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Article 1.
NYT

Israel's Last Chance to Strike Iran

Amos Yadlin

February 29, 2012 -- ON July 7, 1981, I was one of eight Israeli fighter pilots who bombed the Iraqi nuclear reactor at Osirak. As we sat in the briefing room listening to the army chief of staff, Rafael Eitan, before

starting our planes' engines, I recalled a conversation a week earlier when [redacted] asked us to voice any concerns about our mission. We told him about the risks we foresaw: running out of fuel, Iraqi retaliation, how a strike could harm our relationship with America, and the limited impact a successful mission might have — perhaps delaying Iraq's nuclear quest by only a few years. Listening to today's debates about Iran, we hear the same arguments and face the same difficulties, even though we understand it is not 1981.

Shortly after we destroyed Osirak, the Israeli defense attaché in Washington was called into the Pentagon. He was expecting a rebuke. Instead, he was faced with a single question: How did you do it? The United States military had assumed that the F-16 aircraft they had provided to Israel had neither the range nor the ordnance to attack Iraq successfully. The mistake then, as now, was to underestimate Israel's military ingenuity. We had simply maximized fuel efficiency and used experienced pilots, trained specifically for this mission. We ejected our external fuel tanks en route to Iraq and then attacked the reactor with pinpoint accuracy from so close and such a low altitude that our unguided bombs were as accurate and effective as precision-guided munitions. Today, Israel sees the prospect of a nuclear Iran that calls for our annihilation as an existential threat. An Israeli strike against Iran would be a last resort, if all else failed to persuade Iran to abandon its nuclear weapons program. That moment of decision will occur when Iran is on the verge of shielding its nuclear facilities from a successful attack — what Israel's leaders have called the "zone of immunity."

Some experts oppose an attack because they claim that even a successful strike would, at best, delay Iran's nuclear program for only a short time. But their analysis is faulty. Today, almost any industrialized country can produce a nuclear weapon in four to five years — hence any successful strike would achieve a delay of only a few years. What matters more is the campaign after the attack. When we were briefed before the Osirak raid, we were told that a successful mission would delay the Iraqi nuclear program for only three to five years. But history told a different story. After the Osirak attack and the destruction of the Syrian reactor in 2007, the Iraqi and Syrian nuclear programs were never fully resumed. This could be the outcome in Iran, too, if military action is followed by tough sanctions,

stricter international inspections and an embargo on the sale of nuclear components to Tehran. Iran, like Iraq and Syria before it, will have to recognize that the precedent for military action has been set, and can be repeated. Others claim that an attack on the Iranian nuclear program would destabilize the region. But a nuclear Iran could lead to far worse: a regional nuclear arms race without a red phone to defuse an escalating crisis, Iranian aggression in the Persian Gulf, more confident Iranian surrogates like Hezbollah and the threat of nuclear materials' being transferred to terrorist organizations. Ensuring that Iran does not go nuclear is the best guarantee for long-term regional stability. A nonnuclear Iran would be infinitely easier to contain than an Iran with nuclear weapons.

President Obama has said America will "use all elements of American power to prevent Iran from developing a nuclear weapon." Israel takes him at his word. The problem, however, is one of time. Israel doesn't have the safety of distance, nor do we have the United States Air Force's advanced fleet of bombers and fighters. America could carry out an extensive air campaign using stealth technology and huge amounts of ammunition, dropping enormous payloads that are capable of hitting targets and penetrating to depths far beyond what Israel's arsenal can achieve.

This gives America more time than Israel in determining when the moment of decision has finally been reached. And as that moment draws closer, differing timetables are becoming a source of tension.

On Monday, Mr. Obama and Prime Minister Benjamin Netanyahu of Israel are to meet in Washington. Of all their encounters, this could be the most critical. Asking Israel's leaders to abide by America's timetable, and hence allowing Israel's window of opportunity to be closed, is to make Washington a de facto proxy for Israel's security — a tremendous leap of faith for Israelis faced with a looming Iranian bomb. It doesn't help when American officials warn Israel against acting without clarifying what America intends to do once its own red lines are crossed.

Mr. Obama will therefore have to shift the Israeli defense establishment's thinking from a focus on the "zone of immunity" to a "zone of trust." What is needed is an ironclad American assurance that if Israel refrains from acting in its own window of opportunity — and all other options have failed to halt Tehran's nuclear quest — Washington will act to prevent a nuclear Iran while it is still within its power to do so.

