

Associated Press Reports Obama Declaring Gaddafi Has to Leave

[the-subtitle]

Finally some clear words from the White House on Gaddafi. According to the AP, president Barack Obama stated that the Libyan leader has to leave power, now.

From the Associated Press

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Obama says Gadhafi must leave Libya 'now'

By ERICA WERNER

Associated Press

"WASHINGTON – Ratcheting up the pressure, U.S. President Barack Obama on Saturday said Libyan leader Moammar Gadhafi has lost his legitimacy to rule and urged the Libyan leader to leave power immediately.

It was the first time Obama has called for Gadhafi to step down, coming after days of bloodshed in Libya. Gadhafi has vowed to fight to the end to maintain his four-decade grip on power in the North African country.

"When a leader's only means of staying in power is to use mass violence against his own people, he has lost the legitimacy to rule and needs to do what is right for his country by leaving now," the White House said in a statement, summarizing Obama's telephone conversation with German Chancellor Angela Merkel.

Until now, U.S. officials have held back from such a pronouncement, insisting it is for the Libyan people to

determine who their leader should be.

Obama commented a day after the administration froze all Libyan assets in the U.S. that belong to Gadhafi, his government and four of his children. The U.S. also closed its embassy in Libya and suspended the limited defense trade between the countries”.

The Arab World's Glorious, Yet Uneasy, Steps Towards Democracy

[the-subtitle]

WASHINGTON – A recent US public TV documentary featured Gigi Ibrahim, one of the young stars of the Egyptian pro-democracy uprising. She was also featured in the cover of TIME magazine, (*The Generation Changing The World*, February 28, 2011), along with other young Egyptians. Gigi is a young woman, enthusiastic, well spoken, with an endearingly earnest spark in her eyes. In flawless English she conveys the simple and yet fundamental aspirations of her generation: accountable government, freedom of speech, genuine representation. There is nothing outlandish, let alone sinister in any of this. I believe American viewers could easily identify with her and her peers. After all, the American Revolution was fought more than two hundred years ago to secure more or less the same rights.

Gigi Ibrahim is the Face of the Revolution

And while all traumatic, sudden political upheavals are cause

for some worry, much better to have the engaging Gigi Ibrahim as the face of the Revolution than what we were mostly used to: Osama bin Laden and his semi-deranged followers clothed in their theatrical, medieval robes, issuing proclamations and promising endless fights and a bloodbath for all enemies of the true faith as the necessary preconditions for ushering in a new Caliphate that will create a just Islamic society.

We are all winners if reasonable politics prevail

If Gigi Ibrahim is the true representative of a modern Egypt trying to assert itself, we all win. The Egyptians win. The West wins, as it will be easy to establish friendly, mutually respectful relations with this new society. Pro-poor modernization wins, as a modern, enlightened Egyptian leadership will elaborate better policies that will benefit larger segments of a society until now frozen in time.

Al Qaeda loses

And –most fundamentally–Islamic radicalism, until yesterday the only loud “voice” clamoring for political change, will be the real loser, as this youth-led rebellion proves that there are genuine, mostly secular, alternatives to autocracy that have sprung from within Arab societies.

The protesters in Tahrir square in Cairo were demanding basic freedoms. Certainly they were not advocating *jihad* or the establishment of fundamentalist Islamic societies. Instead of threatening death to their enemies, much more politely they were chanting to their ossified leaders: “Leave, leave, leave”.

The most powerful message here is that, in order to have positive change in an Arab society, you do not have to join al-Qaeda.

All is well?

And so, all is well? Can we say that in this momentous 2011, from Tunisia to Egypt, from Yemen to Bahrain, we are finally witnessing an Arab political and social coming of age? And can we say that this awakening is powered by universal human aspirations that will hopefully lead to the empowerment of now mature societies in which civilized debate about policy choices will replace tribalism, sectarian ideologies and obtuse autocracies? And can we say that this will be really the end of regimes incapable of promoting economic and social advancement, as they have been mostly concerned with the perennial preservation of their unenlightened rule?

