Al-Ahram Center for Political and Strategic Studies and Visiting Fellow at the Brookings Institution, and Heba El-Shazli of the National Democratic Institute for International Affairs.

After a brief welcome from Dr. Jennifer Bremer, Director of the Washington Center of the Kenan Institute of Private Enterprise and USEF executive director, Steven Kashkett, Director for the Office of the Middle East Partnership Initiative at the U.S. Department of State, gave an overview of the administration’s Middle East initiatives, highlighting those announced at the summit, and reviewed U.S. Government perspectives on the reform process in the region. Mr. Kashkett emphasized Egypt’s role as a cultural and political leader with the ability to change attitudes in the region. Mr. Kashkett, while questioning the inevitability of reform, explored the common worry that change threatens stability and reminded the audience that stability is not a static phenomenon. His review of the key points of the policy framework for the G8 Summit’s Broader Middle East and North Africa Initiative emphasized the importance and recognition of internally instituted reform, the expectation of differences among reform paths in the region, and the continuing U.S. commitment to an Israeli/Palestinian resolution and the rebuilding of a democratic Iraq. Mr. Kashkett concluded by stating that the Sea Island Summit reaffirmed U.S. commitment to the generational task of reform in the Middle East.

Following Mr. Kashkett’s overview of U.S. administration’s initiatives, Ambassador Walker initiated the panel discussion by outlining the ambitious goals of the G8 summit initiative and noting that the policy framework must be filled out by bilateral discussions. Ambassador Walker also explained that, while the program had a troubled start, including perceptions in the region as an invasion of sovereignty and an effort to impose change, the G8 summit has in part altered that perception for the better.

Ambassador Hassouna drew on his status as both a representative of Egypt and of the Arab States to present some of the important factors that will be of significance in supporting reform in the region. He argued that a home-grown initiative is key to successful reform and that the specific situations of each of the countries of the Middle East; their cultural, historical and religious heritage, will require tailored reforms. Even though most reform ideas are not new, he noted, the region’s reform process continues to be held up by instability in the region, primarily relating to the Israeli/Palestinian conflict. Other possible deterrents to real change mentioned by the Ambassador were the lack of actual mechanisms for change and the U.S. election year, which has

the potential to stall reform because of the difficulty of pursuing an Israeli/Palestinian resolution during this period. Moreover, the Ambassador posited that while the Forum for Consultation established by the summit (modeled in part on the Helsinki process) could be beneficial, it may also be perceived to be a monitoring device. Ambassador Hassouna stated that change should be supported through bilateral approaches between each country of the G8 and each country of the Middle East as well as through a multilateral approach. He noted that Egypt's role is crucial because it has the potential to inspire the rest of the Arab World. Egypt has always played a pioneering role in politics, culture and the arts. Consequently, Egypt can exert tremendous influence over the region. Ambassador Hassouna stressed that the multilateral context of the G8 summit was important because the initial release of the initiatives through the media instigated many doubts over the U.S. administration's intentions. According to Amb. Hassouna, the greatest outcome of the G8 Summit at Sea Island was the internal debate within the region on reform sparked by the summit. That internal debate in turn has led the Arab States to adopt their own collective vision on reform. In closing, Ambassador Hassouna expressed his view that in order to succeed with reforms in the Arab World, partnerships between governments, the G8, business and civil society are needed.

Dr. Abdel Monem Said Aly, Director of the Al-Ahram Center for Political and Strategic Studies and Visiting Fellow at the Brookings Institution, began by explaining that the U.S. has very little credibility and legitimacy in the Middle East, especially with respect to reform. He offered an overview of reform processes – where we are now, what we are up to, and where are we going from here. Dr. Said noted that perceptions of reform issues include strong commitments to a homegrown initiative, the diversity among the nations, and the link between internal reforms and U.S. policies in the Israeli/Palestinian and Iraq conflicts. Noteworthy achievements of the summit include a sense of modesty from the U.S. regarding the problem of reforming Iraq, and a sense of modesty coming from Egypt and the Arab World regarding the need to cooperate with each other and the outside world. Said listed three challenges confronting the proposed initiatives – how to shift the direction of the Arab society from that of salvation to that of progress, the issue of foreign input and how to expand the middle class so as to arrive at democracy, and the shortage of institutions. He emphasized the importance of constitutional reform to address these issues. Dr. Said concluded that the Arab World will arrive at democracy through a gradual process.

Heba El-Shazli, Deputy Regional Director for the Middle East and North Africa at the National Democratic Institute focused her remarks on the importance of initiatives to support the middle class so that reforms can be realized. Ms. El-Shazli commented that the democratic middle ground has remained quiet and unheard. By working with political and civil activists, the middle ground will be able to voice alternative views and break out of its marginalized and authoritarian-controlled quietness. She stated that the middle class needs to be armed with skills, leadership, and institutional networks in order to rise and gain ground. In congruence with the other panelists, Ms. El-Shazli agreed that ideas for reform have been circulating for some time. She also stated that many citizens of the Middle East believe that reforms and changes are inevitable. She enumerated several challenges to reform, such as the need for a working mechanism and concrete workplan that includes specific steps to be taken by various parties, and the potential for co-optation -- a problem that could exist if governments take initiative but only provide 'window dressing' rather than real solutions. Lastly, she stated that a critical review of the Broader Middle East and North Africa Initiative must take place to provide legitimacy and credibility.

During the lively question and answer period, Mr. Kashkett was asked to elaborate on the bipartisan effort within the U.S. government regarding support of the reform initiatives. He

explained that MEPI has received strong bipartisan support for the initiative, evidenced by the allocation of financial resources for the initiative.

Ms. El-Shazli was asked to elaborate on the the role of the middle class, considering its current struggle due to the increasing gap between the rich and the poor in the Middle East, and how its undefined status will affect reforms. She responded by stressing the importance of helping the declining middle class and supporting its critical element to bring about change. Dr. Said added his view that the Egyptian middle class has in fact not declined but expanded over the course of the last three decades. He noted, however, that the middle class has suffered during the last four years because of the economic recession.

The final question addressed the conflict between constitutional reform and Sharia. Dr. Said responded that, if Middle Eastern countries continue recognizing Sharia in the constitution, this will pose a continuing barrier to religious parties' participation in political life, and that therefore the constitutions should be altered to omit references to religion as the basis (or a basis) for law, permitting broader participation by a range of political parties, both secular and religious without putting pluralism at risk.