I hope Mr. Obama will make this clear. If he does not, Israeli leaders may well choose to act while they still can.

Amos Yadlin, a former chief of Israeli military intelligence, is the director of Israel's Institute for National Security Studies.

Article 2.

The National Interest

A New Approach to Tehran

Amitai Etzioni

February 29, 2012 -- A shrine at the mausoleum of Khawji Rabie to an Iranian soldier killed in the Iran-Iraq War.Several years ago, I spent three days in Isfahan, Iran, at a conference organized by the reformers at the Center for Dialogue among Civilizations. Asked to visit the rest of the country, I met with Iranians in Qom, Shiraz, Kashan and Tehran. What struck me most were the little shrines I saw all over the country at the sides of the road and at the entrances and exits of towns and villages. They are dedicated to Iranians—about five hundred thousand—who died young during the eight-year war with Iraq. Pointing to these shrines, my hosts bemoaned their losses the way Germans talk about WWII and the Nazi era: as traumatic experiences that have shaped their psyche and whose repetition they are keen to avoid at almost any cost. The Iranians I met—granted, a few years back, in 2002—were very war allergic.

I leave it to psychiatrists to decide whether the recent bellicose talk of those in power—threats to close the Strait of Hormuz and remarks by Ayatollah Khomeini that Iran would "support and help any nations, any groups" fighting against Israel—is merely brave talk to cover up weak knees or the talk of a minority not backed up by a war-weary majority. The fact that every time the U.S. ratchets up its threats to use force, the Iranian government calls for negotiations (as has happened again recently) suggests to me that little has changed on this account. True, these offers to negotiate may be merely stalling tactics. However, they show that at least

the mere threat of an attack commands the attention of Iran's government, and judging by the run from the rial, its people.

Carry a Big Stick

Once, when the Iranian government felt espiecially threatened, it made an offer that was very favorable to the West. The time was mid-2003, a point at which the United States showed its military might by easily disposing of Saddam's army in weeks, and with few casualties—a feat Iran could not accomplish after fighting him for eight years. The fact that the Bush administration openly listed Iran as one of the three members of the Axis of Evil and otherwise indicated that it could be subject to military attacks alarmed Tehran. (Similar developments led Qaddafi to give up his program of WMD development in Libya.) In response, Iran sent the U.S. government a proposal in May 2003 that called for a comprehensive dialogue between the two countries that would address Iran's nuclear program, among other issues. Several observers considered this proposal to be the blueprint for a "grand bargain." Flynt Leverett, former Middle East director for the National Security Council, compared it to the diplomatic communications between Beijing and the Washington that paved the way for the opening of relations with China during the Nixon administration. New York Times columnist Nicholas Kristof called the document "astonishing" and said it offered "a real hope for peace." The Bush administration rejected the proposal. The president believed that negotiating would give credibility to what he considered a fundamentally illegitimate regime, and he wanted to pursue a policy of regime change. The administration's official response was to criticize the Swiss ambassador (who had acted as the intermediary in passing the Iranian proposal to Washington) for overstepping his authority. U.S. intelligence, however, shows that Iran nevertheless halted its nuclear program later in 2003 and kept it on ice until 2005, when the United States' mounting troubles in Iraq re-emboldened Iran. There are two lessons here: Nothing is more likely to bring Iran to the negotiating table, not to win time but for a true give-and-take, than if the United States and its allies seem willing to make good on their repeated declarations that all options are on the table—that is, if serious preparations for a military strike take place. Second, such pressures, combined with sanctions and diplomacy, are much more likely to succeed if limited to demands to change behavior (halt the program to

build nuclear arms or open up to sufficient inspections to prove that no such program is taking place) than if Washington and its allies insist on regime change.

Those in power in Iran can live without nuclear arms if they are granted what they seem to want most: a nonaggression pact with the United States. But leaders in Tehran are unlikely to engage in negotiations with anyone seeking to remove them from power. Like other elites, officials in the Iranian government (at least several of the major factions) are willing to make concessions if they help them to hold on to power—but not if, despite what they promise, they will still be kicked out. In their view, regime change means not only that they are going to lose power—at best, live in exile, if not be killed or jailed—but also that the form of government and way of life they believe in, just as Americans believe in theirs, will be toppled. In short, seeking to make Iran abide by its international obligations under the nonproliferation treaty is more likely to succeed that seeking to replace those in power.

