

NATIONAL COUNCIL ON U.S.-ARAB RELATIONS
16TH ANNUAL ARAB-U.S. POLICYMAKERS CONFERENCE

**“REVISITING ARAB-U.S. STRATEGIC RELATIONS:
GEO-POLITICAL, ENERGY, DEFENSE COOPERATION,
AND DEVELOPMENTAL DYNAMICS”**

8:50-9:00: WELCOME AND INTRODUCTIONS

DR. JOHN DUKE ANTHONY
President and CEO, National Council on U.S.-Arab Relations

REAR ADMIRAL HAROLD J. BERNSEN (USN, RET.)
Chairman, Board of Directors, National Council on U.S.-Arab Relations

MS ANN EVERETT
Chief Operating Officer, Ronald Reagan Building and International Trade Center

**9:00-9:20: “REVISITING ARAB-U.S. STRATEGIC RELATIONS: AN OVERVIEW
AND PERSONAL PERSPECTIVE”**

GENERAL WESLEY K. CLARK (USA, RET.)
Former NATO Supreme Allied Commander, Europe

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Mr. Patrick Mancino (Vice-President and Director of Development, National Council on U.S.-Arab Relations): Ladies and gentlemen, if you would please enter the atrium hall and take your seats. Thank you. Again, ladies and gentlemen, if you'd please make your way into the atrium hall and take your seats we'd really appreciate it. Just a housekeeping matter I did want to share with everybody -- General Wesley Clark will be available after his remarks to sign his latest wonderful book so we hope that you will purchase copies for yourselves and your family and your friends so -- and we're thrilled to have him, so thank you.

One other point of business for the audience here -- we have note cards and they are on each chair and those are our question cards, and at the end of most of our panels you have the opportunity to write your question or questions out for our speakers and our students from Converse College, one of our model Arab League programs -- our stellar students from there will be coming around. Just raise your hand and they'll collect your cards and bring them up to the podium and we'll try to -- try our best to get your questions answered. So just wanted you to know that's the system we have in place. It just helps the speakers and helps the program move forward and move very quickly. So if you'd just abide by that we'd appreciate it. Thank you.

DR. JOHN DUKE ANTHONY: Ladies and gentlemen, my name is John Duke Anthony and I'm with the National Council on U.S.-Arab Relations. I'd like to introduce the Chairman of the National Council's Board of Directors, Admiral Harold Bernsen. Admiral Bernsen had a distinguished career in the United States Navy, and what particularly brought him into the framework of the work of the National Council on U.S.-Arab Relations was when he was the commander of United States forces in the Middle East at the -- right after the Iranian revolution began and during the early months of the Iran-Iraq War.

And that war lasted so long that he had to be brought back out at the end of the war there during the reflagging campaign when United States flags were put on Kuwaiti tankers there to bring about the cease fire finally in August of 1988. He then subsequently served with U.S. Central Command headquarters in Tampa, Florida with policy and plans, and upon retirement joined the board of the National Council on U.S.-Arab Relations, also becoming president of Physicians for Peace and a board member of the Bahrain American Friendship Society. Admiral Bernsen? (Applause.)

ADMIRAL HAROLD BERNSEN: Thank you very much, John. As Chairman of the National Council's Board of Directors I want to extend a warm welcome to everyone present this morning, and I want to particularly thank the record high number of corporate sponsors as well as the Arab embassies whose generous support has made this 16th Annual Arab-U.S. Policymakers Conference possible. And with your indulgence I'd like to invite your attention to these sponsors by category and name. The Diamond, Platinum, and Gold sponsors include Aramco Services Company, Arcapita, Chevron, Conoco-Phillips, the Embassy of the State of

Kuwait, the Embassy of the State of Qatar, the Royal Embassy of Saudi Arabia, the Embassy of the United Arab Emirates, Exxon Mobil, Marathon Oil Company, and Shell Oil Company.

Silver sponsors include Boeing, Halliburton, the Northrop Corporation, the Olayan Group, and the Ronald Reagan Building and International Trade Center. Bronze sponsors -- Bilateral U.S.-Arab Chamber of Commerce, DynCorp International, the Embassy of the Kingdom of Bahrain, the People's Bureau of the Great Socialist People's Libyan Arab Jamahiriya, General Dynamics, Hess Corporation, Lockheed Martin, Raytheon, Textron, the U.S.-Arab Economic Forum, Yemen College of Middle Eastern Studies, and the law firm of White & Case. And lastly, VIP Friends of the Council -- Adams & Associates, Inc., the Embassy of the Republic of Yemen, the Fluor Corporation, Patton Boggs LLP, Pratt and Whitney, and last but not least Saudi-U.S. Relations Information Service.