Many pitfalls ahead

Well, of course it is a long shot from spontaneous, Facebook driven, protest to the creation of well oiled democracies. History is littered with the corpses of failed attempts to go smoothly from autocracy to democracy. And, of course, the realists point out that these Arab societies, while their more mature middle classes may have basic good instincts, are still composed of mostly illiterate citizens. And so they are woefully unprepared to build viable, representative institutions and learn how to live within their rules. These people are behind the curve, due to their long, forced separation from modern currents of thoughts –the currents that in turn spark good governance models and also entrepreneurship, innovation and modernization.

The reality of underdeveloped societies

Indeed, despite oil wealth in some of them, these Arab countries are still mostly poor, many of their citizens are illiterate and unskilled, while the dominant culture has been traditionally hostile to outside currents of thought and inimical to modernization. On top of that, they have to deal with a demographic boom; most of their citizens are young and without jobs. Overall, they do not have the seasoned political forces that can successfully take over from autocrats.

Such fragile environments may fall pray of extremists or of different kinds of autocrats. Just as the French Revolution ended up with Emperor Napoleon Bonaparte, devastating wars and then the restoration of the old monarchy, it is not inconceivable that, in the face of possible chaos and anarchy, another general may come along promising order and security. Or we may have different but equally unpleasant scenarios.

The Muslim Brotherhood in Egypt

Case in point, many in Egypt fear too quick a transition from Mubarak autocracy to a new democracy that may prove to be too weak and fragile, with the end result of allowing the Muslim Brotherhood, ostensibly the oldest and best organised anti-regime political group, (it was founded in 1928), to eventually take over, due to the inexperience of all the others.

Eddin Ibrahim: joy and concerns

Concern for what may be the road ahead in Egypt, (by far the most important Arab country, with a population of 80 million and a tradition of cultural leadership within the Arab world), is expressed in an interview with Eddin Ibrahim by The Wall Street Journal , (*A Democrat's Triumphal Return to Cairo*, Feb. 26-27, 2011). Eddin Ibrahim is a leading Egyptian sociologist and a leader of the anti-Mubarak resistance who was imprisoned for his political opposition.

While rejoicing, Ibrahim does not hide his preoccupation regarding the ability of the new opposition to properly organize and thus create viable institutions and workable political debates in a future Egypt. And if this is the case in Egypt, a country that, despite all, has a sizable educated and internationally savvy middle class, what can we hope in much more backward Yemen or Libya, a country in which all voices were silenced by the bizarre 42 year old Gaddafi-led tyranny?

In Europe a long and bloody road from autocracy to democracy

In European history, the path from autocracy to democracy has taken centuries, and it was hardly linear. The emancipation of Eastern Europe had to wait until the end of 1989 –and the aftershocks of the fall of Communism are still felt, while autocracy survives in Belarus and Putin's Russia is hardly a democracy the way we understand it . In Europe, the added complication was in the proliferation of ideologies –beginning in the 19th Century– that, while opposed to the absolute monarchs, proposed other forms of authoritarianism as the best alternatives.

Revolution, Terror, Communism, Nazism

And so, from the Terror unleashed by the Jacobins in the early stages of the French Revolution, to the ideological poison of Marxism, (The Communist Manifesto was published in 1848), and all its political manifestations through many Socialist and then Communist parties, to Mussolini's Fascism and then Hitler's Nazism, Europe became the battle ground of a variety of illiberal creeds that halted the advance of modern representative democracies.

Finally, in 1989...

It took revolutions, dictatorships, repression, two World Wars and the happy ending of a long Cold War against a totalitarian Soviet Union to get to democracy in the whole of Europe. A path started in Great Britain with the Glorious Revolution of 1688 against King James II reached its minimal objective of accountable, limited government for the whole of Europe only in the 1990s.