A Young Iran

The reformers I talked to indicated that while they are anticlerical, they consider themselves Iranian patriots and will keep the nuclear program going if and when they are in change of the government. Ergo, counting on the protest movements to win (not likely) and end the military nuclear program (very unlikely) is not a realistic course.

In any case, trying to undermine the Iranian theocracy is not necessary, as the mullah regime—much more than in several other Muslims countries—is being undermined by the young people acting primarily through culture rather than politics. Thus while there are strong pro-sharia majorities in Egypt, Libya, Saudi Arabia and Yemen, I was struck by the empty mosques and the poorly attended Friday prayers I saw in Iran. Indeed, several of the mosques have been turned to other usages, including changing at least one to an election headquarters. There seem to be many more young people who would like to feel free—to hold hands and kiss in public, use makeup, push back their headscarves, import porn from Turkey and enjoy alcohol—than those willing to join street protests.

I was hence not surprised when the leaders of the reform stressed that they opposed the clergy and the imposition of religion but not an Islamic republic. The line I heard most often was, “Let there be no compulsion in

religion," quoted from the Koran. The reformers explained that they work toward a day in which all will seek to pray, but no one will be made to pray. I see no reason their position should give the United States any grief. In fact, Washington should extend its support beyond secular-liberal groups, as it is reportedly doing in Egypt, to all moderate Muslim groups. Iran can be disarmed, most likely without firing a shot, once it becomes clear that the West means business—but only if the goal is disarmament and not regime change. The Iranians themselves will have to work out whatever regime change is called for there. It is unlikely to look like the United States, but it can still be one that Americans can learn to respect and live with.

Amitai Etzioni served as a senior advisor to the Carter White House; taught at Columbia University, Harvard, and The University of California at Berkeley; and is a university professor and professor of international relations at The George Washington University.

Article 3.

The Council on Foreign Relations

How to Read North Korea Deal

Scott A. Snyder

February 29, 2012 -- The United States released a statement February 29 announcing "important, if limited, progress" in addressing U.S. concerns related to North Korea's nuclear program. In return for the provision of least 240,000 tons of nutritional assistance, Pyongyang has pledged to place a moratorium on nuclear and long-range missile tests and to pursue an IAEA-monitored shutdown of its uranium enrichment activities at Yongbyon.

The primary benefit of the agreement is that it reduces risk that tensions may spin out of control during a period of domestic political uncertainty in both countries.

North Korean implementation of these actions may also pave the way for resumption of the Six-Party Talks, which envision eventual normalization of relations with North Korea in return for North Korea's abandonment of

its nuclear weapons. North Korea's acceptance of a moratorium on nuclear and missile tests and the return of IAEA inspectors to Yongbyon are concrete actions that all sides can point to as justification for returning to dialogue. However, there is still reason for pessimism that the Six-Party Talks will be able to accomplish the goal of North Korean denuclearization in exchange for U.S. diplomatic normalization.

One immediate sticking point not addressed in the latest statements from Pyongyang and Washington is that North Korea has turned up the decibel level of its attacks on South Korea's Lee Myung-bak administration in recent weeks despite past U.S. insistence that stabilization of inter-Korean relations is a prerequisite for the Six-Party Talks to move forward. Given the vituperative rhetoric that the North has directed toward the Lee Myung-bak administration in recent weeks and North Korea's failure to acknowledge its 2010 provocations against South Korea, this is an additional issue that must be addressed as part of any return to the Six-Party Talks.

The U.S.-DPRK agreement is also "limited" in two other respects:

A monitored shutdown of uranium enrichment facilities at Yongbyon does not preclude the likelihood that North Korea may be pursuing uranium enrichment at other facilities inside North Korea.

The U.S. pledge to provide 240,000 tons of nutritional assistance is a floor rather than a ceiling; the gap over the amount of assistance that the DPRK had sought prior to the talks will likely be addressed by additional U.S. assistance pledges in the future.

Since the primary outlines of the agreement were actually negotiated during U.S.-DPRK bilateral talks held in July and October 2011 prior to Kim Jong-il's death, the agreement itself provides limited insight into how North Korea's new leadership makes decisions aside from reinforcing the North Korean emphasis on continuity of leadership as North Korea's succession process unfolds. Even if the Six-Party Talks reconvene in the coming months, almost all the participants face political transitions during the remainder of 2012, making it unlikely that the talks will make significant progress this year.

