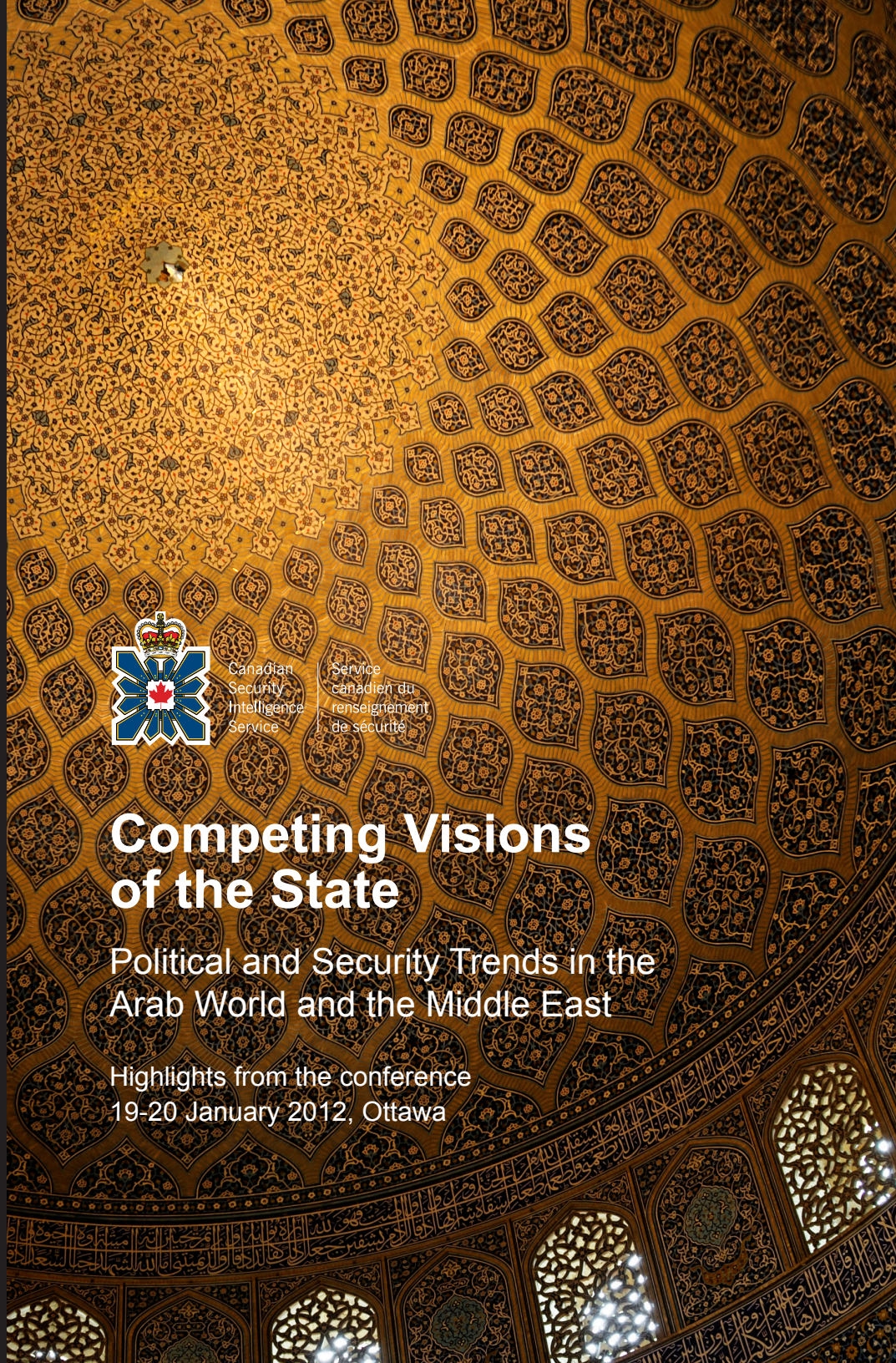

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Competing Visions of the State

Political and Security Trends in the Arab World and the Middle East

Highlights from the conference
19-20 January 2012, Ottawa

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Competing Visions of the State

Political and Security Trends in the Arab World and the Middle East

A conference of the Canadian Security Intelligence Service heldin collaboration with the International Development Research Centre

Highlights from the conference
19-20 January 2012, Ottawa

Conference *rapporteur*: Thomas Juneau, Carleton University

The conference and its objectives

On 19-20 January 2012, in collaboration with the International Development Research Centre (IDRC), the Academic Outreach Program of the Canadian Security Intelligence Service (CSIS) hosted a two-day conference on the Middle East. The event, conducted under the Chatham House rule, had three objectives: to improve the participants' understanding of the region's domestic and foreign challenges, to explore its future prospects and to discuss related implications for Canada.

The expert panels were organised around several modules that examined:

- politics and security in Egypt,
- the Arabian Peninsula,
- the Maghreb,
- the Mashreq,
- Israeli-Palestinian relations,
- political violence and terrorism,
- the future of political Islam,
- evolving regional geopolitics, and
- implications for Canada and the United States.

The conference welcomed a diverse range of participants and invited leading experts from Canada, Europe, the Middle East and the United States. It addressed a selection of key themes and set a background for a continuing dialogue on salient ones. This report summarizes the main ideas presented by experts and discussed amongst participants during the course of the event. It should also be noted that the views, ideas and concepts in this report do not reflect official positions of CSIS and are offered as a means of supporting an ongoing discussion of the political turmoil that has changed the Middle East since the beginning of 2011.

Executive Summary

Change, continuity and uncertainty

The initial excitement that followed the "Arab awakening" in early 2011 has gradually waned in the face of re-emerging sectarian tensions, geopolitical games, unmet expectations, and uncertainty about the future of new leaders and about untested democratic processes. A few countries have successfully toppled authoritarian regimes (Tunisia, Egypt and Libya). Some are still locked in continuing and uncertain struggles (Syria, Yemen and Bahrain), while others remain more or less entrenched in the status quo (like Saudi Arabia).

The revolts have left the region torn, struggling with the promises and uncertainties of reform, the challenges of building new political systems, resilient authoritarian structures and persistent violence. These revolts have also shown that political legitimacy is tied to popular will, as well as to the ability of governments to address grievances and human indignities. As a result, daunting challenges now face political Islam, which can re-write its own history and that of the countries where it will assume power.

This new and still fluid state of affairs presents several volatile implications. In addition to re-opening ancient fault lines and reviving old rivalries, the revolts have re-ignited regional power plays, especially among Iran, Israel, Saudi Arabia and Turkey, and are forcing external powers like the United States, Russia and China to re-think their approach in the region. Despite the inevitable surprises ahead, we can expect profound and long-lasting instability as new elites attempt to draft and negotiate new social contracts and to build a new political order.

It is difficult for students of the region to make sense of recent events given their complex and dynamic nature. To understand the upheavals of the past year, we can study the evolution of the regional political order, the nature of the threat environment, and regional geopolitics by asking three questions:

- What has changed?
- What has not changed?
- Which factors or trends remain uncertain and ambiguous?

Change

Political order in Middle Eastern and North Africa is undergoing important transformations. In this remarkable period in the history of the Arab world, the region's population is experiencing a true process of national self-determination for the first time. Power vacuums and shifting dynamics have led to the emergence of new political actors, the most prominent of whom are representatives of political Islam like Al Nahda in Tunisia and the Muslim Brotherhood in Egypt. However, it is feared that the Islamists' popularity will not offset their lack of strategic depth and practice of politics as they attempt to manage the many serious practical challenges expected to confront the region in the future.

At the same time, the internal balance of power between the old and new political systems has changed as a consequence of the popular uprisings. In Bahrain, for example, the regime's successful repression of the street protests has led to a rise in the fortunes of the hard-line faction, at the expense of the reformists.

The Arab awakening has also resulted in important changes in the regional threat environment. In particular, difficult post-revolutionary transitions raise a number of security concerns. Ongoing instability in post-Qaddafi Libya for instance has had and will continue to have a number of repercussions for regional security, including weapons seeping out of the country and into the hands of terrorist or criminal networks throughout North Africa, the Sahel and the Middle East.

The Arab revolts, moreover, have led to a shift in regional power dynamics, even though many issues remain unsettled. Egypt is gradually re-assuming its traditional leadership role, whereas Iran has seen its influence diminish. Qatar, for its part, has taken advantage of the regional turmoil to continue its rise as a regional power centre.

Continuity

An important common thread throughout the conference was the assessment that prominent actors who dominated the old political order have been fighting hard since early 2011 to protect the status quo. Their considerable political and economic stakes are matched by their resilience and keen defence of the old structures.

Three categories of such actors exist. Countries like Saudi Arabia are positioning themselves as the leading defenders of the existing order. In countries that are experiencing or have experienced revolutions such as Yemen and Egypt, once powerful actors are fighting fiercely to protect their interests. Finally, countries like Moroco and Algeria have not been swept up by massive protests and should be studied in order to understand which factors are responsible for continued stability. Despite the massive upheavals caused by the Arab revolts, the threat environment and regional geopolitics have also been marked by important continuities. Even though Al Qaeda's obituary has been written several times before, the transnational movement remains far from irrelevant and many of its regional networks continue to pose a significant threat to Western interests.

In terms of regional geopolitics, the Israeli-Palestinian conflict remains a festering wound for many in the region. According to many conference participants, a solution is unlikely in 2012. Furthermore, sectarian tensions have not played a determining role in shaping the Arab awakening, but they represent an important regional fault line (for example in Bahrain).

Uncertainty

The conference explored a number of factors and trends that will determine part of the emerging political order, threat environment and geopolitics of the Arab world, Its whose evolution remains, however, uncertain. Of serious concern are the unpredictable consequences associated with unfulfilled expectations after the revolutionary euphoria fades. Moreover, even though a variety of new actors have appeared on the political scene, in many cases their intentions are poorly understood.

The regional threat environment is also filled with ambiguities. What are the prospects for Al Qaeda? Will its rhetoric of violent change and rejectionism be replaced by a new message of peaceful change and pluralism, or will the network succeed in adapting itself? Might it provide a rallying point for disenfranchised youth whose expectations of the democratic transition remain unmet? Will Al Qaeda continue to encourage recruits in the West to carry out attacks "at home", that is, in the Middle East and North Africa?

Meanwhile, instability in Syria, Libya, Iraq and perhaps Jordan should be monitored carefully to prevent the establishment of ungoverned

territories. Today's terrorist entities are now beginning to outlive their Cold War counterparts and follow their own path. Al Qaeda was founded in 1988 but it waited until 1998 to perpetrate its first attacks. In comparison, Al Qaeda in the Arabian Peninsula (AQAP), which was been created in 2009 and today has possibly outgrown the parent organisation in capabilities and designs, rose to prominence with spectacular speed. AQAP's strength resides in its resourcefulness and originality. The group's possible future use of surgically implanted improvised explosive devices (SIIEDs) was raised during the conference.

Many aspects of regional geopolitics, such as the evolution of the business environment, are also uncertain. The future of US influence is a fundamental question to which there is no unanimous answer. In the words of one speaker, it is a "mixed bag": in some respects the US has benefitted from the Arab revolts, whereas it has not in others. Throughout the conference, a number of speakers argued that US influence in the region was probably in decline prior to 2011. Whether this decline will continue, accelerate or be reversed in the future remains an open question.