Now, before returning the microphone to Dr. Anthony, who is the National Council's founding president and its chief executive, I'd like to tell you briefly how I came to know about this great organization. John has alluded to it a little bit but I'd like to elaborate just a bit. The first occasion was in 1980, soon after the beginning of the revolution in Iran and the onset of the Iran-Iraq War when I was en route to my first posting in the Arabian Gulf, not as the commander at that time but as a ship commander.

As I prepared for my assignment, Dr. Anthony was my principal briefing source on the ways of the Arab world here in Washington. We maintained contact and six years later when I did assume command of all U.S. naval forces deployed to the Middle East, I was able to return the favor and brief and host various delegations of high-level American leaders that the Council and Dr. Anthony brought to the region. These included not only members of Congress and their staffs and leading American businessmen but also university social science educators, many of whom are with us today in this audience.

Since leaving the Navy I've participated in many of these programs and I can personally attest to how the Council's educational work can truly change people's lives, especially the lives of the many young people with whom we come in contact through the Model Arab League program, student exchanges, and our numerous internships. As a director of the organization since 1991 it's been a great privilege for me to be part of the Council's ongoing efforts to inform Americans and others concerning United States' interests in the Arab world, and in particular to take on the challenging task of improving the Arab-U.S. relationship, the policymaking components of which are appropriately the subject of our meetings today and tomorrow. With you, our audience, I look forward to being educated further. Dr. Anthony, the floor is yours.

DR. ANTHONY: Thank you, Harold. Before I introduce Ann Everett on behalf of the Ronald Reagan Building in the International Trade Center, I've been asked to make a few statements about the National Council's vision and mission. The National Council's vision is

the placement of the U.S.-Arab relationship on as firm a foundation as possible. The Council's mission is educational. This particular conference educational mission has to do with focusing on the dynamics of the U.S.-Arab strategic relationship and particularly those amongst regional security concerns, geo-political dynamics, energy issues, defense cooperation, and developmental dynamics. But this particular conference is but one of the National Council's educational programs. There are several others that I will touch on briefly but the details of which are in your program booklet. All of the programs have one constant theme running through them and that is a positive outlook and perspective with regard to context, background, and potential for improving this relationship.

They're also undergirded by a belief that each American provided a first hand education about the Arab world and about Arab-U.S. relations becomes one less American who refers to Arabs as those, them, and other in an inhumanity context, and rather as part, like the rest of us, of a larger tapestry of us-ness, and each American for whom we provide an education about the Arab world and the Arab-U.S. relationship will be one less American who will consider Arabs to be objects -- objects to be manipulated, to be dominated, to be controlled, rather than as actors with their own legitimate needs and concerns and interest and objectives that deserve to be evaluated and related to on their own merits.

In addition to the policymakers' conference educational program, one of the oldest of the Council's educational programs is the Malone Fellows in Arab and Islamic Studies program. The participants are primarily university professors in the social sciences, but not ordinary social science professors in the sense of being wedded to their research and in the bowels of the library working over musty documents for their lesson plans and their writing, but rather professors who are active in the community -- in their civic and professional and business associations off the campus as much as on the campus to share their knowledge and understanding about the Arab countries, the Middle East, and the Islamic world.

Consider that there are 4,200 universities in the United States, and then consider that the National Council has alumni of this particular program in 800 of these universities. And consider also that each of these 800 professors teaches on average a minimum of 300 students a year, and this translates into some 240,000 young Americans being taught annually about Arab culture and society -- about Islamic beliefs, practices, and institutions and about the challenges to improve the Arab-United States relationship. This program has been held in Saudi Arabia, in Egypt, in Jordan, in Tunisia, in Lebanon, in Syria, in Iraq, in Yemen, in Kuwait, in Bahrain, in Qatar, in the United Arab Emirates, and Oman.

The program specializes in placing the participants smack in the middle of the U.S.-Arab relationship -- not here where the program begins but inside the region itself. Consider also that for 11 years now we have also included more than 100 armed services officers assigned to the commander of the United States Central Command in these programs and involved them in our programs in the six GCC countries in Egypt, Syria, and Yemen.