The Arab uprisings in context

If we place today's uprisings affecting Arab societies within this broader historic context, it would be foolish to expect clean, linear developments leading to well functioning

democracies in the Middle East. On the contrary, expect a lot of turbulence and possibly setbacks. Setbacks that, because of the Western dependence on the oil exported by some of these countries, may cause serious tremors within western industrial democracies that, so far, have found no alternatives to this precious hydrocarbon. (While there is oil all over the world, 40 per cent of what is consumed is produced by OPEC countries; and most of the OPEC oil is in Saudi Arabia, Kuwait, Iran and Iraq. Libya is a relatively small player within OPEC. And yet the Libyan uprising immediately caused oil prices to jump).

Eddin Ibrahim: the Muslim Brotherhood has evolved

In the interview with the WSJ referenced above, Eddin Ibrahim, with some caution, indicates that the once feared Muslim Brotherhood in Egypt has evolved. He thinks that they may have abandoned the more strident fundamentalist components of their creed. Is it so? It is possible, as all ideologies evolve and they tend to moderate over time. But, if it is not so, then turbulence in Egypt's future –with repercussion in the region, as strong fundamentalist voices would not want friendly relations with Israel– is almost a given.

Let's support the reasonable voices of this democratic revolution

Whatever may happen in a post-Gaddafi Libya, in a post-Ali Abdullah Saleh Yemen, or in a post-Mubarak Egypt in which the people (with concern) depend on the generals to introduce pluralism and democracy, it is heartening to hear mostly voices of reason, people who demand forcefully very basic political freedoms.

But let also remember that unfortunately in many past revolutions, (Iran in 1979 is the most painfully obvious), the "moderates" quite often have been crushed by the better organized and more motivated radicals. History does not have to repeat itself, but it may.

Mindful of that, in the meantime, let's do all we can to support the likes of Eddin Ibrahim and young Gigi Ibrahim, Egyptians of different generations united in a cause that we all understand. Let's hope that their politics of inclusiveness and reason will eventually prevail.

Gaddafi Is Defiant, America Too Quiet

[the-subtitle]

From CNN: "Plea to the World, Help Us in Tripoli" –A Libyan Woman calling in, asking for action, February 24, 2011

WASHINGTON – We knew that Libya was not going to be another Egypt, a country controlled by a relatively modern military that, after several days of unprecedented protests, saw the light and clearly steered the Mubarak ousting process in a reasonably peaceful and (so far) professional way. With a different military, things could have gone a different way.

Libya is another story. No such professional and reasonably modern military in this still mostly tribal and institutionally primitive country. And so when the revolt started in Benghazi, in the Eastern part of the country, it soon became chaos in Tripoli, Libya's capital and most populous city of 2 million. Parts of the army defected. But some stayed, reinforced by assorted militias and mercenaries and by whatever the oil money may buy. And now there is fierce fighting with no end in sight.

In Libya it is different

And so, the hope of a quick Tunisia-style, or Egypt-style peaceful resolution was dashed. On top of all this, we have to add Gaddafi the psychopath ruler as extra ingredient. Already in the 1970s, when Colonel Ghaddafi was a much younger leader, then Egyptian president Anwar Sadat referred to him as "The Crazy Man of Libya". He did not get much better growing older. And his recent incoherent TV rantings laced with stories of Libyan youth drugged with pills in their Nescafe' do not need much commentary.

A Western stand?

However, precisely because we cannot hope in a happy ending for Libya, due to the peculiarities of the situation and the crazy personality of this bizarre dictator, it would behoove the West to finally take a strong position and issue credible warnings, (to Gaddafi's powerful sons, if dad does not listen), as to what would be the consequences for Gaddafi and associates in case of a civil war caused by their unwillingness to relinquish power.

Where is America?