Scott A. Snyder, Senior Fellow for Korea Studies and Director of the Program on U.S.-Korea Policy

Article 4.

Washington Post

North Korea nuclear-food aid deal:

Did the Obama administration buy the same horse for the third time?

Allen McDuffee

02/29/2012 -- North Korea's spent nuclear fuel rods, kept in a cooling pond, are seen at the nuclear facilities in Yongbyon, North Korea in this 1996 photo, released from Yonhap News Agency Friday, Feb. 7, 2003. (Yonhap - Associated Press) The announcement from the State Department Wednesday that North Korea has agreed to suspend its uranium-enrichment program and its long-range missile and nuclear tests in exchange for 240,000 metric tons of food aid may seem like a major concession, but it isn't impressing many in the Washington foreign policy community.

"Haven't we seen this movie before?" asked Nicholas Eberstadt of the American Enterprise Institute, who writes on North Korea. "It ran under both the Clinton and the George W. Bush Administrations." The ending, according to Eberstadt, should be a familiar one to anyone who has paid attention: "Pyongyang ends up shaking down the international community for lots of food and cash, keeping its nukes and missiles, and getting ready to start up the game again for a whole new bunch of suckers."

North Korea launched two nuclear tests in 2006 and 2009 and expelled the International Atomic Energy Agency (IAEA) inspectors from the country in 2002 and 2009. Despite those events, the George W. Bush administration negotiated with the North Koreans.

The Obama administration has said it would not repeat those mistakes, stating that it "will not buy this horse for a third time" by re-entering negotiations with North Korea. However, after Wednesday's State Department announcement, the administration may be making itself vulnerable to criticism for retreating from its original position. But the cost is minimal for the United States and could be worth it, says Victor Cha, a former White House Asia adviser, now at the Center for Strategic and International Studies.

“On one hand, you could say with the food aid that they’re buying the same horse for the third time,” said Cha to The Washington Post earlier Wednesday. “On the other hand, it means getting a handle on what has been a runaway nuclear program that’s continued unabated for more than three years. For that, a bit of food isn’t that high of a price.” As part of the agreement, North Korea has also agreed to allow officials from the International Atomic Energy Agency to resume inspection of its uranium-enrichment facilities.

With some reservation, Richard Bush, director of the Brookings Institution’s Center for Northeast Asian Policy Studies says there is something to be valued from Wednesday’s announcement.

“Washington, Seoul and Tokyo have long sought [North Korean] actions that demonstrate some degree of seriousness and sincerity toward resolving the nuclear dispute in a way that is acceptable to us and the steps announced today were on the list we had put forward,” said Bush. He acknowledged that the move was only a confidence building measure, but noted that “they could indeed be an initial step on a path towards serious negotiations, negotiations that Pyongyang scuttled by its own actions.”

The State Department, which brokered the deal last week in Beijing, appears to be cautiously optimistic about the results. “The United States still has profound concerns regarding North Korean behavior across a wide range of areas, but today’s announcement reflects important, if limited, progress in addressing some of these,” said State Department spokeswoman Victoria Nuland in a statement.

Article 5.

Los Angeles Times

Welcome to the new Middle East

Aaron David Miller

March 1, 2012 -- For the better part of the last century, three Arab states -- Egypt, Iraq and Syria -- dominated Middle East politics in matters of war and peacemaking and shaped the region's relations with the great powers.

The kings of Jordan and Morocco -- and, of course, Saudi Arabia (and the Persian Gulf states) when it came to oil -- had their say too. But it was the three pseudo-republics, authoritarian military regimes really, that threw their collective weight around.

Not anymore. The changes sweeping the Arab world have injected new life and meaning into its politics. But that has also fundamentally undermined the capacity of the key Arab states to act decisively and coherently on the regional stage.

It's the new world of the non-Arabs -- Iran, Israel and Turkey -- that will now increasingly shape that stage for both good and ill. No matter how long it lasts, the eclipse of the Arabs will carry important consequences for the Middle East and the United States' interests there.

For decades, Egypt, Iraq and Syria, cooperating at times but competing for influence and power always, shaped the Arab world's policies toward East and West, drove the alliances and maneuvering in inter-Arab politics, determined what would and would not happen when it came to Israel, and carried out their own ambitions. These three republics and the men who dominated them became the face of the Arabs to the world.