Implications for Canada

The Arab awakening will inevitably have an impact on Canada and its interests in the Middle East and North Africa. Canada may have a limited ability to influence outcomes in the region, but it will face a number of challenges as it learns how to navigate the new regional political and social orders.

In the short term, the region will be preoccupied with its domestic challenges. There is a very strong possibility that there will be increased instability and extremism emanating from the region, which could have a direct impact on Canadian interests in a number of ways. Jihadist networks that benefit from instability in such countries as Yemen and Syria, for instance, could reach out increasingly to Canadian citizens.

At the same time, the security of some of Canada's allies and other international partners has been negatively affected by the upheavals in the region. These effects include the risk of prolonged instability in countries struggling with a civil war or difficult transitions. In this context, Canada may receive bilateral and multilateral demands to support new initiatives and to improve existing collaboration in order to deal with the full and lasting implications of a new Arab political reality.

Introduction

The initial excitement that followed the "Arab awakening" in early 2011 has gradually waned in the face of re-emerging sectarian tensions, geopolitical games, unmet expectations, and uncertainty about the future of new leaderships and about untested democratic processes. The revolts have left the region torn, struggling with the promises and uncertainties of reform, the challenges of building new political systems, resilient authoritarian structures, and persistent violence. In the meantime, political turmoil has shaken what was once an unshakeable regional order. A few countries have successfully toppled old regimes (Tunisia, Egypt and Libya). Others are still locked in continuing and uncertain struggles (Syria, Yemen and Bahrain), while the rest remain more or less solidly entrenched in the status quo.

This new and still fluid state of affairs has a number of unexpected implications. In addition to re-opening ancient fault lines and reviving old rivalries, the revolts have re-ignited regional power plays, especially among Iran, Israel, Saudi Arabia and Turkey, and are forcing external powers like the United States, Russia and China to reconsider their approach in the region. We can expect profound and long-lasting instability as new elites emerge and negotiate with existing ones in order to draft new social contracts and build a new political order.

It is thus very difficult for observers of the Middle East to make sense of ongoing events given their complex and dynamic nature. To understand the recent political transformation and its consequences, we can examine the evolution of the regional political order, the nature of the threat environment, as well as regional geopolitics by asking the three questions below.

- **What has changed?**

  Some emerging new actors and trends should be the focus of increased attention. Change may well be manifesting itself in unexpected areas and ways.

- **What has not changed?**

  This central question can easily be overlooked. By comparing elements that have changed with those that have not, a selection bias can be avoided when looking at the region as a whole. It is often assumed too quickly that a variable – for example the status

of an actor, a set of relationships – has changed when in fact it has not.

- **Which factors are uncertain and ambiguous?**

These factors determine the burgeoning political order and the threat environment, but it is currently impossible to assess the direction they will take. Given the high level of uncertainty surrounding these variables, we can attempt to understand the context in which these factors operate, using the following questions: how have the rules of the game changed, how have the actors themselves changed, and how has the regional and international context evolved?

The Arab spring and change

Evolution of the political order

Emergence of a true process of national self-determination

According to one speaker, we are currently witnessing one of the most significant periods in the history of the Arab world. For the first time in its history, the region is undergoing a true process of national self-determination whereby people can begin to define their political reality. This major historical development has five key features:

- *The birth of the modern Arab citizen:* for the first time, Arabs believe that they have power and rights, as well as the collective opportunity to define their own societies and governments. This process is the beginning of the "real consent of the governed." In what direction this will evolve remains unclear, but what is notable at this stage is that the process has been initiated.

- *The birth of politics:* protest through peaceful means has occurred sporadically in the past, but never to the extent that it does now. As the constitutional process takes its course, this trend will only intensify.

- *The drafting of a new social contract:* this is driven by demand for social justice. This demand, however, often expressed in general terms, has yet to be translated into concrete action in terms of policy.

- *The establishment of accountability mechanisms entrenching political legitimacy:* this is a first in the Arab world, which has never seen true legitimacy anchored in accountability.

- *The redefinition of civil-military relations:* this may be the single most important dynamic that will define developments in the years ahead.

If these five dynamics continue, a lasting process of national self-determination will take its course, leading to the ultimate prize which has eluded the Arab world since the First World War: modern sovereignty rooted in the population's well-being. These historical developments also mean that for the first time in the Arab world, political and social trends may converge and gradually lead to states which reflect the will of the majority while protecting the rights of their minorities.

The Arab revolts have also changed at every level how power is exercised and configured. As was discussed throughout the conference, many new actors are revealing themselves. Most were already present in society but had largely been invisible until now. These actors include the Salafis and ultra-conservatives, the revolutionary youth and many others. It is useful to ask what other important actors still remain in the shadows and have yet to come forward.

We must keep in mind the magnitude of the obstacles to overcome in the years ahead, especially in countries that face tremendous challenges stemming for example from insecurity and poor infrastructure. Despite these obstacles, we are witnessing four distinct transitions that historically have generally occurred separately in other countries:

- the "awakening" can be construed as the "last anti-colonial struggle" in the Arab world against political systems that are direct or indirect remnants of colonial rule;

- this struggle is a battle as much for democracy as for social justice;

- the people wish to participate in the definition of national values and policy; and

- the revolts represent a struggle for equitable and sustainable economic growth.

This complex set of transitions took one to two centuries to complete in most Western countries. According to one speaker, it is therefore necessary to give the Arab people space and time to allow them to define their own priorities and reconfigure their political, economic and social systems in a manner that is in keeping with their own values and norms.

In short, the new legitimacy and accountability arising throughout the region are primarily driven by the same two factors that drove Mohammed Bouazizi, a fruit cart seller humiliated by the Tunisian police, to immolation in December 2010. First, there are the material grievances, that is, the people's aspiration to greater wealth and security. Second, there are the intangible indignities, that is, the repeated, everyday humiliations suffered by most citizens.

Emergence of new actors

Bahrain. It is important to put recent developments in the Middle East in their proper historical context. The case of Bahrain, in particular, illustrates how the actors who led the popular protests in that country in 2011 did not spring from a vacuum but rather from a long-standing political culture of opposition and protests. To varying degrees, this has been the case throughout the region, although not amongst Bahrain's immediate neighbours.

In Bahrain, riots have been a regular feature of politics since the 1930s and the creation of the local oil industry, giving substance to a local adage that there is an intifada every decade in the island state. Bahrain in this sense differs from its neighbours: it features an old and well-organised opposition. At the level of the Gulf Co-operation Council (GCC, which represents the oil-rich Arab monarchies of the Persian Gulf: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), in fact, the only active political parties are found in Bahrain (technically, parties are not allowed there, but political societies are).

Despite the long historical roots of political opposition, the 2011 protests stood out because they were part of significant shifts shaking up the national political scene. Bahrain has been a liberalised autocracy since 2002, when organised societies, unions and civil society associations became legal. Parliament, however, has very little authority as all of its decisions are subject to veto by the government. As a result, when parliament was reinstated in 2002 after having been suspended, the major political associations decided not to participate, including Al-Wefaq, the largest Shi'ite opposition party (the majority of the population are Shi'ites, while the royal family is Sunni). Al-Wefaq argued that the constitution gave too much power to unelected bodies.

In 2006, Al-Wefaq decided to participate in a new round of elections, leading to its co-optation by the regime and the fragmentation of the opposition, since some of its members decided to break with Al-Wefaq and create Al-Haq, another, more radical opposition party. Al-Haq sought to internationalise the Bahraini crisis by submitting to the United Nations a petition demanding more powers for parliament.

Egypt. Islamists throughout the Middle East are following closely their Egyptian counterparts. If the Muslim Brotherhood in Egypt is successful, this will pave the way for other groups to follow suit. What happens in this country is of critical importance since history demonstrates that the rest of the Arab world tends to follow Egyptian political developments (note the emergence of constitutionalism in the 1940s and 1950s and the dominance of pan-Arabism and nationalism in the 1950s and 1960s.)

Prior to the Egyptian revolution of 2011, there were three key Islamist groups in Egypt: the Muslim Brotherhood, the Salafi movement and the ex-jihadists who, in many cases, had abandoned violence. Under President Hosni Mubarak, the Brothers and the Salafis were the targets of severe repression. Salafi missionary work and social activism were consistently undermined by the regime.

When street protests erupted in Cairo in January 2011, the Muslim Brotherhood initially indicated that it would not participate, although instructions were issued to its members stating that those who wished to go to Tahrir Square could do so. On 28 January 2011, as the situation intensified, the Brotherhood decided to participate directly in the growing protest movement. By 2 February, members of the Brotherhood, some Salafis, and ex-jihadists were at the front line of the popular uprising.

Following Mubarak's fall on 11 February, the political dynamic shifted as the Supreme Council of the Armed Forces (SCAF) took over. The massive state security apparatus used to control and repress the Islamists had thus collapsed. For each of the three main groups, this new state of affairs had a number of implications.

Before the uprising, the Muslim Brotherhood had some experience in domestic and foreign politics through its work with other political movements like student unions. This experience was rapidly put into practice as the Brotherhood demonstrated its savvy campaigning skills during the parliamentary elections of late 2011 and early 2012. Even if its history had somewhat prepared the movement to engage actively in politics, the Brotherhood generally lacks the experience and

strategic depth to face the region's thorny issues. Its performance as a political actor remains unpredictable.

The rise of the Salafists surprised a number of observers. The Salafists formed a coalition of five parties: Noor, the largest, as well as one mid-sized and three smaller parties. Their success was based in large part on their ability to provide social services while using religious symbolism, as well as on their existing organisational and administrative structures. Noor, like the Brotherhood, had been engaged in significant welfare activities, such as providing free healthcare, throughout the country. The importance of such social services became obvious: maps showed that Islamist parties garnered the most support in areas where they had been operating for a longer time. Even though Noor and other Salafist movements had been mainly apolitical before 2011, their strong organisational structures greatly facilitated their mobilisation once the political arena opened up.

For their part, the former jihadists focussed on moving away from violence and joining the political process. Many of their leaders, previously known for their stridently anti-democratic gestures, quickly formed political coalitions. This potential transition to the mainstream raised a number of complex questions. Some of the group leaders had criminal records, while many amongst the grassroots members were not enthusiastic about joining the political process. Nevertheless, having renounced violence, the leaders of the ex-jihadist movement have continued to enhance their political legitimacy.

It is in this context that Islamist groups affiliated with the Brotherhood and the Salafists won over two-thirds of the seats in the first parliamentary elections since the fall of President Mubarak. The Brotherhood is now driven mostly by two distinct forces: an internal power struggle and its tense relationship with the ruling SCAF. The upcoming confrontation between the Brotherhood and the SCAF will be about the future constitution of Egypt. Because of their two-thirds majority, the Islamists will exert significant influence over the constitutional assembly responsible for drafting the constitution in 2012. The Brotherhood is likely to seek to limit the powers of the military through the adoption of specific constitutional provisions.

