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Article 1.

NYT

Unity Deal Brings Risks for Abbas and Israel

[Ethan Bronner](#)

February 6, 2012 — President [Mahmoud Abbas](#) of the [Palestinian Authority](#) embraced reconciliation with the Islamist movement [Hamas](#) on Monday, agreeing to head a unity government to prepare for elections in the West Bank and Gaza.

His move was welcomed cautiously by a broad range of [Palestinians](#) who are fed up with the brutal split at the heart of their national movement. It promised to upend Israeli-Palestinian relations, with Prime Minister Benjamin Netanyahu warning Mr. Abbas that he could have peace with Israel or unity with Hamas, but not both.

The agreement between Mr. Abbas, the leader of [Fatah](#), and Khaled Meshal, the head of Hamas, was yet another convulsion in the Middle East involving the rise of political Islam and the challenge it poses to pro-Western forces. It put Israel, which is nervously watching the new order taking shape around it, further on edge.

"Hamas is an enemy of peace," Mr. Netanyahu said. "It's an Iranian-backed terror organization committed to Israel's destruction."

On Sunday he told his cabinet that for Israel, living in the Middle East required self-sufficiency and toughness. "In such a region," he said, "the only thing that ensures our existence, security and prosperity is our strength."

Mr. Abbas and Mr. Meshal announced their agreement on Monday in Doha, the capital of Qatar. Hamas has had to leave its longtime base in Damascus, the Syrian capital, because of the unrest and violence there, and Qatar appears to be seeking the role of Hamas's new sponsor.

The two Palestinian leaders said they would announce a full government in the next week or two, along with a date for presidential and legislative elections. It was unclear what role the current prime minister, Salam Fayyad, would play in the interim government. Mr. Fayyad is admired abroad for his financial transparency, and is the reason that some countries provide aid to the Palestinian Authority — more than \$1 billion annually in total. But Hamas leaders have in the past expressed their distaste for his policies.

The planned elections are unlikely to take place this spring, as promised last May when the Hamas-Fatah unity accord [was first signed](#). Many of the details are bound to produce a struggle, and Palestinians greeted the news on Monday with relief but with skepticism, especially in Gaza.

“The Palestinian people look suspiciously at Fatah-Hamas understandings because they have been repeated dozens of times without finding their way to implementation,” said Mkhaimar Abusada, a political science professor at Gaza's Al Azhar University.

This latest signed document may face the same fate. The rival movements have to negotiate the terms of complex power sharing and the restructuring of the Palestine Liberation Organization, from which Hamas has been excluded.

It remained unclear how some of the Hamas leaders in Gaza, who are destined to lose their jobs in the new arrangement, would react to a deal struck by Mr. Meshal, who lives in exile and recently said he would not seek a new term as head of the movement.

In Washington, the Obama administration publicly withheld judgment on the agreement, saying that American officials were still trying to determine the details of a unity government. The agreement, however, revived questions about the future of American assistance to the Palestinian Authority.

Congressional amendments forbid foreign aid going to Hamas, which the United States has designated a terrorist organization. A partnership with Mr. Abbas could lead to a cutoff. "It further jeopardizes whatever existing aid is left," said Representative Gary L. Ackerman, a Democrat from New York.

Until now, the State Department has declined to restrict aid, including military assistance to Palestinian security forces that totaled \$450 million last fiscal year. The department has argued that the prospect of a Palestinian unity government that included Hamas, first announced last year, never fully materialized. The aid has been credited by Israeli and American officials for improving security in the Palestinian territories.

If Monday's agreement takes root, it would force the issue, putting the administration in an awkward position, especially with Congress, according to an administration official, who spoke on condition of anonymity.

The State Department's spokeswoman, Victoria Nuland, said that Palestinian reconciliation was "an internal matter" for the Palestinians but added that the administration would expect any Palestinian government to meet basic conditions, including recognition of Israel.

Mr. Ackerman cited Mr. Meshal's statement about unifying against the "enemy" as evidence that Hamas remained unrepentant. "It's not conciliatory," he said in a telephone interview. "It continues the saber rattling and the threat."

But some analysts argued that the regional shifts of the last year and the failure of recent Palestinian-Israeli talks to reach a breakthrough were pushing Fatah and Hamas into each other's arms. They said that Hamas would soon undergo some of the changes that Islamist movements elsewhere in the region are seen by some to be experiencing.

"The Arab awakening is witnessing the rise of a reformist political Islam in Egypt and Tunisia, and I believe we will see that Hamas is no exception," asserted Mahdi Abdul Hadi, chairman of Palestinian Academic Society for the Study of International Affairs in Jerusalem. "Western governments are dealing with the Muslim Brotherhood in Egypt, and it is only a matter of time before they will meet with Hamas as well."

There are senior defense officials in Israel who see a significant shift happening in Hamas as well. One, speaking recently on condition of anonymity, said, "Hamas is learning that governance is more important than terrorism."