Egypt held the key to peacemaking with Israel, Iraq to stability in the Persian Gulf and Syria to Lebanon. America would come to depend heavily on the first, go to war twice with the second and both court and try to check the ambitions of the third. With some exceptions, it was a world that had acquired a perverse kind of stability. The status quo was hardly perfect, but it was, particularly after the Iraq war and the demise of Saddam Hussein, relatively manageable for the Arabs and the West.

Now all of that is gone. Within a year -- a stunningly inconsequential unit of time in the grand sweep of Middle Eastern history -- these three Arab states have gone off line. In the case of Iraq, this has been in the works for some time now. Iraq is becoming a dysfunctional state marked by continuing violence and unable to create a legitimate political contract. Its Shiite-dominated regime and Sunni rivals will continue to wrangle at the expense of a functional and effective governance.

Egypt, preoccupied with its internal house and seeking a new-found independence from the United States, may want a more ambitious role in the region. But it probably will be unable to deliver. Its economy is in shambles. And its political system is locked in a competition between

Islamists and the military, both of which seem to want influence without the real responsibilities of governance. A vacuum has been created that will ensure that this struggle continues without an effective government to deal with Egypt's galactic economic problems or to undertake necessary reforms.

Egypt's voice will be loud, criticizing Israel and the U.S. and trying to broker Palestinian reconciliation, but its impact will be small.

Whatever the fate of Bashar Assad, Syria's capacity to project power on the regional stage has been dramatically reduced. The Assads -- father and son -- always played a weak hand well. Syria had power and influence -- a strong military, a ruthlessness and skill in manipulating Lebanon, an emerging relationship with the West, even a disengagement with Israel on the Golan Heights, and a strategic bond with Iran.

All of that was a function of a powerful regime. And now all of it is collapsing. Nobody knows what will happen, but the trend lines look increasingly like fragmentation of authority if not civil war. And for the foreseeable future, Syria's capacity to rule Lebanon, to seek the return of the Golan Heights and to throw its weight around the region is gone.

Unlike the Arabs, the "nons" have been rising for some time. With strong militaries, coherent political and economic systems and strong ties to one or more great powers, Iran, Israel and Turkey are effective actors. They each have a strong sense of national identity and purpose. More important, they are all stable countries, capable of asserting their power in defense of their own interests.

Israel has built a vibrant economy, a dominant military and maintains a strategic relationship with the United States. Iran has benefited enormously from the end of Saddam Hussein, the weakening of the Iraqi polity and the rise in oil prices. It has continued to pursue its aim of developing at least the capacity to produce a nuclear weapon. Turkey has managed -- unlike any Arab state -- to find a balance between Islam and modernity that allows it to be relatively democratic, competitive and highly relevant both in the Arab and Muslim worlds and in the West too.

All, of course, also function under serious constraints. Turkey's policy of maintaining close ties with every Arab/Muslim country has posed serious headaches as Iran and Syria have become international pariahs. Iran is not only a repressive state that faced serious internal opposition and could face

more, but it is subject to potentially crippling sanctions from Europe and the United States.

But what is so intriguing about the Iranians and the Israelis too is that even in the face of pressure, both have managed to maintain their own interests: Iran in resisting pressure to retard its nuclear program; Israel in its ability to maintain its security interests and to resist pressure to settle the Palestinian issue on any terms to which it's opposed.

The eclipse of the Arabs carries few positive consequences for the United States. Egypt will become a much less reliable partner as both its public and elites hammer America for its policies on Israel; Iraq will probably remain violent and unstable, certainly not a reliable buffer against Iranian ambitions; and Syria, an adversary that the U.S. at least knew, is evolving into a terra incognita, a potentially fractured polity in which regional powers and sectarian conflict will produce even greater instability. And in the interim, Iran's efforts to acquire a capacity to produce a nuclear weapon, and Israel's efforts to stop it, may drive the region closer to war. Welcome to the new Middle East; it won't look anything like the old.

Aaron David Miller, a public policy scholar at the Woodrow Wilson International Center for Scholars, served as a Middle East negotiator in Republican and Democratic administrations. He is the author of the forthcoming "Can America Have Another Great President?"

Article 6.

The Economist

Why trade reform matters in the Middle East

Feb 25th 2012 -- A YEAR after the start of the Arab spring, no government in the Middle East has attempted serious economic reform even though it is obvious both that economies are distorted and that

discontent over living standards has played a big part in the uprisings. The main reaction by governments has been to buy off further protests by increasing public spending. Saudi Arabia boosted government spending by over 50% between 2008 and 2011.