A third Council educational program has been for university and high school students and to a lesser degree for graduates of America's 80 schools of journalism and mass communication where we put those graduates to work on English language newspapers in Egypt and Jordan and Kuwait, and the United Arab Emirates in two different places, in Saudi Arabia and two different places, and also in Israel.

Some 700 young Americans have participated in this particular program. They participate in the Arab language training components in the country and area studies components of the Council's programs in these countries. Many of these young people are well on their way to becoming America's Arab-U.S. relations leaders of tomorrow. As such they are better prepared than the present generation to manage and to help strengthen and expand U.S.-Arab relations in the period ahead.

A fourth Council educational program is year round internship programs for university and high school students. The purpose is to provide them working experience at the National Council or a sister organization away from the textbooks, away from the classroom, away from their educational and academic curricula.

Finally, the Council's fifth educational program is the one that Admiral Bernsen alluded to, namely the Model Arab Leagues and the Leadership Development program combined. This one has by far the largest number of participants and is the oldest of all of the National Council's programs. It exists in 13 cities annually throughout the United States, usually between January and the end of April. Fifteen separate Model Arab Leagues are conducted in those 13 cities -- 10 of them for university students, five of them for high school students. Some 2,000 students a year come through this particular program along with 200 faculty advisers, almost all of the faculty advisers being the graduates of the Malone Fellows in Arab and Islamic Studies program. So this is the ripple effect and the synergistic consequences of several of the national council's program.

The Model Arab Leagues focus on 22 Arab countries, not the 193 countries of the United Nations. Two of this particular conference's patrons -- Chevron and Marathon -- together with the Mosaic Foundation, the David and Catherine Moore Foundation, and Kingdom Holding Foundation have helped sustain and strengthen this program. What distinguishes this particular program is that it teaches America's future Arab-U.S. relations policymakers leadership skills. It teaches them to be able to debate effectively in front of one's peers. It teaches them how to master parliamentary procedure. It teaches them to become comfortable using the special language that goes into the drafting of resolutions. It teaches them how to learn the art of coalition-building. It teaches them to practice writing, editing, and speaking publicly under tight time constraints. It teaches them how to go about effectively setting as well as managing policy agendas as well as chairing meetings. It teaches them also how to react to defeat with grace and dignity, and it teaches them how to

react to victory with humility, self-effacement, and an absence of arrogance and pretense, pomposity, and pontification.

The Council provides this program every year, as I indicated, to 2,000 new and many repeat participating students, and roughly 200 faculty members serve as delegation advisors along with adult judges who are volunteers like yourself -- former retired military people and retired Foreign Service Officers and other volunteers with a serious interest in Arab-U.S. relations.

It may sound like a typographical error but it's not. More than 25,000 American students have participated in this particular program, and quite a few faculty advisers as well as more than 20 of the Model Arab League student delegates themselves are here for this conference. I encourage you to walk up to them and introduce yourself. Ask them what country they represented. Ask them what skills they obtained. Ask them what the interest and value of this particular program is and was and has been and will continue to be for their further professional development as they get set to embark on their careers in Arab-U.S. relations.

I now turn to Miss Ann Everett with pride and pleasure, who is the Chief Operating Officer of the Ronald Reagan Building and the International Trade Center which has responsibilities under the General Services Administrations for some 90 federal agencies in the greater Washington metropolitan area in providing services for some 750,000 employees utilizing its services. This is the second year in a row that we've been privileged to hold and host this conference at this institution, and we know of no finer conference facility anywhere in the nation's capital and I would argue in the world as a whole. Miss Ann Everett.
(Applause.)

ANN EVERETT: Thank you. Good morning, and welcome to the GSA's unique and diverse Ronald Reagan Building and International Trade Center. I will send you greetings on behalf of GSA's administrator, Larita Doan, who could not be with us this morning. It is a pleasure again to be with you for the second year in a row here in this magnificent building. The International Trade Center was established by Congress to create and enhance opportunities for the U.S. trade, commerce, communications, and cultural exchanges with other nations. We fulfill this mission in three important ways.

First, we are home to many of the country's most important and influential government agencies including the U.S. Department of Commerce and their trade information center. Second, we work with many of the international trade associations and embassies on a wide variety of international trade events. Last year, there were more than 300 international events here in this magnificent building, many of them open to the public. And finally, we are a member of the World Trade Centers Association and as such are designated the World

Trade Center, Washington, D.C. We work closely with over 300 world trade center partners in 100 countries to foster new and creative business development opportunities.