Mr. Netanyahu disagrees that Hamas is changing. He noted in his statement on Monday that until Hamas recognizes Israel, abandons violence and accepts previous agreements with Israel signed by the Palestinian Authority — the three conditions that the United States and the European Union demand of Hamas, which has rejected them — it remains a renegade that must be shunned.

For Mr. Netanyahu, who leads the hawkish Likud Party and a coalition Israeli government with a strong base among Jewish settlers and their supporters, Palestinian unity poses a complex set of choices.

On one hand, Mr. Netanyahu says that he seeks peace with the Palestinians, and that the formation of a joint Fatah-Hamas government would appear to deprive him of the chance to pursue what he has called a historic opportunity for peace. On the other

hand, a reconciliation of the two factions would free Mr. Netanyahu of the burden of those difficult negotiations, where he comes under international pressure to yield prisoners, land and greater power to the Palestinian Authority.

He could instead turn his back on the whole endeavor, which would secure him against any political challenge from the right wing just as the possibilities of elections appear on the horizon.

Mr. Abbas has his own tortured calculations. He has been pursuing three tracks toward Palestinian statehood; all have proved problematic. The first has been his recently renewed talks with the Israelis under Jordanian auspices, [which have gone poorly](#). The second is the track of unity with Hamas, which until Monday seemed stuck and which remains far from stable.

The third is his efforts at the United Nations, meant to obtain [international backing for Palestinian sovereignty](#) in the West Bank, Gaza and East Jerusalem; that track has proved harder than expected. Last September, Mr. Abbas was unable to get enough members of the United Nations Security Council to vote yes for recognizing Palestine as a state. He did gain membership in Unesco, a United Nations agency, but that led the United States to cut off American funds to that organization and to a pause in the Palestinian efforts in international bodies.

But Palestinian officials say that Mr. Abbas is likely to revive that path in the coming weeks, especially if the Israeli track stalls, as many expect.

An abandonment of negotiations with Israel brings with it risks, in particular that Hamas will campaign on its long-standing assertion that talks with Israel were a humiliating waste of time and that Hamas's approach of resistance and links to the broader Islamic movement deserve the people's votes.

In addition, Israel has a great deal of power over the Palestinian economy, and could make it suffer. Israel could also make the lives of Palestinian officials even harder than they are, by denying them travel privileges.

Qatar, a Gulf emirate that is both wealthy and diplomatically ambitious, could prove to be a crucial element in helping the Palestinians. Qatar is already spending money in Gaza to help the territory rebuild and rehabilitate from the Israeli invasion there three years ago; the emirate could both greatly increase its spending there and make up for missing aid to the Palestinian Authority.

Article 2.

The Daily Beast

Israel and Iran on the Eve of Destruction in a New Six-Day War

Niall Ferguson

February 6, 2012 -- [Jerusalem](#)—It probably felt a bit like this in the months before the Six-Day War of 1967, when [Israel](#) launched its hugely successful preemptive strike against Egypt and its allies. Forty-five years later, the little country that is the most easterly outpost of Western civilization has Iran in its sights.

There are five reasons (I am told) why Israel should not attack Iran:

1. The Iranians would retaliate with great fury, closing the Strait of Hormuz and unleashing the dogs of terror in Gaza, Lebanon, and Iraq.

2. The entire region would be set ablaze by irate Muslims; the Arab Spring would turn into a frigid Islamist winter.
3. The world economy would be dealt a death blow in the form of higher oil prices.
4. The Iranian regime would be strengthened, having been attacked by the Zionists its propaganda so regularly vilifies.
5. A nuclear-armed [Iran](#) is nothing to worry about. States actually become more risk-averse once they acquire nuclear weapons.

I am here to tell you that these arguments are wrong.

Let's take them one by one.

The threat of Iranian retaliation. The Iranians will very likely be facing not one, not two, but three U.S. aircraft carriers. Two are already in the Persian Gulf: CVN 72 Abraham Lincoln and CVN 70 Carl Vinson. A third, CVN 77 George H.W. Bush, is said to be on its way from Norfolk, Va.

Yes, I know President Obama is a noble and saintly man of peace who uses unmanned drones only to assassinate America's foes in unprecedented numbers after wrestling with his conscience for anything up to ... 10 seconds. But picture the scene once described to me by a four-star general. It is not the proverbial 3 a.m. but 11 p.m. in the White House (7 a.m. in Israel). The phone rings.

Chairman of the Joint Chiefs of Staff: Mr. President, we have reliable intelligence that the Israeli Air Force is in the air and within an hour of striking suspected nuclear facilities in Iran.

POTUS: Damn. What should I do?

CJCS: Mr. President, I want to recommend that you provide the Israelis with all necessary support to limit the effectiveness of Iranian retaliation.