The Salafists have generally sought to convey three main messages: they are the most religious; they are in the process of becoming more moderate; and they do not wish to clash with the military but instead wish to be accommodating. Their main objective is to make Islamic law, or shari'a, the only (as opposed to the principal) source of national legislation, although they themselves recognise that it will be difficult. An important challenge for the Salafists is to avoid divisions

and defections. For example, although early during the uprising the Salafist leaders ordered their followers not to join protesters on Tahrir Square, many in the middle ranks and grassroots were defiant and did so anyway. The fragmentation pattern will continue, as younger members are generally more inclusive and tolerant than their leaders.

Tunisia. Al-Nahda, an Islamist party banned under the government of Zine El-Abedine Ben Ali, has emerged as the dominant actor of the new political order in Tunisia. Nahda took advantage of the fragmentation of the other opposition parties, especially the leftist parties, to become the most powerful party after the elections for a constituent assembly on 23 October 2011. Nahda then agreed to an alliance with two small, left-leaning parties: the Congress for the Republic (CPR) and Takkatol. The government formed on 22 December concentrated power in the hands of the Nahda Prime Minister however and gave little power to its coalition allies. As a result, civil society organisations have continued to put pressure on Nahda, fearing it may resort to a hegemonic strategy as Ben Ali did in the past.

In general, the Tunisian revolution has provided Nahda with an opportunity to build itself from the ground up. Its strategy and message have been to present its members as the victims of Ben Ali and not as politicians, promising Tunisians both a break from the old regime and reconciliation. It has also promised social justice and order to a population that wants above all stability and an end to chaos. Nahda has also adopted a targeted and cautious strategy in order to juggle the many competing demands during the transition. Those demands range from liberalising Tunisia's economic and foreign policies to promoting social justice and public morals. In spite of this, there are growing suspicions in many quarters about the nature of its Islamist agenda, especially in light of worrisome declarations made by its representatives.

Youth and the use of social media. Two key features of the protests that have been common across the Middle East are the emergence of youth movements as central political actors and their use of social media to further their cause. In Egypt, 30 percent of the population is between 15 and 35 years of age, illustrating their importance in the new regional politics.

Specific conditions under the Mubarak regime set the stage for the emergence of youth social groups. The old system allowed such groups as long as they did not challenge the government. The main political parties did not have the channels required to include these nascent movements, so they developed autonomously. Social groups in Egypt therefore first rose to the surface as political and ideological

movements. Millions of young people descended onto the streets in support of the Palestinian cause in 2002 and in opposition to the war in Iraq in 2003.

Social and youth movements in Egypt have a number of characteristics. Created in a climate of repression, they had no choice but to mobilise using unofficial means and without leadership structures. There is considerable flexibility in the phenomenon, as young activists readily jump from one group, or cause, to another. Youth activists have also the ability to move between the virtual and real worlds, perhaps explaining in part the general lack of ideology and homogeneity amongst them. Activists are usually not interested in being categorised as secular or religious; they seek instead a political system based on democracy.

A number of youth groups have appeared in Egypt in the past years. Most played, to varying degrees, important roles in the events of January and February 2011. Kefaya ("enough" in Arabic) has been the main protest group since 2005. Another prominent group is the Sixth of April Movement. Created initially as a Facebook opposition group in 2008, it consists primarily of youth who had been members of banned groups like Kefaya and Ghad, a liberal opposition party, as well as independents. The Sixth of April has however been divided along various lines, between liberals and nationalists, and between those who support or those who oppose participation in elections. Its membership is unknown and has been estimated at 2000 to 5000.

Another prominent Facebook group is known as the "We are all Khaled Saeed" movement, named after a young man beaten to death by the police in Alexandria in 2010. This group had already attracted 350,000 members by 25 January 2011, and has attracted more than two million since. Finally, the youth wing of the Muslim Brotherhood has been an important player amongst youth movements, as it split from the Muslim Brotherhood after the revolution. It did not perform well in the parliamentary elections and has since focussed on street activism, often in cooperation with other groups.

The importance of social media like Facebook, Twitter and YouTube should not be underestimated. There are fifteen million Internet users in Egypt, a significant number that allowed young people to call for revolution through social networking. The lack of hierarchical organisation amongst social and youth actors further encouraged the use of social networks to improve coordination and to decide on common objectives.

The use of new technology has provided youth movements with a number of advantages. Social media are affordable and create a "counter public sphere" to challenge ideas and information emanating from the establishment. They also raise awareness amongst youth, contribute to the creation of different streams of activism, and are a key centre of democratic political experience.

Despite their growing importance, youth movements face a number of important challenges. They have been united against President Mubarak's government but have not been able to agree on a common platform as to what should replace it. Many youth groups also reject the growing relationship between the Muslim Brotherhood and the army, in part because they fear that it could lead to their own marginalisation.

Existing actors growing in status and changing: political Islam

One of the most important shifts since the beginning of the Arab revolts has been the rise to prominence of political Islam. According to a speaker, in the next five years, leading mainstream Islamist movements will gain significant influence in pivotal states of the Middle East, including in Egypt, Libya and Morocco. Making sense of their new position remains a challenge which the presenter explained using five points.

First, there is increasing evidence to suggest that **the social composition of Islamist parties is shifting** towards pragmatic elements and away from more conservative factions. The latter is a generational shift, as the younger technocrats and professionals who play an increasingly prominent role tend to be more open-minded and reformist. Although ultra-conservative factions still exercise considerable influence within mainstream Islamist movements, they are a dwindling minority. In the next five years, it is expected that modern technocrats with a commitment to various forms of pluralism will gain further influence and assume more leadership positions within their movements.

Second, **generalisations about the world views of Islamist movements should be avoided**. That being said, most mainstream Islamists may be starting to accept the rules of politics and the idea of citizenship. They accept that the will of the people, not God's authority, is what defines the political landscape. This change is a major development: leading Islamist movements that fully participate in the political process today viewed democratic involvement as a sin in the 1970s and 1980s. This evolution demonstrates how political engagement changes individuals and groups: Islamists today attempt

to recruit followers, appeal to specific constituencies, and convey a message of moderation and pluralism.

These Islamists make it very clear that they will not be reckless or make unilateral decisions that would violate societal consensus. They also understand that they obtained electoral majorities not because they want to establish imamates, but because they are seen as more pragmatic than the liberals, often perceived as elitist, and because people want to eliminate the existing corrupt and authoritarian order. They also increasingly recognise that they must face checks and balances.

This situation differs fundamentally from the situation that existed in Iran in the late 1970s and early 1980s. It is therefore inappropriate to analyse the current developments through the Iranian lens. Today's emerging Islamists are becoming more aware of varying constituencies and wide-ranging interests in their own societies and seek to solidify and expand their social bases. In the near future, we will certainly witness intense battles over the nature of new constitutions, but these struggles will reflect a sense of pluralism in Arab societies to which most mainstream Islamist movements are beginning to subscribe.

Third, the speaker indicated that **Islamist attitudes towards the West will not change overnight** and will remain negative. The bitter history between Western powers and Arab societies will take many years to overcome. Nevertheless, perceptions are evolving. Even the Syrian Muslim Brotherhood has been indirectly calling on the West to intervene in Syria and remove the government of President Al-Assad. Such an appeal would have been sacrilegious as recently as in 2010. At the same time, while it criticises the US for failing to intervene in Syria, the Syrian Muslim Brotherhood continues to call on the US to adopt a balanced approach to the Israeli-Palestinian conflict and to favour Arab popular aspirations as opposed to the interests of Arab autocrats.

The Palestinian conflict will likely remain a touchy subject and will continue to represent the most difficult challenge to improved relations between the two sides. Because the conflict pertains to a fundamental question of identity, until a Palestinian state is established, it will continue to polarise Muslims and the West. However, even on the question of Israel, the Muslim Brotherhood has said that it will abide by the spirit of the Camp David Accords (the peace treaty between Egypt and Israel) as long as Israel also does. It insists that it will not make any impulsive unilateral decisions that could bring about any instability in the region. Even the leaders of Hamas are now openly talking about popular protests instead of armed uprisings, possibly

because the Brothers in Egypt have impressed upon their Hamas counterparts the need to behave differently.

A fourth feature of rising Islamist movements is their **lack of a uniform economic program**. Indeed, one of their major failures so far has been their inability to develop a socio-economic blueprint that goes beyond the premise that "Islam is good for business." There has been much rhetoric about social justice, but ultimately Islamists are members of the working class and the bourgeoisie. Many are prosperous businesspeople and are more comfortable with a liberal economic model than a collectivist one. A major economic shift is therefore unlikely.

Finally, although they have come a long way in recent decades, **the Islamists are not born-again democrats**. Their rhetoric and plans remain rooted in stiff expressions of ideology that they have been unable or unwilling to shed (for example, censorship, repressive interpretation of freedom of speech, and women's rights).

Islamist fortunes will certainly ebb and flow depending on whether they live up to their promises. What can be expected is that they will likely avoid reckless decisions that would cost them political gains at home because they are learning to place interest above ideology. In other words, they are emerging as interest-driven agents instead of agents primarily motivated by ideology.

The rise of Islamist parties throughout the Middle East will allow observers to test some of the theories that political scientists have put forward about religious social movements and their ability and willingness to grow into legitimate political movements. There exists a general consensus amongst humanities and social science scholars that ideological or religious movements are almost incapable of changing from rigid entities into pragmatic movements committed to pluralism. That may change.

One speaker proposed three elements with which social and political scientists often back this claim. First, the case studies of Iran, Sudan and Saudi Arabia show that, when Islamist movements take power, they try to export their revolution and cannot transform themselves into interest-driven parties. Second, experts tend to study the rhetoric and manifestos of absolutist and extremist movements that do not subscribe to any form of pluralism (like Ayatollah Khomeini in Iran and major ideologues like Hassan Al-Banna and Sayyid Qutb). Third, basing themselves on the myth that most extremists and terrorists are offshoots of the Muslim Brotherhood, scholars tend to draw a straight

line between the Brotherhood and various local and international jihadist movements.

The Iranian revolution is an important example of how Islamists can behave once they take power. Once Ayatollah Khomeini gained power, he destroyed competing social groups and sought to export the Islamic revolution to other countries. On the other hand, in Turkey and throughout the Arab world, most Islamists renounced violence and worked hard for more than four decades to join the political process in order to obtain a legal status, even if they were persecuted in almost every single country in the region.

The case of Iran's revolution therefore does not provide a useful comparison to understand the current "Islamist moment." In the Arab world and Turkey, Islamist movements have focussed since the 1960s on the expansion of their social base and the construction of extensive welfare networks along with built-in political machines in order to survive the harsh tactics that secular regimes used against them. Starting in the 1970s, their priorities were first to ensure their survival, second to consolidate and expand, but not to promote revolutionary ideals.

The second piece of evidence used by social scientists against Islamists has been the inflated rhetoric and manifestos by the likes of Hassan Al-Banna, Sayyid Qutb, Hamas and Hizballah. A variety of rigid and absolutist manifestos certainly exist. Yet this is to be expected from anti-colonial movements which have been in the eye of the storm since they were formed in the 1920s. Many of them therefore have an ingrained sense of persecution and victimization, an us-versus-them mentality. Since the late 1940s, political Islam has been targeted or condemned by both pro-western Arab leaders and the West, leaving deep scars and a bitter legacy that will take decades to overcome.

Third, because scholars tend to draw a straight line between the Muslim Brotherhood and local and international jihadists, the dominant narrative in the social sciences does not take into account the major ideological break which occurred in the 1960s. At that time, the underground radical wing of the Islamist movement almost succeeded in devouring the mainstream wing. Radical trends spawned in Egyptian prisons from Qutb's writings shook the foundations of the Islamist movement.