America in particular, at this stage of the game, is almost invisible and therefore appears to be politically irrelevant. Surely there are reasons that counsel Washington to exercise restraint. President Obama does not want to engage in yet another American invasion of a Muslim country, (after Afghanistan and Iraq, this would be the third). And, of course we are aware of the thousands of Americans and other Westerners still trapped in Libya. They would immediately become hostages, or human shields, or worse.

Does US restraint mean a green light?

And yet, while taking all this into account, there is something eerie in contemplating the West, America in the lead and the whole of Europe in tow, looking totally helpless, while this dangerous man organizes his last battle, with a

defiance vis-a-vis any possible repercussion coming from the West that I find worrisome. Is he totally mad if he thinks that he can get away with massacres of his own people; or in fact he and his powerful sons, (if he really lost it), calculate that irresolute Western powers will just issue strong statements and stand by?

Gaddafi did what he wanted for 42 years

Gaddafi had his coup d'état against old King Idris in 1969. And he established his own dictatorship for 42 years. Surely enough, when he misbehaved, we tried to isolate him, we made him pay a price. Ronald Reagan bombed him in 1986, because of the Berlin disco bomb. But that was that.

And Gaddafi had oil, a commodity the whole world needs. And so, even though not in perfect conditions, he had more than enough money to sustain his personal and family tyranny. And, after a compromise was reached to put an end to the story of the bombing of Pan-Am flight 103 in Lockerbie, there was almost a race to re-establish relations and investments in Libya and from Libya. Yet Gaddafi was still the same tyrant.

Washington's position

And now that the people –energized by the ferment that permeated large parts of the Arab world– have revolted, clearly demanding an end to this oppression, what can we do for them? Well, not much, if you listen to president Barack Obama's February 24 statement on Libya:

Libya Reminds Us of Unresolved Oil Vulnerabilities

[the-subtitle]

WASHINGTON— First Tunisia, then Egypt and Yemen and Bahrain. And now, back to North Africa, we have Libya. In 2011, the “wind of change” has finally swept an Arab world virtually shut off from the currents of modernity for about 700 years. Closed societies ruled by obtuse tyrants and small economic oligarchies now are shaking off their yokes and demand to join the global world. The road ahead is at a minimum uncertain, as these societies are poor on top of being oppressed. Westerners look at all this with sympathy. Our good wishes go to the brave young Egyptians who got rid of Hosni Mubarak with an intense yet remarkably short struggle.

So, all is well? Not quite, for this historic upheaval comes with a possible price: oil supply disruptions that may be caused by the broadening of the revolutionary fever to Middle Eastern oil producing countries.

Oil makes all the difference

Indeed, the awareness that the Arab world sits on this gigantic oil supply that we so badly need is the hidden ingredient that makes the whole story of political upheaval in parts of the world that most people know little about so much more gripping. If there were no oil in the whole Middle East and North Africa we would still watch the unfolding political drama of oppressed societies finally rising against obtuse autocrats with interest and sympathy —but only for a short while.

We would say: “Finally, these people said enough”. And we

would also start thinking about ways in which we could help them build new, more modern societies. But, as we always do, after the initial enthusiasm, we would be worried about our issues –such as our never ending real estate catastrophe at home– and forget about the whole Arab thing; in the same way as in no time we forgot about the brave Afghan freedom fighters, once with our help they managed to kick the Soviets out of their country.

We do not care that much about oppression in poor countries

So, we would not care that much about historic change in a poor Middle East, limiting our support to symbolic gestures. For example, we do not care much about similar political developments in Africa. Is anybody up to date on the internal strife in the Ivory Coast where a defeated president, Laurent Gbagbo, is refusing to give up power to the rightful winner, Alassane Ouattara, even when confronted with almost unanimous opposition to his defiance? Likewise, look at Zimbabwe, in Southern Africa.

Have you thought about Zimbabwe lately?