POTUS: But those [expletives deleted] never ran this past me. They went behind my back, goddammit.

CJCS: Yes, sir.

POTUS: Why the hell should I lift a finger to help them?

CJCS: Because if the Iranians close the Strait of Hormuz, we will see oil above \$200 a barrel.

POTUS [after a pause]: Just a moment. [Whispers] How am I doing in Florida?

David Axelrod [also whispering]: Your numbers suck.

POTUS: OK, General, line up those bunker busters.

The eruption of the entire Muslim world. All the crocodiles of Africa could not equal the fake tears that will be shed by the Sunni powers of the region if Iran's nuclear ambitions are checked.

The double-dip recession. Oil prices are on the way down thanks to concerted efforts of Europe's leaders to reenact the Great Depression. An Israel-Iran war would push them up, but the Saudis stand ready to pump out additional supplies to limit the size of the spike.

The theocracy's new legitimacy. Please send me a list of all the regimes of the past 60 years that have survived such military humiliation. Saddam Hussein's survival of Gulf War I is the only case I can think of—and we got him the second time around.

The responsible nuclear Iran. Wait. We're supposed to believe that a revolutionary Shiite theocracy is overnight going to become a sober, calculating disciple of the realist school of diplomacy ... because it has finally acquired weapons of mass destruction? Presumably this would be in the same way that, if German scientists had developed an atomic bomb as quickly as the Manhattan Project, the Second

World War would have ended with a negotiated settlement brokered by the League of Nations.

The single biggest danger in the Middle East today is not the risk of a six-day Israeli war against Iran. It is the risk that Western wishful nonthinking allows the mullahs of Tehran to get their hands on nuclear weapons. Because I am in no doubt that they would take full advantage of such a lethal lever. We would have acquiesced in the creation of an empire of extortion.

War is an evil. But sometimes a preventive war can be a lesser evil than a policy of appeasement. The people who don't yet know that are the ones still in denial about what a nuclear-armed Iran would end up costing us all.

It feels like the eve of some creative destruction.

Article 3.

Wall Street Journal

(How) Should Israel Bomb Iran?

Bret Stephens

February 7, 2012 -- Can Israel attack Iran? If it can, will it? If it will, when? If when, how?

And what happens after that?

On Sunday with Matt Lauer, President Obama said "I don't think that Israel has made a decision on what they need to do." That didn't square with the view of Defense Secretary Leon Panetta, who's been reported as saying he expects an Israeli attack this spring. Nor does it square with public warnings from Israeli Defense

Minister Ehud Barak that the Iranians would soon enter a "zone of immunity" from foreign military attack if nothing is done to stop them.

Yes, these war drums have been beaten before. But this time it's different.

Diplomacy has run its course: Even U.N. diplomats now say Iran uses negotiations as a tactic to buy time. The sanctions are too late: Israel can't afford to wait a year or two to see if Europe's embargo on Iranian oil or the administration's squeeze on Iran's financial institutions will alter Tehran's nuclear calculations.

Covert action—computer bugs, assassinations, explosions—may have slowed Iran's progress, but plainly not by enough. And Israel can only hint so many times that it's planning to attack before the world tires of the bluster-and-retreat routine.

Two additional points. Washington and Jerusalem are at last operating from a common timetable—Iran is within a year of getting to the point when it will be able to assemble a bomb essentially at will. And speaking of timetables, Jerusalem knows that Mr. Obama will be hard-pressed to oppose an Israeli strike—the way Dwight Eisenhower did during the Suez crisis—before election day. A re-elected President Obama is a different story.

That means that from here until November the U.S. traffic light has gone from red to yellow. And Israelis aren't exactly famous for stopping at yellow lights.

But can they do it? There's a mountain of nonsense exaggerating Israel's military capabilities: Israel does not, for instance, operate giant drones capable of refueling jet fighters in midair.

At the same time, there's an equally tall mountain of nonsense saying that Israel is powerless to do significant damage to Iran's nuclear-weapons complex, as if the Islamic Republic were the

second coming of the USSR. In fact, Iran is a Third World country that can't even protect its own scientists in the heart of Tehran. It has a decrepit air force, antiquated air defenses, a vulnerable electrical grid, exposed nuclear sites (the uranium conversion plant at Esfahan, the heavy water facility at Arak, the reactor at Bushehr), and a vulnerable energy infrastructure on which its economy is utterly dependent. Even its deeply buried targets can be destroyed. It's all a question of time, tonnage and precision.

The bottom line is that a strike on Iran that sets its nuclear ambitions back by several years is at the outer periphery of Israel's military capability, but still within it.

As for how Israel would do it, the important point is that any strike that's been as widely anticipated as this one would have to contain some significant element of surprise—a known unknown. What could that be? Here's a hint: Gen. Hossein Salami, the deputy commander of Iran's Revolutionary Guards, recently warned that "any place where enemy offensive operations against the Islamic Republic originate will be the target of a reciprocal attack." Look at a map: Africa and Central Asia are wide open places.