The Qutbists faced stiff resistance from mainstream elements in Egypt. The latter argued that they were preachers and not judges, opposing the revolutionary road that Qutb wanted the movement to follow. Although Qutbists in the late 1950s and early 1960s represented the most serious threat to the mainstream, they ultimately failed to

gain a major foothold within the Islamist movement. That being said, Qutb's execution in the late 1960s did empower the radical wing and provide it with inspiration and ideological ammunition.

In light of such developments, the 1970s marked the climax of the radical wing within the Islamist movement. Qutbists could have succeeded in overpowering the mainstream during this decade. They did develop a major presence in universities and abroad. The radicals, who were as much against the existing political order in Arab societies as they were against mainstream Islamist movements like the Muslim Brotherhood, ultimately failed to gain the upper hand. Many Islamists now look back to the 1970s as a golden age. Some also acknowledge that the killing of Egyptian President Anwar Al-Sadat in 1981 marked the beginning of the decline of the radical wing.

From the 1980s on, the balance of power shifted dramatically, to the detriment of radical jihadists because of their violent tactics. Even the Muslim public realised that jihadism would not provide a constructive vision for Arab Muslim societies. Today many think that the Egyptians and the Algerians were able to win a war in the 1990s against jihadists, but this view tends to neglect the fact that the jihadists were unable to build potent social movements. Many Arabs chose mainstream political Islam, which since the early 1970s had received more support than the radicals by building and supporting extensive social networks. It is still too early, however, to make any definitive statement about how Islamists will govern as they gradually assume power, or whether governance will transform them from ideologically-motivated movements into interest-driven mainstream political parties.

The changing balance of factional power within old and new political structures

Egypt. Important and wide-ranging change in the domestic balance of power has been occurring throughout the Middle East since the start of the revolts. In Egypt, in the wake of President Mubarak's overthrow, the internal balance of power amongst political actors initially favoured the armed forces, perceived by many Egyptians as the guarantors of the revolution. However, it has gradually moved away from the military and shifted to the Islamists, even though the armed forces retain significant control. Once influential, the police have been increasingly marginalised.

Under Mubarak, Egypt was governed by a presidential system, but one with important caveats. Mr. Mubarak, who had risen through the ranks of the armed forces, allowed the military to amass significant economic interests (equal to 25 percent of gross national product by

some accounts) and to maintain its own police force and administration. President Mubarak, however, could not take the military's support for granted and consistently had to ensure it followed his instructions. In the words of one speaker, it was a "shield better left unused": when the president asked the army for something, he knew that he owed it something else in return. Any request for assistance would be perceived as an admission of failure on Mr. Mubarak's part. As a result, he relied primarily on the weaker police force, traditionally calling on the army only as a last resort.

It is against such power dynamic that tensions grew between the civilian government and the army in recent years, as the latter believed the president was gradually breaking the pact between them. Mr. Mubarak had already tried to weaken the military's vast economic empire. In 2005 and 2007, he also amended the constitution to prevent the military from appointing the president and to position his own son, Gamal, as his successor, against the army's wishes. On 28 January 2011 when the police collapsed under the pressure of massive street protests, the army was called in to intervene. The military rapidly seized an opportunity to force Mr. Mubarak to resign.

With the removal of the Mubarak administration, the army was at the height of its power, while the police disintegrated. The army thus took over the responsibility for organising the transition. In the view of its officers, the Egyptians wanted both free elections and changes to the nature of relations between state and society. The military initially argued that, while it would help facilitate a democratic transition, it was up to civilians to figure out how to go about achieving the second goal.

The military's relationship with the Islamists rapidly proved challenging. Initially, the two sides prepared together a road map which called for free elections, a new parliament to draft a new constitution, the approval of this constitution by referendum, and a presidential election. In June 2011, however, the army changed its mind once it realised that the Muslim Brotherhood and other Islamists would gain a democratic majority and therefore be the chief drafters of the constitution. The military tried – and failed – first to write its own constitution, and then allowed the old guard from the former ruling party to participate in elections, hoping that they had the money and networks to limit Islamist victories. These two failed tactics confirmed for many the impression that the army was trying to keep power for itself.

Since the army took over in February 2011, the public has increasingly seen the transition as a failure because of the military's incompetence and lack of experience. This perception, however, tends to overlook one factor raised by a speaker at the conference: "the army is the only

Egyptian institution that functions." We must also consider the officer corps' mood; however difficult it may be to assess. While non-Islamist activists continue to insult and blame the army, many young officers are angry with the revolutionaries because they do not appreciate the support provided by the military. As a result, young officers tend to believe that the army should have been firmer from the beginning.

There is a growing perception that the army is weak compared with the Islamists because the military has had to retreat on several occasions. Now that the Islamists have won a legitimate majority at the ballot box, it is even more difficult for the military to stand up to them. As a result, the military is now in a much less advantageous position than it was in early 2011, despite its control over legitimate violence in Egypt, its powerful networks, and its much greater popularity than the police.

In the face of swelling protests on Tahrir Square, the police had first appeared as President Mubarak's most important and reliable ally. It was heavily involved in settling labour disputes; it had a strong say over the state's control of the religious establishment, and it handled important political files for the regime. It had also become increasingly violent and corrupt, and distrusted the military. The police force gradually became involved in the repression of jihadist groups. This repression in turn nurtured the process of religious radicalisation in the 1980s and 1990s. The police was eventually perceived as protecting solely the interests of the Mubarak family. It has become a broken force since rapidly disintegrating after the initial street protests. The breakdown in law and order in Egypt is yet another challenge confronting its leaders.

Power has shifted to a traditional enemy, the Muslim Brotherhood, which the police has actively repressed since 1948. Police reform will inevitably be one of the most pressing challenges facing future civilian governments in Cairo. It is not clear how the Brotherhood views this issue, although we can be certain that the relationship between Islamists and the police will remain one of the most controversial issues facing Egypt for years.

Bahrain. Uprisings are cyclical in Bahraini politics, occurring every decade or so. The violence and suddenness of the Arab revolts have had serious repercussions for the Bahraini government, widening the gap between reformers and conservatives and exacerbating sectarian tensions between the Sunni rulers and the mostly Shi'ite population. When it became increasingly clear that the government would succeed in repressing the popular protests, the balance gradually

shifted in favour of the hard-liners, who have rallied around the prime minister, and against the reformists, who are led by the crown prince.

Factionalism in the royal family in Bahrain saw a marked rise after 2006. Since he became king in 1999, succeeding his father, Hamed Bin Issa Al-Khalifa has tried to exercise full power. He has since been in a constant battle with the prime minister, his uncle, who has occupied the post since 1971 and who, before Al-Khalifa's ascent to the throne, was the most powerful figure in the regime. Competition between the monarch and the prime minister became more intense after 2006 when a new dynamic emerged as the king, along with his reform-minded son and the support of Al-Wefaq, the main Shi'ite opposition party, advocated socio-economic and labour market reforms despite the opposition of the hard-liners.

The uprisings of 2011 altered the dynamic that had prevailed since 2006 and had two main implications. First, royal factionalism is now more intense than ever. The crown prince, who had previously been a prominent reformist figure in the royal family, has been sidelined despite support from the US government. His attempts at establishing a dialogue with the opposition in early 2011 were blocked by conservatives, who are backed by Saudi Arabia. Consequently, many in the opposition believe that the fate of the uprising was decided in Riyadh.

There is also increased fragmentation within the opposition as to how to deal with the government. Al-Wefaq had different expectations than Al-Haq and other, more radical opposition groups. Al-Wefaq sought only limited political reforms, such as the appointment of the prime minister from the ranks of the opposition, while others (Al-Haq and new youth movements) called for full democracy and the creation of a republican system.

Hamas. The internal balance of factional power has also evolved within Hamas' leadership. Those changes are not directly caused by the Arab revolts, but they nevertheless have important implications for regional politics. Despite six years of hardship and war, control over Gaza has gradually transformed Hamas into a considerable force. It has circumvented Israel's restrictions by organising trade channels using underground tunnels to Egypt, slowly strengthening Gaza. The consolidation of Hamas' grip over the strip has also empowered the leadership based there, at the expense of its external leaders, like Khaled Mishal based in Damascus. Hamas' influence on Gaza's economy especially eroded Mr. Mishal's ability to influence developments from Damascus and hastened his decline.

Mr. Mishal's recent tentative reconciliation agreement with Fatah was a gamble that, if successful, could have considerably raised his status amongst the Palestinians. However, others within the leadership of Hamas balked at the deal. The debate appeared to be ideological in nature, but it was largely driven by the ongoing power struggle within the movement. Faced with mounting opposition, and to avoid humiliation, Mr. Mishal announced in early 2012 that he would step down. It is too early, however, to write him off. Some in the Arab world remain well disposed towards him, and he may have ambitions to replace Mahmoud Abbas as leader of the Palestinian Authority. In the meantime, Ismael Haniyeh, the Gaza-based Hamas leader, seems to be positioning himself to replace Mr. Mishal officially.

Evolution of the threat environment

Insecurity in post-revolutionary states: Libya, Egypt and the African neighbourhood

The post-Qaddafi transition in Libya has resulted in a number of threats and challenges, both in terms of short-term security and long-term democratisation and state-building. Security presents considerable difficulties in Libya, whose revolution was much bloodier than those in Egypt or Tunisia and which had no prior political structures or institutions. The National Transitional Council (NTC), the interim government, has so far failed to establish security throughout the country. It needs to integrate the various rebel militias into state institutions and to devise plans to deal with the many criminals who escaped from prisons during the revolution. To do so, a priority for the future government of Libya will be to rebuild security institutions, especially the police and armed forces.

State-building in Libya will be very challenging, in particular national reconciliation and institution-building. A draft law on transitional justice has been submitted to the NTC, but there has been no progress on the issue, while efforts to promote reconciliation have been tentative at best. The judiciary system is dysfunctional, with for instance over 7,000 people detained without due process. The NTC is generally weak and inefficient; it is at best only poorly and reluctantly committed to democratisation, according to one speaker.

Libya's instability will continue to have a number of consequences for regional security. The most significant risk in the post-Qaddafi transition is the fact that various weapons from the Libyan army or from the country's many militias are falling into the wrong hands.

Several US, UN and Egyptian officials have argued that Libyan weapons, including surface-to-air missiles (SAMs), have reached other countries and that Al Qaeda's North African affiliate, Al Qaeda in the Islamic Maghreb (AQIM), has succeeded in acquiring some of these weapons. Reports from Algeria suggest that the extent of weapons smuggling from Libya is unprecedented and that as a result prices have fallen significantly.

SAMs seeping out of Libya represent the most important proliferation risk. Since 1975, 40 civilian aircrafts have been downed by such weapons. It is also known that Al Qaeda has in the past tried to use them to bring down a civilian airliner. There were approximately 20,000 SAMs in Libya before the revolution; of those, 14,000 have been destroyed, leaving perhaps 6,000 unaccounted for. To mitigate the threat, said a conference speaker, the US has specialists on the ground looking for the missing SAMs.