There you have Robert Mugabe, another Gaddafi-like old autocrat, bordering on insane, (he is referred to as “Mad Bob”), as perennial president. In power since 1980, Mugabe has single handedly destroyed the national economy. He rigged elections. He has killed and intimidated opposition forces. A brokered power sharing agreement with the weakened opposition leader, Morgan Tsvangirai, became a sham. And yet Mugabe is still there. And the country is no better off.

No interest if it does not touch us directly

But the West, while interested in Zimbabwe at the time of anti-regime upheavals, now essentially ignores the whole thing. No daily updates on the plight of the poor people in Harare on CNN. And why so? Well, very simple. Because, while important in many respects, Zimbabwe does not represent a

strategic asset for the US or the West in general. Sure, Zimbabwe has deposits of platinum, gold and other important minerals; but not in quantities that would warrant action to secure them. So, in the end: who cares about political oppression in Zimbabwe, really?

Arab countries have oil

Viceversa, we do care about the Arab world, not because of any special feeling of kinship with the people, but because of a variety of burning issues that we think touch us or may touch us, ranging from the future of Islamic radicalism, to the Arab-Israeli conflict and –finally– oil. In fact, arguably all the other issues are magnified by the underlying oil factor. Would we care that much about the fate of the Palestinians, another small people that got the short end of the stick in a major post-conflict reshuffle, were it not for the fact that the Palestinian issue resonates so much throughout an oil rich Arab world?

Libya unimportant, until oil was discovered

And this brings us to the consequences of the unfolding anti-Gaddafi rebellion in Libya, the latest North African, Arab country now in the news. Back in 1911, Libya was labelled a “Big Sand Box” by Gaetano Salvemini a critic of the impending Italian military expedition aimed at conquering the country. Indeed, other than satisfying the silly imperial ambitions of the Kingdom of Italy, a third rate power, Libya had almost no economic value and no geo-political significance.

But now it is different, for Libya has oil. Notwithstanding four decades of mismanagement under the bizarre and cruel leadership of Colonel Gaddafi and his family, Libya is a net oil exporter, adding about 1.6 million barrel a day to total world oil supply.

Arab unrest extended to Libya: oil prices up

And so, now that the country has been overtaken by the popular protest fever, oil futures shot up to about 95.5 dollars a barrel. The markets are factoring in the possible impact of prolonged Libyan oil supply disruptions due to the rebellion and deep uncertainties over the country's political future, even assuming Gaddafi's defeat.

Now, a shut down of Libyan oil facilities would be hardly a disaster, since there is plenty of slack in terms of additional, mostly Saudi, unused capacity that could offset whatever may not be coming into the market from Libya. And yet, even without a real supply crisis, oil prices shot up. Preview of coming attractions?

We still have no energy strategy

And here we are again. More than 30 years after the second oil shock caused by the toppling of the Shah regime in Iran, America, Europe and the rest of the oil importing countries are dealing once more with a similar scenario of upheaval in an oil producing nation, with more or less the same vulnerabilities that existed in 1979-1980. The political turmoil in Libya, while welcome in many ways, as it may put an end to yet another tyrannical and wasteful regime, highlights once more an incredibly overlooked historic vulnerability regarding vital energy supplies from potentially unstable countries.

No way to fend off the consequences of serious supply disruptions

More than 30 years after the Iran crisis, the West has not moved substantially away from heavy reliance on oil. And, valiant exploration successes in other regions notwithstanding, most of the known oil reserves are still in the Middle East. And the Middle East is ruled by medieval era regimes that now are shaken by waves of popular unrest. The consequences of this sudden revolutionary cyclone are

difficult to fathom, let alone control. For the moment, Libya is the only major oil and gas producer affected by these historic tremors.

From Libya to the Gulf?

But dare we think what might happen if this bug of freedom and anti-authoritarian rule would get deeper into the oil rich Gulf? Dare we think what might the consequences be if internal upheavals would cripple, even for a limited time, oil flows from Saudi Arabia? Or Iran, for that matter –a country in which active popular resistance to the theocratic regime would otherwise be very welcome? Or Kuwait? Not to mention the possible crumbling of the altogether fragile political arrangements in next door war torn Iraq.