What happens on the day after? Israelis estimate that between Hamas in Gaza, Hezbollah in Lebanon, Syria and Iran itself, there are some 200,000 missiles and rockets pointed in their direction. They could start falling before the first sortie of Israeli jets returned to base. Israel's civil defenses have been materially improved in recent years. But the country would still have to anticipate that missile and rocket barrages would overwhelm its defenses, causing hundreds of civilian casualties. Israel would also have to be prepared to go to war in Lebanon, Gaza and even Syria if Iran calls on the aid of its allies.

Put simply, an Israeli strike on Iran would not just be a larger-scale reprise of the attacks that took out Iraq's nuclear reactor in 1981 and Syria's in 2007. On the contrary: If it goes well it would look

somewhat like the Six Day War of 1967, and if it goes poorly like the Yom Kippur War of 1973. Nobody should think we're talking about a cakewalk.

So: Should Israel do it? If the U.S. has no serious intention to go beyond sanctions, Israel's only alternative to action is to accept a nuclear Iran and then stand by as the rest of its neighbors acquire nuclear weapons of their own. That scenario is the probable end of Israel.

Then again, if Israel is going to gamble so much on a strike, it should play for large stakes. The Islamic Republic means to destroy Israel. If Israel means to survive, it should commit itself similarly. Destroying Iran's nuclear sites will be a short-lived victory if it isn't matched to the broader goal of ending the regime.

Article 4.

The Daily Beast

Israel and Netanyahu, Pipe Down the Threats of War on Iran

Leslie H. Gelb

February 6, 2012 -- Bibi, Israel, curb your over-the-top war rhetoric toward [Iran](#). I urge this as one who cherishes Israel and values military power. But you've got to understand that your constant threats to attack Iran to stop its nuclear program aren't working. Unending military threats unite Iranians and fire up their resistance. [Economic sanctions](#) weaken and divide them—and often produce constituencies for compromise. Give sanctions time to play out.

You cannot actually believe Iran will prostrate itself in the face of your threats. As Amos Yadlin, a retired Air Force general and former head of Israeli military intelligence, said Sunday: "These statements have reached the point where they have crossed the line from bringing benefit and are beginning to cause damage." Your warnings will ignite war and will not foster Iran's abandoning its nuclear program. Did Saddam Hussein kneel before George W. Bush's threats? Did the Taliban handcuff itself when faced with America's military might? Has Kim Jong-un bowed before his Western master? None capitulated even to the American superpower. Thus, it's hard to believe that you truly calculate that Ayatollah Khamenei will cry "uncle."

And if it is to be war, it won't be only Israel's war. Yes, Israel will bear the greatest risks in a war now or a war if Iran has nukes. But even if Israel attacks by itself, Tehran also can be expected to [strike at America](#), Europe, and elsewhere. And Tehran likely will unleash terrorists worldwide, possibly with chemical and biological weapons, plus hits on oil pipelines. So the decision to go to war cannot be Israel's alone. Both U.S. and Israeli officials tell me that the Obama administration is urging you to be cautious. In an interview Sunday, President Obama expressed solidarity with Israel and also said that diplomacy remains the "preferred solution." But you know, Bibi, that most times this White House is too nice about saying hard things to you. And maybe you won't get the message.

Let me spell out what I think President Obama is saying to you: the unprecedented economic sanctions against Iran are already hurting and will hurt a lot more over the next year. Let them bite more. Meantime, the U.S. and Israel are both underlining to Tehran that all options are on the table. (That's not a trivial phrase from a great power.) Israeli threats won't reinforce the pressure from the sanctions; they'll harden Iran's heart. And we'll all be heading for an incredibly dangerous war.

Now look at both American and Israeli intelligence judgments:

First, we both estimate that Iran's leaders won't surrender to Israel's threats.

Second, we both reckon that either you reverse your rhetoric or you go to war.

Third, your attacks probably will destroy most of Iran's nuclear facilities, but these can readily be reconstructed in one to two years—deeper and less vulnerable to future attacks. (Startling, last week, your Maj. Gen. Aviv Kochavi, the chief of Israeli military intelligence, stated publicly that Iran already had enough fissile material to build four nuclear bombs in one year. If true, that's already enough to destroy Israel. So what's to be gained by your attack?)

U.S. officials are not blind to your tactics to circumvent these joint judgments of reality. One tactic is to convince us the costs of war won't be so great. Just the other day your defense minister, Ehud Barak, tried to minimize the aftershocks: "There will not be 100,000 dead or 10,000 dead or 1,000 dead. The state of Israel will not be destroyed." He should not be so certain or so cavalier.