Libya is also thought to possess about 2,000 tonnes of yellow cake, that is, processed uranium ore which is not yet enriched. It also has large amounts of mustard gas in sites where security is often lax. In contrast with other types of weapons, the proliferation of yellow cake and mustard gas is a lesser concern because both materials require sophisticated equipment to be used.

Libyan instability has implications for Egypt too. Smuggling networks have indeed taken advantage of the situation to ship weapons through Egypt and the Sinai Peninsula and into the Gaza Strip. SAMs and machine guns from Libya are readily available at low prices. This situation could prove troublesome, given that some Palestinian organisations have targeted civilian aircraft travelling to and from Israel in the past.

The region faces no shortage of potential security threats. Once a relatively stable part of Egypt, the Sinai Peninsula, too, is now growing volatile as a result of the tense relationship between some local Bedouins and the central power in Cairo. Because of demands for local autonomy and the deteriorating Egyptian-Israeli relations, some experts fear Sinai could become a "new Waziristan", lawless and accessible to a range of international terrorists. Despite those concerns, there are early signs that regional security cooperation is improving. For example, the chiefs of staff from several North African and Sahel countries, including Mali, Mauritania and Algeria, have recently gathered to establish a counter-AQIM force. Only time, however, will tell how effective that force can be.

Al Qaeda

Al Qaeda's regional affiliates are now thought to pose a more serious threat than the core of the Al Qaeda group itself. Al Qaeda was founded in 1988, but did not launch its first attack until 1998. In comparison, Al Qaeda's regional affiliate based in Yemen, Al Qaeda in the Arabian Peninsula (AQAP), was formed in January 2009 and by December of the same year it had nearly brought down a Northwest Airlines flight landing in Detroit.

According to one speaker, this situation demonstrates that terrorist groups are becoming more threatening and more internationalised faster than before. There is some concern that AQAP could take advantage of mounting instability in Yemen to supersede "Al Qaeda central" in South Asia. AQAP has rapidly demonstrated its remarkable resilience and its sense of innovation and daring in a series of attempted attacks since 2009. Certain commentators fear Al Qaeda's surprising creativity, for example, AQAP's possible use of surgically implanted improvised explosive devices (SIIEDs) to perpetrate suicide attacks.

While Al Qaeda's core has suffered significant losses, not the least of which was the death of Osama Bin Laden, it remains strong, contrary to common wisdom. The broader movement is also strong at the periphery, for example, in Iraq, Yemen, Africa and even Syria, where a presenter indicated during the conference that the group is already beginning to take advantage of political instability. It is also feared that Al Qaeda's message may find new prospects should the disenfranchised youth grow disillusioned or impatient with the early results of popular democracy.

Geopolitical realignments

Shifting regional power politics

The Arab revolts have already created a new geopolitical order in the Middle East. Amongst the many geopolitical consequences of the events of 2011, a central one has been the gradual resumption by Egypt of its normal leadership role in the region. Saudi Arabia and the other GCC states, for their part, are doing something very unusual for them: "They have begun acting like real states," said a speaker. This has been a moment of maturation for them.

Israel is off-balance; it does not know how to react now that it is no longer the sole democracy in the region and is increasingly surrounded by forms of political Islam. External powers, finally, have not been major actors in the Arab awakening. The US remains confused about the emerging order, while the Europeans have been noticeably absent, and Russia has been looking for new entry points into the region.

Iran has suffered a series of setbacks

It is often said that regional events after 2003 benefitted Iran. The removal of two of its traditional rivals, the Taliban in Afghanistan and Saddam Hussein's regime in Iraq, eliminated two checks to the expansion of Iranian power. A series of other factors, such as high oil prices, the good fortunes of allies such as the Hizballah in Lebanon and Hamas in the Palestinian Territories, and the petering out of the peace process, also converged to improve Iran's regional position.

Since early 2011, however, Tehran has seen the consolidation of existing trends affect its status negatively, and the emergence of new pressures had led to a reversal in Iranian fortunes. The country's soft power, a key element shaping its overall power, has suffered a series of blows. Its message of violent resistance to the regional order and its model of an Islamic Republic have been overshadowed by the neighbouring popular uprisings and their narrative of peaceful change and by Turkey's increasingly successful blending of Islam and democracy.

Tehran is also increasingly isolated diplomatically and economically. Its ability to influence events in the Middle East has been marginal, and in many cases non-existent. It has not been able to gain influence over the region's rising Islamist parties, such as the Muslim Brotherhood in Egypt or, even more frustratingly, the various Shi'a opposition movements in Bahrain.

The emergence of Qatar as a regional power centre

The emergence of Qatar as an influential player is one of the region's recent developments of interest. The Arab awakening appears to have accelerated this trend by creating more space for this small, oil-rich monarchy's proactive diplomacy. According to one speaker, so far "Qatar has made the right decisions," but whether it can count on its continued good fortunes remains to be seen.

Qatar's diplomacy has greatly benefitted from the country's massive hydrocarbon resources, which have provided the government with

enormous financial assets. To understand Doha's success, we must understand how the factors influencing the current oil and natural gas boom differ from those in the 1970s. The GCC states back then recycled their massive revenues through Western financial institutions, to the detriment of both domestic and regional development.

Today, they invest much of their funds domestically and regionally, mainly in infrastructure and in the financial industry, which has resulted in massive inflows of foreign (pan-regional) direct investments. The GCC states have also invested in human development initiatives, for example, establishing their own universities and attracting international schools to establish local branch campuses. There was only one university in the GCC in the 1950s; there were three in the 1960s, and forty in the 1990s. By 2011, there were 120 universities in the GCC countries. Gulf states have also invested in the Levant and North Africa. For example, 50 percent and 75 percent of the Egyptian and Jordanian stock markets respectively are said to be owned by GCC nationals.

Three comparative advantages set Qatar apart from other GCC countries. First is its remarkable social cohesion. The conditions of the Shi'a have been generally positive. About 20 to 30 percent of Qataris are thought to be Shi'ite and have been well integrated into the social, political and economic establishments. Second, Qatar benefits from a determined and visionary leadership. The regime is largely non-ideological, and it is driven by its singular vision to put the country on the global map and to have the global powers take it seriously. This is in sharp contrast to the situation in Kuwait, for example, whose leadership is fragmented.

Third, there is also a remarkable level of political apathy amongst Qataris, largely because of the robust rentier economy that Qatar has created for itself. Social welfare is expansive and takes care of individuals from cradle to grave. This has led to the creation of enormous per capita wealth, with the average salary at US$92,000 or US$345,000 if non-Qatari citizens are removed from the calculation.

Three pivotal factors enable Qatar to "punch above its weight" diplomatically. First and foremost are the country's financial reserves. The Qatar Investment Authority, which manages the country's sovereign wealth fund, has pursued an active and global investment strategy. By some estimates, if Qatar continues to invest at its current pace and obtains only a 5 percent rate of return on its investments, it will continue to earn US$77 billion annually (excluding its revenues from liquefied natural gas, of which it is the largest producer in the world).

Many small countries have historically pursued a foreign policy described as bandwagoning, whereby they appease, or "bandwagon" with, the dominant regional power. This has been Bahrain's approach towards Saudi Arabia. Qatar has instead chosen a hedging strategy, by maintaining open lines of communication with everyone. It hosts the largest forward US base in the Persian Gulf, yet it also maintains warm relations with Iran. As a general rule, Qatar seeks good relations with multiple actors, including those with whom it does not always see eye to eye.

Finally, Qatar has launched an aggressive branding campaign, projecting a unique image of itself around the world through three primary methods. Most visible has been Al-Jazeera, the international broadcaster which has helped Qatar rise to prominence since 1996. Qatar has also sought to position itself as a conflict mediator. Although it has not had many actual successes in solving conflicts (except in Lebanon and Sudan), what matters is that it has managed to appear as a regional broker. Finally, Qatar has fostered a number of showcase projects, such as Qatar Airways, its world-class Museum of Islamic Art, as well as its winning bid to host the football World Cup in 2022.

Despite its recent successes, the country will likely have to grapple with a number of difficulties and potential problems in the near future. The first is overreach, which may already be an issue with respect to Qatar's policy in Libya. Qatar has been quite active in the context of the international community's intervention in that country since early 2011, but its role raises questions about its ability to deal with the consequences of events in post-Qaddafi Libya. Similar questions may also arise in Syria. The Qatar model, ultimately, is centred on one individual: "One heart attack could change the equation," said a speaker. The Qatari emir is savvy, but has health problems. Also, Qatar's decision-making process so far has largely been intuitive, a model that cannot be sustained indefinitely.

Continuity amidst upheaval

Resilience of the old order

An important common thread throughout the conference was the assessment that prominent actors who dominated the old political order have been fighting hard since early 2011 to retain their positions and to maintain the status quo. They are resilient: they are unwilling to abandon their privileges and are keen to defend the old order from which they benefitted and in which they have important political and economic interests.

Three categories of such actors exist. In the first category, Saudi Arabia is actively positioning itself as the leading defender of the status quo. There are also those countries that are experiencing, or have experienced, the violence of revolution such as Syria, Yemen and Tunisia, where powerful actors which dominated the old political order are demonstrating their resilience and fighting fiercely to protect their vested interests. Third, we may also wish to study those countries that have not been swept up by protests to understand which factors are responsible for continued stability.

Saudi Arabia. After an initially confused reaction as protests swelled and spread throughout the Middle East, Saudi Arabia has emerged as the main conservative power in the region. In Bahrain, for instance, Riyadh has aggressively sought to defend the existing, Sunni-led government.

One speaker proposed an analytical framework to understand Saudi foreign policy and domestic politics. In terms of foreign policy, Saudi Arabia views itself as the leader of the Islamic, Arab and energy worlds. Although foreigners may often associate the kingdom with oil, its leaders consider Islam and custodianship of the two holiest places in Islam (Mecca and Medina) to be the most crucial aspects of their identity. The importance of its leadership role in the Arab world is also crucial. This role traditionally fell to Egypt, yet Saudi Arabia's vast resources have allowed it to assume this role. In energy terms, Saudi Arabia has the world's largest oil reserves (roughly 24 percent of total reserves) and is the world's largest oil exporter.

Saudi domestic politics can be pictured as a triangle with the royal family at the top, one bottom corner representing the technocratic and business classes, and the other bottom corner consisting of the conservative religious leadership. The royal family needs the other two to maintain its rule, yet the technocrats and the clerics resent

each other's influence. This triangle is therefore in a constant state of tension. If the religious leadership gains some advantage, the technocratic and commercial class can be expected to fight back, and vice versa.

Saudi Arabia's initial reaction to the Arab awakening was seen to be clumsy and confusing. Riyadh was stunned as the regional mood rapidly swung, and the Tunisian and Egyptian presidents were overthrown within weeks of each other. Saudi Arabia was also dismayed by Washington's sudden change of heart vis-à-vis President Mubarak, from whom the US withdrew its support. The Saudi authorities were particularly irritated because when their traditional rival, Iran, had its own massive protests in the wake of the controversial presidential elections in 2009, the US had refused to intervene.

Saudi Arabia believes that changes to the regional political order would not be in its interests and as a result seeks to limit further revolutionary changes. It was deeply concerned that unrest in Bahrain would spread into its Shi'ite-majority Eastern Province. Riyadh, which has considerable economic and political influence over its tiny neighbour, therefore intervened to isolate the reformist faction of Bahrain's royal family and to provide support to the conservatives camp, especially the prime minister, the army chief and his brother, the royal court minister.