Possible oil supply disruptions due to the revolution now unfolding in Libya have already caused oil prices to go up to pre-recession levels. Imagine if things turn up badly in Libya and another major oil producing nation for whatever reason would see its output curtailed. It would be panic buying and oil prices easily going up, way beyond 100 dollars per barrel, with nasty consequences for advanced economies, and even worse outcomes for poor emerging countries that simply cannot afford oil when prices are in the stratosphere.

No alternatives to oil

And yet, where is the alternative US strategy that created a path to viable new energy sources? There isn't any. We've got bits and pieces; but no real strategy. I have noted before that here in the US we are lucky to have discovered enormous new reserves of economically viable natural "shale gas". But, while very welcome, this was not part of a strategy; this is dumb luck. And, as yet, we are not even near a point in which we will be able to use this gas as transportation fuel. A meaningful conversion from oil based gasoline to natural gas as basic fuel will take years, may be decades.

Deployed military assets do not help much in these new contingencies

In the meantime, with little or no ability to influence developments, we are condemned to watch events unfold, just hoping that nothing major will happen. And all our contingency planning, including our own US 5th fleet harbored in Bahrain, (another country in distress), does not do the trick. Arguably a huge component of our military spending is aimed at maintaining substantial military assets close to the vulnerable Persian Gulf sea lanes, so that we can protect the unhindered flow of oil. However, if oil flow disruptions are caused by massive domestic upheavals, somehow I do not think that Nimitz class super carriers can help much.

The US "Strategic Petroleum Reserve" will last 34 days

And here we have it. Now we fret about what may happen in Libya, regarding damage to oil installations, while we hope that this wave of unrest will not contaminate all the other Arab oil producing nations. But, beyond our hopes, we have almost nothing. There is no "Plan B". Unless your idea of a "Plan B" is the US "Strategic Petroleum Reserve", SPR, managed by the US Department of Energy. Good to have something in reserve; but we know that all the SPR oil stashed away in excavated salt domes in Texas and Louisiana would last only 34 days, at current consumption levels. That's it folks: 34 days!

Whereas, it seems that the feverish unrest that has now overtaken the Arab world (those without oil and those with oil) may last years, with consequences that we are unable to predict or prevent.

Time to have an energy strategy

As hopelessly late as we are, we need to concoct something now, including a revamp of all the oil sharing agreements among consumer nations in case of major supply disruptions. (All this is supposedly managed by the Paris based

International Energy Agency, IEA; but it would be wise to review and update the whole thing).

Meanwhile, without a plan, the United States of America has entrusted a huge component of its strategic survival on the (hopefully) benign evolutions of epochal, disruptive transformations that have now taken over the Arab world and beyond. Sadly enough, spending by far more than everybody else on national security does not buy us much, unless we really get serious about investing in energy independence.

Obama's Budget Falls Short, Senators Have Plan?

[the-subtitle]

WASHINGTON – Barack Obama just went to Silicon Valley and Oregon to have another pep talk with IT entrepreneurs about innovation and how to link up government and the private sector to outsmart global competitors. He drafted Paul Otellini, Intel's CEO, to be part of his panel on jobs and competitiveness headed by another heavyweight: GE's CEO Jeff Immelt. All this looks nice politically. The president is making all the appropriate noises to the bastions of American capitalism. But many business people nationwide argue that the best way to improve the business environment would be to make serious efforts to balance the budget and reduce the national debt; while at the same time limiting regulations and reducing corporate tax rates.

Obama silent on real fiscal reform

But here, on this truly strategic link between modern pro-

growth economics and sound fiscal policies nothing much from President Obama. Lacking a serious commitment to create a better fiscal environment for business to flourish, the recent pro-innovation exhortations by the president ring a bit hollow. And, on this crucial issue of real (as opposed to cosmetic) fiscal reform, as things look now, do not expect much more.