Another is that you're trying to scare us about Iran's future capabilities against America. According to Moshe Yaalon, your deputy prime minister, Iran is "getting ready to produce a missile with a range of 10,000 kilometers." I think that's news to us. Indeed, maybe someday they will, but they're not close now.

Your final gambit has been the Chico Marx line—"Who you gonna believe, me or your own eyes"? You're trying to convince us that your threats aren't working because the White House isn't backing you up fully. Thus, Yaalon also argued: "The Iranians understand the West has capabilities, but as long as the Iranians don't think that the West has the political stomach and determination to use it, they will not stop. Currently they don't think the world is determined."

What in heaven's name do you propose that "the West" (read: the White House) do to prove its "stomach" to use military force? Shall we shake our fists as you have? That hasn't proved successful for you. If the United States does it and Iran still resists, the loss of American credibility truly would damage world security. The U.S. position is that "all options are on the table." That's the right stance for us—and for you.

Israelis are quite right to look on the dark side of things and to worry that it's getting "too late." Last week, International Atomic Energy inspectors visited Iran only to be denied access to key Iranian nuclear facilities. The inspectors will return shortly, but can't be expected to fare much better.

But it is not now or soon "too late." And we should not permit ourselves to think we've run out of time and choices. There can be no doubt that the sanctions are causing ever deeper pain, and no doubt that background military threats reinforce the message. But what's really needed to round out a plausible policy is a comprehensive U.S. and Israeli proposal that gives Tehran some incentive to compromise and protects Israel's and America's vital interests. This is precisely the point made by Gen. Eitan Ben Eliahu, former chief of the Israeli Air Force. He recently said pressure and military threats were necessary, but that without a third critical leg, diplomacy, we're stuck on today's collision course with Iran.

Article 5.

The Daily Star

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A Turkish model of governance for the Arabs? Yes and no

Mustafa Akyol

February 07, 2012 -- Is Turkey indeed a model for the new Arab regimes? Yes and no. Here's why. The negative first. No, Turkey is not a model for Arab states, for every country has its own history, culture and political structure, which cannot be replicated. Turkey's political history is quite different from that of the Arabs – with a more definitive Ottoman legacy, continuous independence, a secular republic, NATO membership, and a European Union membership process (which is not very promising, yet still important). All make the modern Turkish experience somewhat "exceptional."

Furthermore, Turkey's exceptional history has a very dark side, which should not be a model for anybody. From the ethnic cleansing of Armenians in 1915 to the enforced "Turkification" of Kurds, 20th-century Turkey is full of gruesome episodes. The country also has seen four military coups in which elected politicians were executed or imprisoned. Until very recently, Turkish "security forces" were masters of torture and summary executions.

However, there is a crucial detail here that often goes unnoticed: Turkey's "dark side" emerged less from the Turks' traditional religious values and more from the "modern" ones replacing them. The Armenians, for example, had lived side by side with Ottoman Muslims for some six centuries until the rise of modern nationalism. Similarly, no one in the Ottoman Empire ever suggested that Kurds were actually "mountain Turks" whose true identity should be restored via cultural assimilation.

The Ottoman state had its own brutality, too, but its political system was much more pluralistic when compared to the modern Turkish

Republic. One-third of the Ottoman parliament, for example, consisted of non-Muslims – Greeks, Armenians or Jews. Throughout the nine decades of the modern Turkish parliament, the total number of non-Muslim deputies has been less than a dozen.

The reason is that this specific Turkish modernity corresponded to what would be called in the West “the dark side of the Enlightenment,” which produced militant forms of nationalism, including fascism, and an illiberal secularism that suppressed traditional religion. The bright side of the Enlightenment – liberal democracy – was the less traveled Turkish road. Therefore, if Turkey can ever become a good “model” for other Muslim nations, it can do so only by synthesizing the bright side of the Enlightenment – liberal democracy – with its traditional religious values.

When we look at Turkish history, we see that this synthesis was partly realized not by the Mustafa Kemal Atatürk and his followers, but by their rivals: the Democrat Party of Adnan Menderes (1950-1960), the Motherland Party of Turgut Özal (1983-1993), and the Justice and Development Party (AKP) of Recep Tayyip Erdoğan (since 2002). All these political movements emphasized economic development, democratic politics, and respect for traditional religion.

The latest party in this chain, the AKP, is also the most interesting, for its founders such as Erdoğan and Abdullah Gül came from the Islamist line in Turkish politics, but gradually moved toward the center-right. They embraced democratic rule, individual freedom, free-market capitalism, even the secular state, as long as secularism includes religious freedom. The AKP emerged as the most notable “post-Islamist” party in the Muslim world, and its economic and political success has captured the attention of other Muslims.

Post-Islamism does not imply detachment from Muslim identity, including sensitivity to global “Muslim issues” such as the Palestinian cause. But the AKP has combined its strongly pro-Palestinian stance

with peaceful support for a two-state solution and rejection of anti-Semitism. It has also combined its continuing alliance with the West with a growing tone of independence, making the former more respectable in Middle Eastern eyes.