Again, it is our pleasure to host you in this building. If you have any concerns or if you need anything at all, Susan Sylvester will be here with you throughout the two days that you're here. Thank you for being here and we hope to host you for many years to come. (Applause.)

DR. ANTHONY: It is now my distinct privilege and pleasure to introduce General Wesley Clark. General Clark served 34 years in the U.S. armed forces in the United States Army. He is a four-star general and he acquired as many decorations if not more decorations than any other serving American general than any since Dwight Eisenhower. General Clark is in many ways a renaissance person. He is an athlete, having led his high school swim team. He was first in his class at West Point, and he has received the very prestigious and very hard to get, very much coveted Rhodes scholarship at Oxford University where he earned his Master's degree in politics, philosophy, and economics. He also received the Presidential Medal of Freedom from President Bill Clinton. This is one of the two highest office awards that can be provided to any distinguished American.

And while he's been known as a household name and a familiar face on the television talk shows providing analyses since the ongoing operation Iraqi Freedom in March 19th, 2003 in Iraq and earlier in Afghanistan, this ought not to obscure his earlier and monumental contribution as Supreme Commander of Allied Forces in Europe (SACEUR) where, during the situation in Kosovo, he led the campaign to save -- to prevent 1.5 million Albanians from being ethnically cleansed without a single Allied casualty. General Clark has garnered more than 20 major international awards. Some of them are listed in your program booklet. He's the author of *Waging Modern War* and *Winning Modern Wars*, and his most current book -- all three being best sellers -- *A Time to Lead: For Duty, Honor, and Country*. General Clark. (Applause.)

GENERAL WESLEY CLARK: Thank you very much, Dr. Anthony, for that kind introduction. I really am happy to be here this morning. I wanted to be here because I think this is a very, very important organization -- not just a policy conference that you're having today but this National Council on U.S.-Arab Relations. We need this kind of understanding and this kind of education very, very badly across the United States and indeed throughout the Arab world, and so I just want to congratulate you, Dr. Anthony, on what you and your organization are doing. Hal, when you briefed all of those activities it just warmed my heart because I think education like this has to start early. I think young people have to be exposed to it. I think you have to carry it through your entire life in understanding other people, other cultures, and other interests, and it's one of the great opportunities we have today.

I just came back from Qatar. I was there for an International Crisis Group board meeting over the weekend, and it's a stunning place. Every time I go there -- I go there once or twice a year and the economic development there is just -- it just blows your mind. New buildings -- every six months new skyscrapers are initiated and completed, complete new housing developments, industrial parks, the -- obviously the expansion in the industrial city north of Doha but also now the development of a financial market, and I think Qatar is one of many development sites in the Arab world that are emerging. I was at the Jeddah Economic Conference last year, or earlier this year in Saudi Arabia, and looked at all the work going on there. I was in Dubai in December.

I mean, across this region it's incredibly dynamic but it's also incredibly exposed to crisis and conflict and threat. This weekend in Qatar, I was talking to a couple members of the Qatar Investment Authority leadership, and things are going -- couldn't be going better for the Investment Authority. But I mentioned to them just in passing that it seems that the -- both sides of the aisle in the Congress are pretty much determined that Iran is not going to get a nuclear weapon, and that all options are on the table. And their faces clouded, and one man said -- to the consequence of a strike on Iran -- he said this would not be good.

I think that's a mild understatement for the attitudes in the region. And one of the things I hope we'll talk about today is how different the regional view of the region and its problems and challenges and opportunities is from the Washington view. It's very, very different.

Of course there's enormous oil wealth and now gas wealth in the region combined with all kinds of economic development -- the emergence of financial markets, communities -- and this time that money -- much of it -- is staying home and it's being put to good work. But the region is the cockpit of conflict. And we've got -- to the East you've got Afghanistan, where U.S. forces and NATO are struggling to make a workable strategy out of age-old Afghan xenophobia, and the problems of a deeply embedded Taliban movement.

Last night I was on BBC Radio talking about the NATO Secretary-General's statement that we're entering a crisis in Afghanistan. I think it's high time we look at Afghanistan. It's certainly a mission struggling for success and struggling for definition of a strategy.

There's Lebanon, still attempting to recover from the ravages of conflict in the summer of 2006 and all of the political tampering and interference that's gone on there continuously for years in the aftermath of its civil war.