Yemen. The consequences of the Arab awakening in Yemen show how dominant actors from the old political order are resilient and actively defend a return to the status quo. To understand recent developments in Yemen, we must keep in mind some historical developments that together explain how the political and economic situations had already considerably deteriorated before the Arab revolts spread to the country.

Yemen's history is marred by the separation between North and South Yemen from 1967 to 1990. The liberal, republican regime in the north was aligned with the West, while the south was the only Marxist republic in the Arab world. Unification in 1990 led to the establishment of a multi-party system with relatively free elections. Ali Abdullah Saleh, who had been president of North Yemen since 1978, was appointed President of a unified Yemen and continued to lead the country until 2011. A war in 1994 between Northern unionists and Southern secessionists was won by the former. The conflict temporarily destroyed the Yemeni Socialist Party, which used to dominate the south, and many believed that separation from the north was no longer a viable option.

There has been, however, a resurgence of separatist ideas in the south since 2007.

Delicately maintained by President Saleh, Yemen's political balance since 1990 had been characterised by the absorption into politics of most of the country's actors, including tribesmen and Islamists. In recent years, this pluralistic system was tested as resources were increasingly monopolised by Mr. Saleh and his clan, and as repression of opposition factions and independent journalists grew fiercer. The first decade of the 21st century also witnessed the expansion of three localised conflicts involving the government: in the south with the secessionists, in the north with the Houthis, who claim to defend Zaidi Shi'ism (a minority in the country but a majority in the northern highlands), and across Yemen against Islamists linked to Al Qaeda.

When the Arab revolts reached Yemen in 2011, the country's politicians were therefore already under severe pressure. The main opposition parties had unified in 2003 under a common umbrella organisation, the Joint Meeting Parties (JMP), regrouping the mostly secular Yemeni Socialist Party, the northern-based Islah party (consisting mainly of members of the Muslim Brotherhood, businessmen and tribesmen) and a variety of smaller parties.

The uprising in Yemen started slowly, and the JMP initially appeared reluctant to move against the president. A few scattered demonstrations were held, but most protest leaders generally supported dialogue with the regime. A more important movement slowly emerged in February 2011, consisting of mainly students who had recently graduated in the cities. The turning point for the opposition came on 18 March, when regime snipers shot and killed more than fifty protesters, launching a wave of defections amongst Mr. Saleh's allies in the military and the bureaucracy. Most important amongst those defections was that of Ali Mohsen, a central and controversial senior military officer. His defection changed the relationship between the regime and the protesters because he had previously been Mr. Saleh's most trusted ally in the armed forces. At the same time, Mr. Mohsen's role in past repression of dissidence made the revolutionary youth uneasy and suspicious.

This led to an attempted mediation by Saudi Arabia and the other members of the GCC. The proposed deal involved a peaceful transition, with Mr. Saleh stepping down in exchange for immunity. The president accepted the offer on three occasions, but each time eventually changed his mind. Tensions on the streets mounted throughout the spring, with street fights escalating between, on the one side, pro-

regime military units and tribal militias and, on the other, defected army units and tribes allied with the opposition.

Tensions reached a peak in early June 2011, when an explosion inside the presidential mosque severely injured the president and injured or killed many of his close advisers. Mr. Saleh subsequently left for Saudi Arabia for medical treatment, only to return in September. The president later signed the GCC agreement in November, but "continues to pull many strings in the country." Yemen's vice-president was nominally put in charge until elections were held in February 2012.

Two important trends marked Yemeni political life in 2011: the rise of new political actors and the practices and resilience of traditional ones. Amongst the new actors, the revolutionary youth, highly politicised and distrusting of traditional parties, have played a central role. Their leadership is fragmented, but expresses many of the population's aspirations.

Three counter-revolutionary processes can be observed at the same time. The Islah party now plays a key role in structuring the street protests thanks to its mobilisation capacity. Elements within the military have sided with the revolutionary youth, which has contributed to building a "balance of terror" where both protesters and the regime are armed. Finally, the government has been able to keep the international community's attention focussed on security and counter terrorism. Despite Mr. Saleh's loss of legitimacy, the international community has continued to cooperate with his regime.

Syria. The old political order in Syria has stubbornly defended the status quo in the face of massive street protests, resulting in one of the most violent chapters of the Arab revolts. The uprising was sparked in March by events in Daraa, a small southwestern city, when school children drew graffiti calling for the toppling of the government. The regime's response was to arrest and torture the children, aged between 10 and 15. A wave of protests and violent repression followed, with every new wave of protests bringing together larger numbers and spreading to new areas of the country, and with the regime's response growing increasingly violent. More than 6,000 have been killed, while thousands have been internally displaced.

The Syrian revolution has gradually become deadlocked. On one side, the Syrian people are unable to force the president, Bashar Al-Assad, to step down. The opposition is organising itself, with the assistance of a growing number of troops who have defected from the military. On the other side, Mr. Assad, who refuses to compromise, has been unable to stop the protest movement from growing, despite his forces'

harsh tactics. He has had support from Russia, which according to media reports provides material support like weapons to Syria. Moscow also defended Damascus diplomatically at the UN Security Council.

Jordan. The old order is proving resilient in Jordan, although it is coming under strain. The traditional challenge for the monarchy has been to balance the two main segments of Jordanian society, Palestinians and indigenous Jordanians, known as East Bankers. The fragile balance of interests has become increasingly difficult to maintain as protests have spread throughout the country, even if they remain small and under control. Both sides want change but do not agree on either means or ends: East Bankers want empowerment, while Palestinians seek universal suffrage.

Abdullah II is generally seen as a weak and ineffective king, especially compared with his father, Hussein. He has addressed demands for change by promising reforms but has not followed up with concrete actions. His grip on power appears uncertain at times, and he has changed his personnel frequently, including prime ministers three times in one year. In October 2011, he replaced an East Banker with a former judge from the International Criminal Court, who is believed to favour reform.

The king has increasingly come under attack from both constituencies. The former charge that the monarch is progressively shifting his power base from the security forces (dominated by the East Bankers) to the business community (where the Palestinians predominate). For the first time, East Bankers are openly criticising the sovereign and questioning the legitimacy of Hashemite rule. Abdullah II faces further criticism for allegedly favouring Palestinians because his wife is Palestinian. The primary target of the Palestinians' anger, on the other hand, is the repressive security and intelligence apparatus, accused of trying to "steal" the Arab awakening.

Jordan, in short, has not been swept away by the Arab revolts but remains in a state of high tension in which more unrest is likely. The general impression in the country is that the social contract between East Bankers and Palestinians, that is, the "glue" holding the country together for decades, is no longer sustainable. The regime will not be able to hold the people at bay indefinitely with handouts and jobs, because in doing so the king will only expand an already bloated bureaucracy and exacerbate the country's fiscal crisis.

Tunisia. The cleanest and sharpest break with the old political order

has perhaps occurred in Tunisia. Yet even there elements of the old regime remain in place. In particular, former President Ben Ali's security apparatus remains largely unchanged. The new regime decided in March 2011 to dissolve the police, but many former members of the force were simply recycled within the system. Torture is still occurring. To make matters worse, the economic problems that plagued the old order have worsened as the revolution caused the economy to slow down in 2011. A large percentage of Tunisians are still jobless, and the new government will be hard pressed to honour its promises of social justice and of economic empowerment to the disenfranchised population in the south.

Algeria and Morocco. Algeria and Morocco have distinguished themselves from their North African neighbours by their relative calm, which has surprised many observers. Studying their situation sheds a useful light on and explains why revolts have not engulfed the two countries and why the existing political structures endure. Three general factors explain the uniqueness of Algeria and Morocco today. First, as early as the 1990s both countries liberalised large parts of their social life. As a result, their citizens are less fearful of expressing their opinions, in sharp contrast to the prevailing conditions in Tunisia and Libya before 2011. Second, neither country has a dominant, emblematic leader against whom popular resentment can be channelled easily. Finally, political parties and unions did not join protesters on the streets, but instead have remained partners of the government.

In the wake of a failed political transition and interrupted elections, Algeria slid into a bloody civil war in 1991. When pondering the events of 2011, many Algerians believe that "they have already travelled this road" and that their own revolution occurred between 1988 and 1990. They obtained elections, freedom of the press and a number of other rights, although not complete democracy. Instead, from the ruins of the civil war emerged a pluralised authoritarian system dominated by the army.

Since the uprisings erupted in the region, three main factors have prevented the occurrence of large protests in Algeria: the fragmentation of power under the current system, the hydrocarbon rent and the overwhelming focus of political parties and unions on salary negotiations. First, the atomisation of power structures in Algeria has prevented the eruption of resentment against a specific figure within the regime, as occurred, for example, against Mubarak or Ben Ali. Power in Algeria is distributed: a military oligarchy may well dominate, but it has delegated

many responsibilities to parties and technocrats.

Second, Algeria has used its considerable hydrocarbon rent to buy stability, massively investing in a wide spectrum of social programs. This has not bought the regime social harmony but has considerably reduced social and economic inequality, which was an important factor driving protests elsewhere in the region. The third factor that has contributed to stability and the perpetuation of the old order has been the fact that political parties and labour unions, powerful actors in the country, have in recent years focussed their energies on obtaining salary increases, not on challenging the regime.

In Morocco, popular grievances centred on the "20th of February" movement, which called for an end to the monarchy's hegemony over the country's domestic politics. Two main factors, however, explain the resilience of the monarchy: its capacity to prevent conflict by integrating its rivals into the political system, and the restraint exercised by police forces when faced with smaller street protests.

Historically, the Moroccan monarchy has successfully co-opted its rivals and critics by integrating them into the political system, as it did in the 1990s with the main opposition movement, the Socialist Party. In recent years, it has used the same approach with a new challenger, the Islamist movement which has created the Party for Justice and Development (PJD). The PJD now leads the elected government and actively participates in the country's governance, which has led to a gradual convergence of its interests with those of the king.

The regime has also learned from the experiences of its neighbours that police brutality only adds fuel to the fire of popular frustrations. As a result, Moroccan police forces have generally behaved with greater restraint than those in Tunisia for example. The one glaring exception to this generally successful effort has been the security apparatus' response to the Marrakesh bombing that killed seventeen people in April 2011. According to one speaker, this response displayed the security sector's dysfunction.

Unlike Algeria, Morocco which has no oil reserves cannot easily respond to its many economic and social fault lines through massive financial investments and social programs. Inequalities therefore remain high, and current efforts to reduce poverty and keep a lid on the prices of basic goods are creating mounting structural budgetary deficits. The evolution of inequalities and of the government's fiscal standing will determine the future stability of Morocco.

Continuity in the threat environment

Al Qaeda is still strong

Al Qaeda's obituary has been written several times in the past decade, and given the Middle East's "popular liberation," this view may seem more compelling than ever. Evidence uncovered in Osama Bin Laden's home after his death revealed his concern that Al Qaeda was losing the struggle for the hearts and minds of the Arab world. Some have even wondered whether the Arab awakening is rendering Al Qaeda irrelevant.