This has made the AKP a “model,” or at least a source of inspiration, for more progressive Arab Islamist parties that have emerged victorious from the Arab Spring, some of which, such as Tunisia’s Al-Nahda, have explicitly acknowledged this fact. Therefore, instead of speaking of a “Turkish model” for the Arabs, it is more accurate to speak of an “AKP model” for progressive Arab Islamists.

The AKP is criticized in Turkey these days for turning increasingly authoritarian. Not all but most of this criticism is relevant. Yet this has little to do with Islamism within the party. As I recently wrote, “AKP is too Turkish – not too Islamic.” In other words, its authoritarian tendencies emerge from the usual problems of Turkish politics, which existed in previous center-right parties as well.

The AKP should come to its senses and curb its temptation to unlimited power if it wants to remain a model for would-be liberal Islamists. Meanwhile, its transformation to post-Islamism remains genuine and meaningful for the Arab Islamists, who are entering an age of power with which they have little experience.

Mustafa Akyol is a journalist and author of “Islam without Extremes: A Muslim Case for Liberty.” This commentary first appeared at bitterlemons-international.org, an online newsletter.

Dead End in Damascus

[Ariel Cohen](#)

February 6, 2012 -- In another blow to President Obama's "reset policy" with Russia, Moscow and Beijing imposed a double veto at the U.N. Security Council resolution that would have condemned the Syrian government for killing civilians. In an unprecedented rhetorical escalation, U.S. ambassador Susan Rice [announced](#) [3] that the United States was "disgusted" by the veto: "The international community must protect the Syrian people from this abhorrent brutality, but a couple members of this council remain steadfast in their willingness to sell out the Syrian people and shield a craven tyrant." The gathering diplomatic clouds have produced a thunderbolt. A contretemps this week between the foreign ministers of the United States and Russia reflects the growing tensions between the two countries, not to mention the two officials. According to State Department spokesman Victoria Nuland, Secretary of State Hillary Clinton tried repeatedly on Tuesday to reach her Russian counterpart, Sergey Lavrov. He avoided her calls for twenty-four hours. Meanwhile Lavrov, who was in Australia, said State gave him an inconvenient time frame for the conversation, which didn't work as he had scheduled meetings with high officials in the Australian government. When asked why the Americans were complaining, he replied, "Probably this is due to her manners." This remarkable give-and-take between the two foreign ministries certainly confirms that U.S.-Russian relations are not in good shape—and, further, that there is no love lost between those two high governmental officials. However, the immediate pretext for the latest deterioration of relations between the two countries is Syria. The Russian Interest

Russia has a lot at stake in Syria, and it does not want another Libyan scenario in which an old ally takes a bullet. Nor does it want radical Islamists to take over the Arab state that hosts the last Russian naval base in the Mediterranean. Hence, Lavrov says, the Kremlin is not supportive of regime change in Damascus. But it may have no choice. Moscow considers the uprising in Syria to be, to some extent, the handiwork of the United States and its European allies. This perception is fundamentally wrong: Assad's is an oppressive, minority-Alawi regime. It came to power via a 1970 coup. In 1982, the current dictator's father, then president Hafez al-Assad, brought artillery and killed over twenty thousand Islamist rebels in the town of Hama. The son is less efficient and likely to lose power.

Peaceful protests against Assad's dictatorship started last spring. Since then, the regime's response to these protests has claimed more than five thousand lives and triggered a campaign of violence from the majority Sunnis that includes a growing Islamist element and takes in Muslim Brotherhood, Salafi and even al-Qaeda-affiliated factions. Despite President Obama's "reset" policy, Russia continues to [support](#) [4] Bashar al-Assad's brutal regime. But in a rare admission of reality, a senior Middle East hand acknowledged that Russia must step back. Mikhail Margelov, chair of the upper house's foreign-affairs committee, [admitted](#) [4] that Russia has "exhausted its arsenal" of support available to Assad.

The USSR had close relations with Syria since the days of United Arab Republic. The UAR included Egypt, Syria and Iraq. Driven by Arab nationalists, it was socialist, anti-Israel and anti-Western alliance—everything the Soviets could desire. The relationship with Syria has thrived under Putin—but at a cost to Russia. Moscow has forgiven almost three-quarters of Damascus's massive debt in order to lure lucrative weapons orders. Not long after the United States imposed sanctions on Syria in 2004 for supporting Islamist terrorism

and for allowing al-Qaeda fighters to cross into Iraq, Russia agreed in principle to sell Damascus a massive weapons package, which included war planes, short-range air-defense systems and anti-tank weapons. President Medvedev signed a formal military agreement in May 2010 expanding arms sales. In the last decade, Russia has sold well over a \$1 billion in arms to Syria, including anti-tank missiles, surface-to-air missiles and MiG 29/31 fighter aircraft.