Of course, there's the hope that something new can emerge this time between Israel and the Palestinians but there's a lot of skepticism because this has been tried before. And the issues are pretty well known -- it's a question of political will and a question of leadership.

There's al Qaeda, which is still broadcasting, still organizing, still inspiring many around the world hostile to states in the region and hostile to the United States. And of course, there's Iran -- isolated for 30 years by the United States, long considered an adversary and now both seeking regional hegemony and nuclear power. What do we make of all this and what can we do with our hands fully engaged in war in Iraq while all of this goes on around us? What can we do?

Well, I'd suggest the first thing you have to do is understand how we got to this position. It wasn't by accident. We had a national strategy of deterrence and containment and it worked against the Soviet Union. We used all the elements of U.S. power and we used the military last, and after 40 years during which many of you all served as I did in uniform and we never thought we'd see the end of this conflict, but we thought if we could manage it and not have it go to bloodshed we could succeed.

And suddenly in the twinkling of an historical eye that conflict was over. The Berlin Wall fell down, East European satellite states dissolved, and within two years the Soviet Union itself had broken apart. We had won the Cold War without ever firing a shot directly in war against our principle adversary and we brought freedom to Eastern Europe. It was a time of miracles, and George H. Bush called it a time for a new world order.

But if America defeated its adversary; America lost its strategy. We tried to put a strategy in place in the 1990s -- honestly couldn't get anyone's attention back here in Washington. It was just a political football going back and forth -- a lot of charges and countercharges. The American military was heavily committed and we stopped a war in the Balkans with peacekeeping, put 25,000 troops in, struck Saddam Hussein, went after Osama bin Laden, fought a 78-day air campaign against Slobodan Milosevic, saved a million and a half Albanians from ethnic cleansing in the Balkans, and did it all without a national strategy while America added 22 million jobs at home and was the envy of the world for the economic miracle. It was a great opening economically. It was the Internet and the mobile phone and telecommunications and the World Trade Organization and NAFTA. Everything converged to give us a huge spurt of economic growth.

And then came 9/11, and what I would suggest to you is this is the starting point that we have to look at and examine. What are the premises underlying the U.S. response to 9/11 and how effective have they been? And if they haven't been effective then how should they be modified and how should we move forward in the future? What I'd submit to you is that 9/11 resulted -- led to a policy coup in the United States. I call it a policy coup because normally policy is put together in a systematic fashion. It's debated, it's argued in the interagency, it leaks out, there's discussions in the press, there's some hearings on it. Normally there's some irate senators standing up and saying, "What is this strategy of America?" None of this happened after 9/11. Instead, a -- now, this is the Clark interpretation -- a very determined group of people in positions of high authority determined

that the United States would embark on a totally new strategy. Well, it was a new strategy for us to embark on. It wasn't a new idea.

In 1991, I was a one-star General out at the National Training Center. I came to Washington one week for some off-duty education. I happened to go by the Pentagon and meet with Under Secretary of Defense Paul Wolfowitz. It was May of '91 and he'd said if I ever got to Washington come and look him up. That's what they always tell you when you're a general officer out there. So I just thought I'd take him up on it. It was about 3 o'clock one Friday afternoon in May, and I called and they said come on up. I knocked on the door of the Under Secretary of Defense's office. I was a little bit intimidated up there on the magnificent third floor of the Pentagon, and so that was my first meeting with Scooter Libby, and he said, "Come on in. Paul will see you."

So I went to see Paul Wolfowitz and he said -- he had his head down on his desk. I said, "Well, Mr. Secretary, how are you?" He looked up and I said, "You must be pretty proud of our troops from the Gulf War, aren't you?" And he said, "Yes," he said -- but he said, "Not really," he says, "because we failed. We didn't take out Saddam Hussein." He said, "I know President Bush says that we're going to -- he'll be gotten rid of by his own people." But of course by this time the Shi'a revolt in Iraq had already taken place. But Wolfowitz looked at me -- he said, "I don't think that's going to happen," he said but I -- but he said, "I think we did learn one thing from the Gulf War." He learned -- he said, "We learned that we can use our military with impunity to take out these old Soviet client states in the region and the Soviets won't stop us." And he said, musing in his office, "We've got five, maybe ten years to take out these states -- Iraq, Syria, Iran -- and clean up the Middle East before the next great superpower comes along."