Indeed, judging from the White House budget proposal for fiscal 2011-2012 just presented to Congress for debate and eventual vote, while there are real spending cuts envisaged, essentially the White House decided to dodge the difficult part: and that is entitlement spending reform.

Entitlement reform?

Let's not kid ourselves: that's where the real money is. Sure enough, in an enormous budget, (approaching 4 trillion), you can find literally thousands of possible items to trim –and there is quite a bit of trimming in Obama's budget request– but if you do not seriously address entitlement reform, much of the rest is posturing and feel good politics. Translated into English: *It Is Not Serious*.

Indeed, Erskine Bowles, co-chair of the presidential "Deficit Commission" established by Obama himself in February 2010 that issued its recommendation on spending cuts in December 2010, commented to The Washington Post that:

"The President's budget goes nowhere near where they'll have to go to resolve our fiscal nightmare"

Chew on that for a moment: "*nowhere near*", "*our fiscal nightmare*". These are not polite, diplomatic words. And who is saying this radical stuff? Well, a Democrat and former White House Chief of Staff to President Bill Clinton.

So much for Obama's seriousness on fiscal reform.

Good politics, bad leadership

But why dodge entitlement reform? Probably out of political calculation. The deficit and the debt –fueled in large part by automatic increases in entitlement spending– are really major issues and they are getting worse all the time; but they have not triggered a government funding crisis, not yet anyway. And so Obama may have decided to avoid the big issues in the remaining two years of his term, as he starts gearing up for a second White House bid. Probably good politics; but really bad leadership, as the country needs a fiscal strategy that would look credible in terms of bringing deficits and debt down to sustainable levels within a reasonable time. And this can be done only by addressing entitlement spending reform.

No crisis, but getting worse

Again, the country is not in a fiscal emergency “right now”. But, at this rate of deficit and debt accumulation, it will get there soon. The more we wait, the worse the conditions and the more difficult it will be to confront the problem. Unless America wants to become another Japan or Italy, countries diminished by the heavy burden of debt and debt service; countries that almost by definition have little discretionary money left and thus very little policy initiative and limited international standing.

We have a blueprint

As for a blueprint to seriously reduce public spending, including the critically important, massive entitlement programs –Medicare, Medicaid and Social Security– that represent the bulk of federal spending, the president has in hand the above referenced “Deficit Commission” Report, aptly titled “The Moment of Truth”. This Report was presented at the end of 2010 by Erskine Bowles and Alan Simpson, the co-chairs entrusted by Obama himself to come up with long term solutions to control spending and reducing imbalances that doubled in

just a few years.

This Bowles-Simpson document was and is a decent, credible deficit reduction "Plan". They came up with their set of solid recommendations. They are strong but not revolutionary measures, aimed at changing the direction of public spending through serious entitlement reform, some tax increases, cuts in defense spending and in the rest of the non defense discretionary budget.

Bowles-Simpson Report never got off the ground

As we know, the plan got some lift but it never got airborne. The support from within the Commission members themselves in the end was noticeable but not overwhelming. And this meant "dead on arrival" regarding any chances of translating the Report's policy recommendations into legislation.

Obama will not lead

In all this, Obama's support for the recommendations of his own "Deficit Commission" could have made a difference. Instead the President decided to distance himself. He looked at the Report, he said he liked a few things in it and left it at that. For him America's "Moment of Truth" may indeed come at some point; but not just now.

Barack Obama could have decided to lead on the deficit; but he preferred not to, probably because he thinks that a serious discussion on entitlement reform politically is too complicated and controversial and because he thinks that he can win reelection in 2012 without fighting this battle for the next two years. And so Bowles and Simpson went back home and the whole Deficit Commission work was basically forgotten.