Russia also plans to construct a nuclear-power plant in Syria. This is despite Israel's destruction of a suspected covert nuclear reactor in the middle of the Syrian desert in September 2007. Now, the Assad regime appears to be in the end game—and it is losing. But despite the regime's growing isolation, Russia continues to supply it with weapons and nuclear technology. In 2010, Moscow Russia [decided](#) [5] to deliver SS-N-26 Yakhont antiship cruise missiles to Damascus.

These sales are destabilizing and dangerous. In 2006, Hezbollah used Russian anti-tank rockets provided by Syria against Israeli forces. Russia has continued to deliver weapons to Syria, despite pressure from the U.S. and Israeli governments. Iran also funnels arms and trainers to Hamas and Hezbollah via Syria.

Blinded by the Reset

Syria is just another shipwreck resulting from Obama's reset policy hitting the reefs. The conflicting Russian and U.S. interests in the Middle East are coming to the fore. A longtime sponsor of terror and Iran's close ally, Syria has aided and abetted attacks on American troops and U.S. allies in Lebanon and Iraq. From the Kremlin's perspective, the practically inevitable collapse of the Assad regime would constitute a net loss. Russia still clings to the rogue actor, once again highlighting the fact that the Kremlin's first priorities are not cooperation with the United States or stability in the region but opposing Washington, increasing arms exports and expanding its own influence. This year, a small Russian flotilla led by the Moscow's only aircraft-carrying cruiser—the Admiral Kuznetsov—

paid a visit to Syria. This public support of the embattled Assad regime clearly demonstrated Russia's defiance of U.S. interests and its disregard for the Obama administration's reset policy. But it also signaled the limits of Russian power.

Yet there is a lesson learned. Russia's current protection of Syria is not unlike what it provides to Iran. The Kremlin is hoping against hope for the preservation of Assad. The emergence of a new Sunni, pro-Russian regime in Damascus appears unlikely. But Moscow analysts tell me that if Assad goes down, the Kremlin will earn a reputation of supporting allies—something the United States lacks after letting the Mubarak regime go down quickly. The real question is whether Russia will keep the Soviet-era naval base in Tartus on Syria's Mediterranean coast.

While the disagreement on Libya led to Russia's abstention in the Security Council and was soon forgotten, the spat over Syria will poison Moscow's relationship with Washington, its European allies and Sunni Arab states.

The Obama administration, which is consistently [behind the curve](#) [6] in Syria, should stop boasting about the "successes" of the Russia reset policy and hold Moscow accountable for actions that threaten U.S. interests: destabilizing arms transfers, nuclear-technology sales and support for massive human-rights violators such as Syria and Iran.

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Where Will the Muslim Brotherhood Take Egypt's Economy?

Mohamed El Dahshan

6 February 2012 -- CAIRO: Egypt's new parliament is taking seat amid ongoing protests on the streets, deteriorating relations with the US over impending trial of NGO workers and threats that the US might review \$1.3 billion in Egyptian military aid. Thus, it's essential to read into the economic policy the Muslim Brotherhood will devise to redress an economy battered by a year of severe mismanagement by the ruling military junta and its successive transitional governments.

The Brotherhood's political arm, the Freedom and Justice Party, or FJP, won 47 percent of the seats in the Egyptian parliament in January 2012, and concerns about that accession to power largely concentrate on secondary issues – sartorial restrictions, alcohol prohibition, gender-segregated beaches – leaving little room for serious policy discussion. At times concerns were raised about the Brotherhood's perspective on Egypt's peace treaty with Israel.

For the first time in its modern history, Egypt has been placed under the tutelage of an Islamist party. And more than cultural attitudes, its economic policies may signify the most profound changes for the country.

For much of its 85 years of existence, the Muslim Brotherhood was a banned opposition party. As such, it didn't have to develop consistent economic policy. FJP's economic policy today is a confusing series of ideas, mostly aimed at its conservative

constituency. Short of a complete economic plan, FJP works from a series of clippings.

Trying to discern a pattern from those clippings, one is struck by two competing ideologies wrestling within the economic policymaking:

One is an interventionist tendency reflecting the organization's traditional hierarchical structure. For example, Abdel Hafez El Sawy, now leading the FJP's Economic Council, criticizes Egypt's "unproductive and rentier economy" while emphasizing the need to encourage productivity by selecting "prime" sectors.

The other is a group of Islamist industry and trade leaders headed by Khairat Al-Shater, multimillionaire businessman who found himself imprisoned by the Mubarak regime, assets twice confiscated. He is now a FJP strategist and senior leader of the Muslim Brotherhood. Al-Shater and others, such as his partner Hassan Malek or Safwan Sabet of household brand Juhaina fame, would argue for a liberal, market economy with a business-friendly climate. Al-Shater is already tasked with leading the massive "Renaissance Project" for FJP, a long-term plan to fix the economy, public administration, health and education. The project, awarded a generous budget, is at the heart of FJP's strategy.