I'm thinking to myself, five, ten years. I'm -- 1991, our troops are just getting back from the Gulf War. I was dumbfounded. This was a big strategic idea, and Americans -- you know, in the West we're not big strategists. We believe in trade and diplomacy and dialogue, and strategy sort of lurches along. Here was a guy who had a clear-cut sharp strategic vision -- just send in the military -- take out those governments. I said, "Well, is it -- do we have to do this in five or ten years?" He said, "Well, you know, maybe a little longer -- nobody knows for sure." And I said, "Well, but the next great superpower" -- he said -- I said, "Is it China or" -- he said, "It could be China. Again, we're not sure." And the conversation sort of drifted off -- I excused myself.

For me, it was a nugget. I sort of packed it away. I thought to myself, "There's a big, bold thinker." Paul and Dick Cheney, as secretary of Defense, took that concept to General Scowcroft and to George Bush and it was rejected -- it's a totally un-American concept. The United States invading countries -- we're just going to sort of march our legions across, knock off these kings out there, put our own sycophantic leaders in place, let them send tribute to

Rome? I don't think it works that way, and it certainly has never worked that way in American history.

And so Scowcroft was reported to have said something like -- taking it to the President -- President said, "We'll talk about this after the election." Of course, after the election he was gone. And there after 9/11 suddenly this vision was resurrected right out of the Project for a New American Century -- a big, bold grand idea. They didn't come to the American people though to explain it. They didn't go to the world and say, "Okay, this is it. Al Qaeda struck us from Afghanistan so we're taking decisive action now. We're going after Iraq first, then Syria, then Lebanon, then Libya, then Somalia, then Sudan, and then Iran." No, they didn't say that because if they'd said that they'd have been laughed off the stage. It wasn't a plan -- it was a flight of fantasy. But it was written up in official papers in the Office of the Secretary of Defense.

One of the generals on the Joint Staff told me in November of 2001. He held it up. He said -- I said, "Are we still invading Iraq?" Because that decision was made right after 9/11. And by November he said, "Oh, sir, it's worse than that." He said, "I just got this paper down from" -- pointing to the magnificent third floor office above his of I guess the Secretary of Defense or maybe Deputy Secretary of Defense. "Here's the concept. Seven states in five years." The first state was to be Iraq. The flight of fantasy was actually put in play and today, four and a half years later, we're living with the consequences -- \$800 billion, 4,000 Americans, God knows how many hundreds of thousands of Iraqis have been killed and maimed as a consequence of this. Two million people driven out, a failed state created and al Qaeda on the loose, and Saddam Hussein and the Ba'athist party, the greatest obstacle to Iran, removed.

It's some strategy that after all this leaves the United States in a position where we're weaker and our adversary is stronger. What kind of strategy is this in dealing with these conflicts? So, of course -- I mean, you know I'm a Democrat but I didn't become a Democrat because I was born that way. I became a Democrat because I couldn't stand the strategic direction and leadership of the U.S. administration. They've never leveled with the American people. They haven't leveled with our allies abroad. This country doesn't have an effective strategy.

Now, this is a policymakers' conference and I'm the first speaker on your agenda and I'm supposed to help set the agenda so can I ask you to do this? Could you please give us your ideas on a strategy? What is it that the United States should be aiming to achieve in the region? How should we go about achieving it and what are the alternatives and costs and consequences of each of these alternatives if we pursue them?

I think the focal point for U.S. strategy is Iran. I think there are three broad alternatives -- engage, isolate, or attack. This morning *The Washington Post* headlines say

that we're getting ready to announce a new series of unilateral sanctions on the Iraq military. I couldn't quite get down to the fine print to see exactly what those sanctions are on the al Quds force. I'm sure that they're going to be really disappointed that we're cutting off military assistance -- the U.S. military assistance we've previously provided to the al Quds force. But it is an important -- it's an important step to recognize reality. Iran's Revolutionary Guards and al Quds are supporting and training terrorists and they engage in terrorist activities. That's simply a fact.

So I don't take the forthcoming White House announcement or Treasury Department announcement as necessarily dispositive for engagement, isolation or conflict. But we need to be talking about this because Iran is now going to become the central focus of the U.S. policy debate, and unless we get this debate out in the open and talk about it we're liable to find that we're marching to the drumbeat of a 1991 strategic vision and a 2001 concept paper which is still trying to roll up the original seven states that were identified as target states after 9/11.