Caution is needed, however, as Al Qaeda remains powerful in many ways. It may have suffered a series of blows over the past three years, but it has been able to accomplish the impossible by expanding significantly during this period: there were seven Al Qaeda networks in 2008, and twelve by early 2012. Over time, Al Qaeda has succeeded in transforming itself from a monolithic movement into a networked transnational movement, despite the punishment imposed by the US. Now, multiple networks with unique idiosyncratic ideologies present individual challenges.

Conventional wisdom on Al Qaeda has also proven wrong in the past. It was previously believed to be a bottom-up threat and that command structures did not matter. The Mumbai attacks and the attempt to blow up a vehicle in Times Square demonstrated that this view was wrong. It was also widely thought that Osama Bin Laden as a figurehead played a limited role and was isolated from his sympathisers and supporters. However, documents discovered after the raid that killed him suggest that this was also wrong. In short, a speaker warned that we must be cautious about received ideas about Al Qaeda: the organisation remains strong indeed, especially in Pakistan, Somalia, Iraq and Yemen.

Geopolitical constants

The Israeli-Palestinian conflict remains a festering wound for many in the region

The Israeli-Palestinian conflict has not served as a mobilising issue to bring people to the streets during the Arab awakening. A number of speakers agreed, however, that it risks "coming back with a vengeance" and may grow in importance as the Arab world becomes more democratic and more responsive to the will of the people, especially because a resolution to the conflict is not in sight and Arab

populations are generally unfavourable to Israel.

According to one speaker, a breakthrough in the Middle East peace process is unlikely in 2012. In his view, changing public and coalition dynamics, as well as changing perceptions of regional dynamics in Israel, all suggest that the conflict between Israel and the Palestinians will continue.

A recent poll to which the speaker referred found that 58 percent of Israelis support former US President Bill Clinton's proposed two-state solution, while only 38 percent oppose it. In an apparent paradox, however, 79 percent thought there would be no peace in the coming years, given that a strong majority in Israel believe most Palestinians oppose a two-state solution. A variety of factors have led to the entrenchment of this perception, including the second intifada (2000-2004), Hamas' rejection of Israel, and the prevailing conviction that the withdrawal of Israeli troops from southern Lebanon in 2000 only made Israel more vulnerable to rocket attacks. These and other factors have convinced many Israelis that no matter what land they yield, the Palestinians will never accept Israel as a nation.

Coalition dynamics in Israel depend on the changing demographics in the country. Prime Minister Benyamin Netanyahu's coalition is made up of traditional "outsiders," including Sephardic Jews, Jews of Middle Eastern origin, Russian immigrants and orthodox and ultra-orthodox Jews. Crucially, most of the governing coalition's members are either opposed to or reluctant to see Israel make progress in the peace process with the Palestinians. This coalition has remained solid, recently passing the state's two-year budget. Moreover, each party for its own reasons does not want to see the coalition dismantled, whereas the opposition is too fragmented to mount a serious challenge.

Changing regional dynamics in the uncertain context of the Arab revolts will probably make it harder for Israel to fully commit to the peace process. In the meantime, Mr. Netanyahu has been hunkering down, hesitating to make concessions as long as Israel's security environment is both deteriorating and unpredictable. As a consequence, the issue of Iran and its nuclear program has been his government's strategic priority.

The Sunni-Shi'a tensions continue

Sectarian tensions have not played a determining role in shaping the Arab awakening. A minority of speakers mentioned them throughout the event, and mostly in the context of the larger geopolitical rivalry between Iran and Saudi Arabia. One exception, however, is Bahrain,

where the Sunni-Shi'a divide was pronounced before the uprisings and has widened since. This is of particular concern to Saudi Arabia, as it has traditionally feared Iranian influence amongst both its own Shi'ite-majority Eastern Province and the Shi'a of Bahrain. It also fears that, if the Shi'a of Bahrain overthrow their government (or come close to it), a domino effect would spread to the kingdom's Shi'ite population.

Sectarianism in Bahrain, traditionally a tolerant country where religious freedom has not been an issue, has reached unprecedented levels. Yet since the outbreak of the protests, anti-Shi'a statements have regularly been expressed by the royal family. In the month of May 2011 alone, forty religious Shi'ite sites were destroyed in unprecedented acts which were sponsored by the government. There is also rising resentment amongst Sunni against the Shi'a, and some Sunni-organised groups now claim that the regime is too soft on the Shi'a.

Ongoing uncertainties

An uncertain political order

Unfulfilled expectations and aspirations will arise, with unpredictable consequences

The Arab awakening will inevitably produce some losers and fan disappointment. In many countries where regimes have collapsed, popular expectations of social, economic and political empowerment are very high, but it is a virtual certainty that many of the underlying aspirations will go unfulfilled in the near future. In countries where prolonged instability is likely, such as Yemen and Syria, frustrated young men might be tempted to turn to violence.

One of Al Qaeda's traditional audiences has been disenfranchised youth and opportunities may open up for the terrorist movement to tap into new reservoirs of recruits. Although Al Qaeda is not a political party, it has historically sought to reach out to disillusioned members of legitimate political parties. Whether it succeeds in doing so could well be one of the main factors of its continuing relevance.

What are the intentions of emerging actors?

A wide variety of new actors have come to the forefront of the political scene throughout the Middle East, while existing actors, such as the armed forces in Egypt, have seen their role and status change considerably. In many cases, however, the intentions of those actors are unclear and poorly understood.

The events of 2011 have shown the central role of armed forces in determining the prospects of any government's survival. Three patterns can be identified. In Egypt and Tunisia, the military decided that it was in its best interest to distance itself from the ruling clan. The armed forces were able to act as an arbiter of the political process, because there was a unified and professional chain of command that could both make this decision and implement it. In Libya and Yemen, the military was not unified and split along regional and tribal lines once it came under pressure, with violent outcomes. In Bahrain, the military is a praetorian guard that is loyal to the ruling clan. It was therefore able to repress street protests.

The armed forces are central actors throughout the region, and yet much remains unknown or poorly understood about their intentions and world views. They are perhaps the most important determinant of future stability in a number of countries. Should serious protests erupt in Jordan or Iraq, for example, how would the army react? Or how far would the Islamic Revolutionary Guards Corps be willing to defend the status quo in Iran?

The case of the SCAF in Egypt is particularly important. A previous assumption had been that the Egyptian military would not tolerate more than a token number of Islamists in Egyptian politics. This has been proven wrong, even if the future intentions of the high command regarding the Muslim Brotherhood remain unclear. How much will the SCAF tolerate its growing influence? The answer to this question is central to the evolution of the internal balance of power in Egypt. This, in turn, will largely shape the future political order not only in Egypt, but also the evolution of political Islam in the region. Egypt's future relations with Israel and the United States will in part be shaped by these dynamics.

An uncertain future threat environment

Splinter groups

Many Islamist groups are in the process of joining the political mainstream. As they gradually come to accept the rules of the game, however, radical elements within their organisations may refuse to renounce violence and choose to break away. These disgruntled splinter groups could pose a security threat and act as spoilers, for example in Egypt or in Libya, where a variety of Islamist groups

are gradually becoming a part of the political process. Further uncertainties remain in this respect: to what extent will such splinter groups form? If they do, will they be able to impede political progress, or will they be condemned to the sidelines, succeeding only in becoming mere annoyances?

Al Qaeda

A critical but unknown element arising from the Arab awakening concerns the prospects for Al Qaeda. Will its message of violent change be undermined by the rhetoric of a peaceful one? How will AQAP, in recent years the network's most dynamic franchise, evolve? One speaker proposed a number of guiding questions about the future of Al Qaeda.

We do not know how the ongoing fragmentation of the jihadist movement will play out. How will the threat evolve as more independent terrorist organisations develop? The Al Qaeda core's capabilities have been diminished, but smaller and more fragmented groups will present new and very profound intelligence challenges. They will not have the same modus operandi and will therefore be more difficult to identify, anticipate and thwart. Dissident republican extremists in Northern Ireland, for example, have presented significant challenges to counter terrorism there. According to one speaker, Indonesian intelligence services would make the same argument regarding their dealings with emerging militias.

There is also much uncertainty surrounding the Syria-Jordan-Iraq "triangle". The collapse of the Assad regime in Syria would have much more serious regional consequences than the fall of Colonel Qaddafi did in Libya. The stockpiles of weapons in Syria, which include biological weapons, completely eclipse those of Libya. There is also some concern that Al Qaeda in Iraq (AQI) could benefit from the chaos in Syria to expand its reach to both Syria and Jordan.

Another major unknown concerns the continued deterioration of US-Pakistan relations and of the domestic situation in Pakistan, and whether either one of those factors could give Al Qaeda an opportunity to regroup and re-organise. It is difficult to predict whether Ayman Al-Zawahiri, who replaced Osama Bin Laden as the head of Al Qaeda, will be a strong leader. Only a few years ago, few would have predicted that Mr. Al-Zawahiri would become such a leader, yet he has shown that he is a strong survivor who has been present at every political juncture for Al Qaeda.

Finally, it remains unclear how Al Qaeda and the jihadist movement as a whole will attempt to harness successfully the same social networking tools that proved so valuable in the context of the Arab popular revolts. This may seem far-fetched, yet ten years ago many observers dismissed the Taliban as technologically illiterate. Today, the movement is active on Twitter and relies on a slick media relations arm. Al-Sabah, Al Qaeda's own media arm, has recently begun using social networking with its own Twitter feed.

The future of "lone wolf" threats is uncertain

An important shift in Al Qaeda's approach in recent years has been its support for "lone wolf" tactics. Al Qaeda has discouraged Western volunteers from going abroad for training, and rather encouraged them to carry out terror attacks in the West itself. This, to some extent, reflects the strategy of leaderless jihad pioneered by Abu Musab Al-Suri, one of Al Qaeda's chief thinkers.

The Al-Suri strategy, however, has generally proven unsuccessful as Al Qaeda's success rate has been relatively low. According to one speaker, leaderless jihad has been a failure for a variety of reasons. Jihad is in part a social venture; individuals therefore tend to lose interest when they find themselves acting alone. In other words, potential jihadists are motivated to sign up by an overwhelming sense of community and acting as a lone wolf does not satisfy this principle. Lone wolves also do not receive much formal training: they have no combat experience and often lack discipline and supervision. That is why their attacks often fail and, when they succeed, do so only partly.

For Western jihadist sympathisers, the question now is whether Al Qaeda is ready formally to officially abandon the Al-Suri model of leaderless jihad and go back to its traditional approach involving travel and training abroad. Yemen is the most attractive front in this regard because it harbours a strong Al Qaeda local franchise, AQAP, and prolonged instability in the country has obvious appeal to foreign fighters. AQAP has recently actively called for Western recruits to join the jihad overseas through its English-language outreach activities on the Internet.

Although it appears that the Al Qaeda leadership remains committed to the Al-Suri model for now, it could eventually choose to again focus on the foreign-fighter model given the limited successes that lone wolf attacks have had. Many lone wolf candidates might be willing to undergo training abroad. The revival of Al Qaeda's networks in the West will be important if it is to survive.

Geopolitical uncertainties

An uncertain business environment

A speaker addressed the challenges faced by businesses, especially in the energy sector, given the geopolitical changes in the Middle East. Although the future evolution of the business environment in the region is marked by uncertainty, he stressed that such challenges are more manageable than is commonly believed. Until 2011, the Middle East was seen as a fairly stable environment because of access: if one could access the right people, business interests were secure. The region was generally viewed as a low-risk/high-yield one. The Arab awakening, however, has turned it into a high-risk/high-yield area. Consequently, some businesses may leave the region, but opportunities for others will open up.