Alongside such laudable generalities as restoring trust in the economy and self-sufficiency in strategic goods, FJP advocates for a mixed-basket of policies that include an export substitution industrial policy in cooperation with the private sector; controlling budget deficits and public debt, while rationing public spending; increasing the minimum wage, an original demand of Tahrir Square protesters; strengthening competition and anti-trust legislation; introducing a progressive income tax; and raising the ceiling for tax exemptions.

The interventionist and free-market tendencies explain why commercial banks and the stock market won't see their business threatened. Despite declarations of "moving to an Islamic economy" – one where interest-free Islamic finance replaces conventional commercial banking – embedded in the party platform, the Brotherhood and its businesspeople know that Islamic banking accounts for less than 4 percent of the local banking industry, estimated at \$193 billion. They don't want to frighten depositors and borrowers. The government will likely encourage banks to offer Islamic financial products to clients.

Most striking about FJP's top-down approach in a nation where 25.2 percent of the population lives below the poverty line is the perception of poverty alleviation as a form of charity, not a necessary outcome of economic growth. This is a remnant of the Brotherhood's past far-reaching organized charity work. The source of their grassroots support is a historical perception of how development is "done," as per the electoral program, with "permanent and continuous financing" through charity. Tellingly, the poverty-alleviation section of the electoral program is under "social justice," not "economic development."

So how will government finance charities and balance the national budget? Here, the FJP fumbles, offering little about fiscal policy in its electoral program. The FJP seems to plan on methodically going through all of the country's pockets.

One potentially deep pocket is several billion in government "special funds" – slush funds not supervised by the government or included in the state budget. Another would be to cut energy subsidies for industry, a \$3.3 billion reduction – both ideas of the previous transitional government.

The FJP also estimates that "reviewing all oil and gas export deals" could provide \$18 billion to state coffers – a wildly hypothetical

estimate, as it assumes trade partners, most notably Israel, will agree on changing terms of agreements.

Some Brotherhood leaders have floated the idea of repossessing previously state-owned land from owners who obtained it through corruption – a fair demand, but complicated, considering the reaction of investors to limited repossessions conducted by the transitional government in 2011.

Another improbable source of income, hinted at by FJP, is making zakat – yearly alms that Muslims should pay to help the less fortunate, amounting to 2.5 percent of wealth – compulsory not voluntary.

The Brotherhood, increasingly engaged in visible politicking with the army, is unlikely to touch the deep pocket of the military budget any time soon. With the help of US largess, \$1.3 billion per year – in effect, unlikely to be revised downward – the military's massive economic interests range from production of ovens and mineral water to beach-condo rentals. Such budget details are not public, though it's estimated that the army's economic interests represent a staggering 30 percent of the Egyptian GDP.

Ironically, a revenue-generating sector that seemed most threatened from the Brotherhood's ascent – tourism – might escape unscathed. "No citizen who makes a living from [tourism] should feel concerned", FJP officials stated, attempting to ease worries of the almost 1 in every 9 Egyptians whose livelihood depends on the industry. Many fear that the Islamist parties in the parliament will push for prohibitions on alcohol consumption and swimwear. Extremists, mostly in the Salafi wing, exacerbate such fears by issuing statements comparing Pharaonic statues to forbidden pre-Islamic idols.

The FJP promises to protect tourist sites, open new markets and improve tourism infrastructure. While restrictions on activities like

alcohol consumption might befall Egyptian nationals, and that's unlikely, tourists should notice no big changes.

How the Brotherhood's budget turns out depends on how parliamentary alliances coalesce. Existing tensions between liberal and Islamist parties will be replaced by common interests; the Brotherhood will find good allies in economic policy in smaller pro-market parties across the aisle.

To be viewed as moderates, the Brotherhood will attempt to distance itself from the extremist Salafi groups. Nevertheless, punctual alliances, notably on issues deemed religious, will likely be created with the Salafi contingent. The latter has already voiced its support to compulsory zakat collection, for instance.

The end result will be a stumbling, learn-as-you-go pragmatic pro-market economic policy with a strong welfare component. Deregulation will slow. Relations with international donors won't change.

At the end of the day the Brotherhood's economic policy may represent little change from the past two decades, as Egypt's economic policy maintained massive subsidization while conducting, or at least promising, pro-business reforms.

Investors at home and abroad remain wary. The FJP-led government's main challenge, then, is to reassure investors and entrepreneurs of its commitment to a market-based economy, while fulfilling its commitment to relieve poverty through charity and social programs while eradicating the corruption that has soured Egypt's economy and vilified the market economy in the eyes of Egyptian citizens.

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