I hope the United States will reflect on our successes during the Cold War. We had serious difficulties with the Soviet Union and we lived under the threat of nuclear attack. Many of you were in the armed forces then. You know what that was like. But America was not a country living in fear. We weren't paranoid despite nuclear missiles aimed and on a hair trigger alert that could have shattered the world. We went about our lives. We developed our economy. We changed our education. We dealt with a number of really important social and economic issues at home despite going to war in Korea and Vietnam and maintaining our freedom during the Cold War. We were a society that had values and confidence.

So today as you move through these panels, one way or another this is going to come back to Iran. Iran. Equipment showing up in Afghanistan from Iran. It's there -- I promise you. Talked to people over the weekend who've seen it. Iraq -- you're not going to settle the problem in Iraq without a reference to Iran. It's their border. It's been their greatest adversary. There is a huge Iranian effort to ensure that they'll never have to face a threat from Iraq again, and I don't want to carry Iran's water but it's a pretty logical thing if that's what they're doing. After all, they were invaded. They did lose a million people. And so they might have an interest in making sure that doesn't recur. Iran -- working not only with Hezbollah in the north but with Hamas in the south to squeeze Israel, to perpetuate a state of conflict, and to gain its legitimacy among its population and its world at the expense of Israel and the West.

Al Qaeda -- supposedly still some leaders in turn or working with or engaged with inside Iran. And Lebanon -- deeply affected by Iran. It comes down to Iran. It comes down to this question. Engage, isolate or attack? It comes down to a question not of troops and tactics but a question of strategy and policy. It comes down not to how many soldiers are going to be withdrawn when or what the daily body count is in Baghdad, but what are the policies and leadership strategies of the United States, Saudi Arabia, Jordan -- other friendly

states in the region. What course of action do we pursue, and do we pursue it collectively and together to address the issue of Iran? That's the issue before us. It's the issue before, I believe, this institute and I hope it'll be the issue before this day of conference. Thank you very much for the opportunity to be with you. (Applause.)

DR. ANTHONY: We can take two questions but I'd like also for Michael Hudson, Ambassador Imad Moustapha, and Daoud Khairallah and Martha Kessler to be prepared to come to the podium in just a minute. We don't have the cards for the questions so I will take up to two directly and then General Clark will recede to where his books are there for those who didn't get a chance to have a signed copy earlier. Yes -- yes, sir? I'm sorry -- yes?

Q: I'd like General Clark to start this Iran discussion perhaps by elaborating a bit on the three options that you laid out. Give us your own thoughts, and I'd also like as a military commander your thoughts on the potential consequences if Cheney and Company have their way and there is this air strike campaign or whatever military operation against Iran.

GEN. CLARK: Well, that's one question that -- it's a tough question. That's the other 20 minutes of my speech -- (laughter) -- and I only was given 20 minutes so I couldn't get to all that so let me just summarize it very quickly.

First of all, we've tried to isolate Iran for 30 years. It hasn't actually worked. They're not actually isolated. Germany, China, Russia, many other countries do business with Iran. Technology gets in there. So -- and the isolation hasn't made from the United States -- hasn't punished them by making them, you know, more obedient children in terms of the world community and our attitudes. If anything, it simply supported the ayatollahs in preventing the kind of free flow of information and contact between peoples that might result in a change of governments in Iran.

The Iranian population is 80 percent pro-American according to the latest public opinion surveys. It's 60 percent opposed to Ahmadinejad. There are some presidents who do worse than that but -- (laughter) -- but it does show that there is an opening, and so on the other hand isolation hasn't changed Iran's policies. So I'm not one who is in favor of continued isolation. I don't think that isolation serves as adequate punishment even if you curb the travel of some Iranian diplomats provided they provide you their passports so you could curb their travel and if you try to restrict the financial opportunities there. I just don't think that that's a very productive course of action.

We certainly have military options and there are two military options. One man who's close to the decision-making, according to him, explained it this way to me. Not a uniform guy so -- but he claims he's very close to -- he says, "It's not a big campaign. It's just five or six targets," he said. He said, "We know where they are. We'll strike them. We'll take them out and after that's done," he said, "you understand," he says, "Ahmadinejad and these

people, they're boasting that they can't possibly be struck -- that the United States would never strike them and so after they're struck their credibility will collapse, their government will change, and everything will be okay." I was astonished. This man considers himself an historian and a scholar.