Although higher oil prices have been enough to finance these rises, much of the extra spending has gone into public-sector wages and consumer subsidies. Food and fuel subsidies are often huge: over 10% of GDP in Egypt. In the region as a whole, fuel subsidies rose from 2.3% of GDP in 2009 to 3.2% in 2011.

These subsidies benefit the rich, keep loss-making firms alive and damage the economy. According to the IMF, the richest fifth of Jordanians capture 40% of fuel-subsidy gains; the poorest fifth get 7%. More important, subsidies exacerbate the region's most important economic problem, which, argue Adeel Malik of the Oxford Centre for Islamic Studies and Bassem Awadallah*, a former Jordanian finance minister, is "that it has been unable to develop a private sector that is independent, competitive and integrated with global markets". By distorting domestic prices, subsidising energy-guzzling firms and increasing public-sector wages relative to private-sector ones, the past year's actions have made it even harder to develop a flourishing private sector.

It was hard enough before. The Middle East has strikingly few private companies, less than one-third of the number per person in eastern Europe. Everywhere the state dominates the economy. In Egypt the public sector accounts for 40% of value-added outside agriculture—an unusually large share for a middle-income country. Such private firms as do exist tend to be large and closely connected to the state. The average Middle Eastern company is ten years older than in East Asia or eastern Europe because new entrants are kept out by pervasive red tape. The authors reckon it costs roughly 20 times the average annual income to start a firm in Syria and Yemen (assuming anyone would want to), just over twice the average globally. In a few Arab countries, like Tunisia, some notorious personifications of crony capitalism have fallen foul of political change but the practice has by no means ended.

The weakness of the private sector is typically seen as a domestic problem with domestic solutions, notably privatisation and deregulation. Earlier attempts to strengthen private businesses by pursuing those policies were

in practice half-hearted or skewed towards well-connected insiders, tainting the whole process of reform. The risk of the same outcome is a big reason why, in the aftermath of the Arab spring, risk-averse governments have shied away from further efforts to privatise or cut red tape. But, argue Messrs Malik and Awadallah, there is also a regional aspect to the private sector's weakness—the failure to develop regional markets. Here, reform may be politically easier.

Arab companies are globally uncompetitive. The Middle East accounts for less than 1% of world non-fuel exports, compared with 4% from Latin America (a region with a comparable population). Turkey exports five times as much as Egypt, which has a population of similar size. Despite its favourable geographical location the Middle East is rarely part of global supply chains. And of its modest global exports, inter-Arab trade accounts for less than a tenth, barely more than in 1960.

The usual explanation for the failure to trade is the region's resource curse. Because it is so easy to export crude oil, Arab countries have failed to develop significant merchandise exports. And because so many export the same thing—oil—they naturally do not trade with each other. Even if that were the whole story, the region would still need to develop competitive manufacturing or services to cope with demographic change. Oil cannot generate the tens of millions of new jobs that predominantly young Arab countries will need. But it is not the whole story. Arab countries could trade with each other more than they do, and part of the reason that they do not is self-inflicted.

Obstacles to regional trade are legion. Costly "trade logistics"—non-tariff barriers, red tape and poor infrastructure—add 15% to the value of Egyptian clothes and 10% to the total value of all goods shipped in the region. It costs companies an average of 95 man-days a year just to deal with trade bureaucracies. It takes longer and is more expensive to ship goods between two Middle Eastern ports than to send them from the Middle East to America. Such market fragmentation, the authors argue, is the consequence of the region's centralised, state-led economic policies.

Just start somewhere

More trade would have familiar benefits: larger markets should enable firms to reap greater economies of scale, increase returns to investment and adopt more new technology. Just as important in the Middle Eastern

context, more open trade would begin the process of dismantling over-centralised states and create a constituency for further economic change. Of course, trade liberalisation is no substitute for privatisation, financial reform and other domestic measures. But it has a political advantage over those reforms. Because the steps required are relatively small ones (reductions in red tape, for instance) they should provoke less resistance from insiders; and because regional trade can be presented as a pan-Arab goal, it does not have the same taint of "Westernisation" that discredited earlier reform efforts. Regional trade would be only a start. But the main thing is to start somewhere.