Every country in the Middle East has been affected differently by the turmoil. Jordan receives most of its natural gas from Egypt, but the main pipeline is the target of repeated attacks. To find alternative sources for the country's gas supply therefore becomes a strategic decision for Amman. A variety of options, including Qatar, Iraq and Israel, have been considered. There are also major uncertainties about Algeria. About 15 percent of Europe's natural gas is imported from Algeria, all of which transits through a single point. A local supply pipeline near the terminal was blown up in late 2011. This represents a significant vulnerability for Europe.

Because of economic growth is indispensable to bringing stability to the region, it is important to understand how previous investments were linked to pre-revolutionary circumstances. In Egypt, for example, a major gas deal with Israel was closely tied to the Mubarak family and its closest business partners, and in general to the regime's strategic vision of its relations with Israel. Since they forced Mr. Mubarak from power, the armed forces have been unwilling to defend the deal, raising questions about the future gas trade between the two countries. In this context, a three-question framework can help analysts understand the evolution of the business environment in states where the old order has been overthrown or shaken:

- How were investments tied to deposed elites and how much did they epitomise those elites?
- What investments are linked to the military?
- What investments are so profoundly tied to that nation's interests that no regime change will affect them?

The future of US influence in the Middle East and consequences of the Arab revolts for Canada

The future of US influence in the region remains a fundamental question to which there is no unanimous answer. In the words of one speaker, on some aspects the US has benefitted from the Arab awakening, while it has not in others. Throughout the conference, a number of speakers argued that US influence in the region was probably already in decline prior to 2011. Whether this decline will continue, accelerate or be reversed in the future, however, remains unclear.

It is likely that US hard power in the Middle East has declined, while the jury is still out on its capacity to exercise soft power. A more definitive assessment will depend on how US domestic politics play out in 2012 and on how the US will be able to restore the influence that President Barack Obama attempted to expand and use at the beginning of his administration. Regional perceptions of US policies, for their part, will largely depend on what the US does and not what it says. What the US has done so far through this period of upheaval has been positive for many as it has been supportive of some of the revolutions (for example, Libya and Syria), but not in other instances (Bahrain).

According to one speaker, US foreign policy is entering an era of volatility and will not be able to escape the consequences of global financial instability. In the Middle East, the US seems to have been reduced to the status of spectator and can no longer initiate or make regional policy. It remains to be seen if the "leadership from behind" doctrine and the intervention in Libya will provide viable models of influence in the future.

Interestingly, a recent poll of academics conducted by Foreign Policy magazine found that 30 percent believe that the Middle East is of strategic importance to the US today, but only 8 percent believe that this will still be the case by 2032. Even more strikingly, only 6 percent of policymakers believe that the region will be of strategic importance by that time.[1] In addition, 60 percent of academics and policymakers supported NATO's intervention in Libya, but, crucially for the future, very large majorities did not support armed intervention in South Sudan, Syria, Yemen, Iran or Pakistan.

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[1] Paul C. Avery, Michael C. Desk, James D. Long, Daniel Malinda, Susan Peterson and Michael J. Tierney, "The Ivory Tower: How IR Scholars See the World," Foreign Policy, January/February 2012 (http://www.foreignpolicy.com/articles/2012/01/03/the_ivory_tower?page=full).

In the short- to medium-term, the US will have to grapple with a number of complex issues, including changing alliances. Washington was once a close ally of Iran, Egypt, Turkey and Saudi Arabia. Now every one of those relationships is in trouble, even though the nature of these ties differs significantly. A country that should be watched closely is Saudi Arabia because of US dependence on oil. The rivalry between Saudi Arabia and Iran is another cause for concern, as Saudi authorities expect and need US backing.

Another major potential "game changer" is the Iranian nuclear conundrum. It is possible that Iran could become a nuclear state in the coming years, an outcome which ultimately will be determined mostly by internal Iranian politics, said a speaker. There were missed opportunities between the US and Iran in 2003 and 2009, when Iran proposed negotiations with the US on all outstanding bilateral issues and when a deal to process low enrichment uranium outside of Iran was discussed. Such opportunities might not come around again. Even though the speaker assessed that Washington does not want another Middle Eastern war, tensions are such that small missteps could well provoke conflict between the two rivals. One positive development for the US on this front has been Iran's declining status as a source of inspiration for the masses throughout the region. It increasingly looks like just another autocracy.

The Israeli-Palestinian front will also raise a number of challenges for US policy in the Middle East in the coming months and years. It is doubtful that some of the opportunities of the past years will arise again. In fact, the government of Barak Obama has so far mostly demonstrated the limits, as opposed to the extent, of the influence the US can wield in terms of the conflict. In this context, the failure to implement the two-state solution will further exacerbate Washington's regional problems.

US experiences in Iraq and more recently in Libya raise the question of future US military interventions in the Middle East. The war in Iraq has largely destroyed the country's enthusiasm for massive democratisation projects. President Obama's approach towards the region is in part a formal rejection of any form of democratisation by armed intervention. The intervention in Libya, however, offers a different model, merging the responsibility-to-protect principle with a campaign squarely aiming for regime change. Contrary to some expectations that NATO would fail, the intervention was largely successful. US foreign policy has not suffered moreover and not a single US soldier was killed in the process. According to the presenter, however, this model is probably not appropriate for bringing an end to the turmoil in Syria.

The Arab awakening will inevitably have an impact on Canada and its interests in the Middle East and North Africa. Canada may have a limited ability to influence outcomes in the region, but it will face a number of challenges as it learns how to navigate the new regional political and social orders. The region's expected volatility may require future interventions with allied countries, and the possibility of multiplying ungoverned spaces may create significantly risks of heightened religious extremism. Such uncertainty requires that Canada's knowledge of the region's political and social developments be well maintained.

Annex A

Conference agenda

Competing Visions of the State
Political and Security Trends in the Arab World and the Middle East

A conference of the Canadian Security Intelligence Service (CSIS) in collaboration with the International Research Development Centre (IDRC)

19-20 January 2012 – 1941 Ogilvie Road, Ottawa, Canada

Day One

8.30 – 8.45	Welcome, structure and objectives of the conference
8.45 – 9.00	Opening remarks
9.00 – 10.45	Module 1 – The Giant Leading the Way? Politics, security and development in Egypt • Interpreting the elections and understanding political Islam in Egypt today • The changing role of the military domestically and regionally, and challenges for the security apparatus • A Place Under the Sun? Youth role and influence in Egypt's new politics
10.45 – 11.00	Break
11.00 – 12.30	Module 2—Focus on the Arabian Peninsula • In Praise of No Change: Saudi Arabia's reaction to the revolts, update on tensions in the country and future stability • On the Fault Line: Bahrain as a microcosm of Sunni-Shia relations • Yemen: Building New Political Equilibriums

12.30 – 13.30	Lunch
13.30 – 15.00	Module 3—Focus on the Maghreb • Looking for Inspiration: What lessons to draw from Tunisia's experience • Morocco and Algeria • State of Play: Libya
15.00 – 15.15	Break
15.15 – 16.30	Module 4—Focus on the Mashreq • A Troubled Ally? Progress of Jordan's reforms, changing domestic political forces and the country's long-term view of regional security • Lion Hunt: The state of Syria's uprising and its regional implications
16.30 – 17.15	On-stage discussion: Israeli-Palestinian relations and influence of the conflict on ideology and politics in the Middle East • Israel: domestic obstacles to resolution of the conflict • Gaza and the West Bank: the shifting roles and challenges of Hamas and Fatah
17.15	Adjourn

Day Two

8.45 – 9.00	Introduction of the second day's programme
9.00 – 10.45	Module 5—Political Violence and Terrorism: Security dimensions of the Arab revolts • Wither the Appeal? Al-Qaida after the revolts • How should western societies expect the threat of radicalisation to evolve?

	• Libyan Excesses: The risks and implications of failed states in the Middle East in the wake of the revolts
10.45 – 11.00	Break
11.00 – 12.00	Keynote address: The Future of Political Islam
12.00 – 13.00	Lunch
13.00 – 14.45	Module 6—Power Play: The evolving geopolitics of the Middle East • Re-ordering the Blocks: Evolution of the region's geopolitics • Qatar: the emergence of a new regional power centre • In Practice: Are (energy and other) investments into the region secure?
14.45 – 15.00	Break
15.00 – 16.15	Module 7: Implications for Canada and the United States
16.15 – 16.30	Summary
16.30 – 16.45	Concluding remarks
16.45	Adjourn

Annex B

Academic Outreach at CSIS

Intelligence in a shifting world

It has become a truism to say that the world today is changing at an ever faster pace. Analysts, commentators, researchers and citizens from all backgrounds—in and outside government—may well recognise the value of this cliché, but most are only beginning to appreciate the very tangible implications of what otherwise remains an abstract statement.

The global security environment, which refers to the various threats to geopolitical, regional and national stability and prosperity, has changed profoundly since the fall of Communism, marking the end of a bipolar world organised around the ambitions of, and military tensions between, the United States and the former USSR. Quickly dispelling the tempting end of history theory of the 1990s, the 2001 terrorist attacks on the United States, as well as subsequent events of a related nature in different countries, have since further affected our understanding of security.

Globalisation, the rapid development of technology and the associated sophistication of information and communications have influenced the work and nature of governments, including intelligence services. In addition to traditional state-to-state conflict, there now exist a wide array of security challenges that cross national boundaries, involve non-state actors and sometimes even non-human factors. Those range from terrorism, illicit networks and global diseases to energy security, international competition for resources, and the security consequences of a deteriorating natural environment globally. The elements of national and global security have therefore grown more complex and increasingly interdependent.

What we do

It is to understand those current and emerging issues that CSIS launched, in September 2008, its academic outreach program. By drawing regularly on knowledge from experts and taking a multidisciplinary, collaborative approach in doing so, the Service plays an active role in fostering a contextual understanding of security issues for the benefit of its own experts, as well as the researchers and specialists we engage. Our activities aim to shed light on current

security issues, to develop a long-term view of various security trends and problems, to challenge our own assumptions and cultural bias, as well as to sharpen our research and analytical capacities.

To do so, we aim to:

- tap into networks of experts from various disciplines and sectors, including government, think-tanks, research institutes, universities, private business and non-governmental organisations (NGOs) in Canada and abroad. Where those networks do not exist, we may create them in partnership with various organisations;

- stimulate the study of issues related to Canadian security and the country's security and intelligence apparatus, while contributing to an informed public discussion about the history, function and future of intelligence in Canada.

The Service's academic outreach program resorts to a number of vehicles. It supports, designs, plans and/or hosts several activities, including conferences, seminars, presentations and round-table discussions. It also contributes actively to the development of the Global Futures Forum, a multinational security and intelligence community which it has supported since 2005.

While the academic outreach program does not take positions on particular issues, the results of some of its activities are released on the CSIS web site (www.csis-scrs.gc.ca). By publicising the ideas emerging from its activities, the program seeks to stimulate debate and encourage the flow of views and perspectives between the Service, organisations and individual thinkers.