Well, I've looked at a few air campaigns and I've never found one in which half a dozen bombs caused a government to collapse. There's a first time for everything and this is not nuclear physics and every society and every situation is different. But I would say that that's a very weak assumption on which to undertake military operations. I can tell you that in my case in leading the Operation Allied Force against the Serbs that after we bombed the first night -- and my chain of command was quite proud. Everything came off right on schedule: all the Stealth fighters went in, the Tomahawks were all launched, the targets were all struck. There were no big mistakes. They were feeling pretty good about it militarily. Said, "Boy, this is (what we're doing ?) --."

I'm talking to the NATO Secretary General -- he said, "Okay. Well, when is Milosevic going to surrender?" And, you know, it was 1 o'clock in the afternoon -- 2 o'clock in the afternoon -- 3 o'clock in the afternoon. I said, "Let me call the Serb general and see if he's ready to surrender now." So I put the call through to the Serb general. He said, "Are you ready to surrender now?" And he said, "I will not talk to someone who has bombed my country." And I called to the -- back to Washington. I said, "You know, we really need to get a diplomatic outreach here because if we don't give them a way out of this we're going to continue to bomb." So we bombed the second night, the third night.

The fourth night we had a Stealth fighter that was hit and the fifth night I found myself with Javier Solana saying, "Javier, we need to --" -- he was the NATO secretary general -- "we need to strike Belgrade." This was -- had been the big no-no. Oh, never strike Belgrade. I said, "You need to strike Belgrade." He said, "Can you promise me if we strike Belgrade this will end this war?" I said, "Of course not, but I can promise you if you don't, it won't." And you end up in a series of escalation when you start with this. You've got to be prepared to see it all the way through. I wasn't worried in the case of Kosovo because it was totally surrounded by NATO countries.

Now, look at Iran. There's 75 million people there. It's not totally surrounded by friendly states who want to be members of NATO. And we're certainly not going to invade and occupy Iran, no matter how good the men and women in uniform are. There simply aren't enough of us.

So there's a second military option, and that is to go in from the outset and go in heavy. And I hope the Iranians appreciate this because this is the skill of the United States armed forces and our credibility and capability, and I want to assure the Iranians if they ever get word of this that there's no doubt about what I'm saying -- it can be done. We'll take out

every command center, every research facility, every radar site, every airfield, every storage warehouse, every missile test facility, every launching pad along the Persian Gulf. We'll take all that out, and as much of the nuclear capacity as we know about. It may take two to three weeks. If it has to go beyond that you'll lose electric power -- you'll lose the rest of it. We could create a failed state in Iran.

Now, that does -- I know, you want me to finish up but I got to answer it. And so on the other hand I'm not sure that gets us where we want to be because the next move is up to the Iranians. It's possible that they would simply say, "Okay -- okay -- okay. We give up." But it's unlikely because most countries don't do that. You've got to have a special set of circumstances to do that. So I would argue that the military option is the last resort. I'm not saying never, never, ever. I'm just saying it's absolutely totally premature.

In other words, if you don't want to isolate them and you don't think the military option looks that attractive then why don't we talk to Iran? Why don't we do it the way we did it in the Balkans? Go over, visit them, take a statement of principles, take some high-level diplomats, talk to Rasfanjani. Yes, you could even see Ahmadinejad. I don't know if he wants to see you -- we might upset his political program if we actually talk to him instead of threatening him. But we could actually go over and talk to Iran. We could talk to Syria. We could talk to the other states in the region. We might find that there are some common interests. And we might come out of it with something that would not only avert war but help every one of our friends in the region develop their economy, take care of their people, and move civilization forward.

So I think it's a very clear choice. This is the time to engage Iran -- now, before some national intelligence officer shows up in the Oval Office and says, "Mr. President, or Madam President, this is the moment. Within six weeks, the highly-enriched uranium will be moved from the centrifuge facilities into the bomb making facilities and we don't know where they are. So this is the moment that if you don't take it we can predict that within 12 months Iran will have a nuclear weapons capability."

Before that awesome moment comes, why can't the greatest power on Earth speak to Iran in a reasonable rational way based on a set of principles with some blandishments and some understandings of what could happen if it's not taken the right way and try to work for a better outcome than isolation or attack? Aren't we big enough as a nation to do this? Thank you. (Applause.) Did I use up all my time?

DR. ANTHONY: Yes -- thank you.

GEN. CLARK: All right. So see, they're pretty tight on time. I've used up mine. Thank you very much. Congratulations to the Council and good luck on your very, very important endeavor.

DR. ANTHONY: Thank you.

GEN. CLARK: Thank you, Hal. (Applause.)

(End of session.)