Right now: semi-chaotic situation

As for governing America, not much is happening that we could call inspiring, if we are looking for a credible sense of

direction aimed at improving the economic base, while addressing the fiscal imbalances. Right now, with divided government, there is a semi-chaotic situation in which the Congress, (House Republican, Senate slim Democratic majority) and the President, (Democrat) have to agree on spending for the rest of the current fiscal year 2010-2011, (as the Congress had failed to pass proper appropriations last year), while soon there will be have to be a vote on increasing the national debt. This increase will have to happen; but it is politically radioactive. The more conservative House Republicans who just came to Washington after the November 2010 vote on a mission to cut government do not want to raise the debt ceiling without major spending cuts. But, at some point, unless they want to shut down the US Government, something will have to be done; on what terms, so far it is not clear.

New 2011-2012 Budget offers little comfort

And the new 2011-2012 Federal Budget just presented that will kick in on October 1 shows that Barack Obama will push pro-economic growth policies, counting that this would look good in terms of public approval, while he proposes spending cuts here and there to show that he is mindful of our fiscal predicament; but without entering the politically treacherous ground of serious entitlement reform – that is to say without addressing the core issues that really make a difference.

Bipartisan efforts in the Senate?

In all this there is just a little bit of good news. There is some hint of possible bipartisan real talk that started a while ago in the Senate. In off the record, off site negotiations a small band of Democrats and Republicans have started talking about real fiscal reform. These informal talks, taking place outside the statutory fora of Budget and Appropriations Committees, are led by Senators Mark Warner, Democrat of Virginia and Saxby Chambliss, Republican of

Georgia. They managed to add the Senators that were members of the "Deficit Commission": Kent Conrad and Dick Durbin, (Democrats and very senior), and Tom Coburn and Mike Crapo, (Republicans). Whatever is going on, for the moment, it amounts to informal, off the record conversations.

Can these Senators resurrect and use the Bowles-Simpson Report?

Will these Senators, building on the Bowles-Simpson Report, manage to produce a meaningful spending cuts blueprint that will have a chance of surviving through the almost impossible journey of Congressional scrutiny, leading to a final presidential signature, given the acrimonious, confused climate and a President who has no appetite to get in front of this debate and lead? Who knows.

Still, this stirring indicates that the Bowles-Simpson Report, while now almost forgotten, did plant a civic consciousness seed in some lawmakers, prompting them to do something. Let's hope that this seed will grow.

Egypt's Generals Leading The Country to Democracy?

[the-subtitle]

By Paolo von Schirach

February 11, 2011

WASHINGTON – Last week the Egyptian protesters finally got the number one item on their wish list: the immediate resignation of President Hosni Mubarak. They deserve great praise for

their courage in facing potential violence in their struggle and for their perseverance. This was a major victory. There is clearly a powerful symbolism in looking at this old strong man forced to capitulate in front of sustained mass demonstrations. The vast, protracted uprising that had spread to workers and professionals also showed that this was not just "a riot". The well orchestrated unrest demonstrated that the appetite for change was and is both deep seated and genuine in Egypt.

Not just a riot

Will the old generals now in power please take good note of this? This is not just "an isolated episode". This popular explosion is a real coming of age, a true watershed in the history of the country and possibly the whole region. People used to tyranny and subservience rose –and they did so in a responsible, non violent and mostly mature manner.

Generals leading reform?

Having said that, the way forward is a big mystery. It is a real leap of faith , if not a complete *non sequitur*, to demand the ouster of the old autocrat and then praise the –hopefully temporary an hopefully benign– ensuing dictatorship *of the very same military that worked with the very same Mubarak and that in fact prospered under his regime.*

We know the basic facts. The head and thus representative of the Supreme Council of the Armed Forces –now the *de facto* ruler of Egypt– is the very same General Hussein Tantawi who had the job of Minister of Defense under Mubarak.

No revolution, so far

If this set up is your idea of a successful "revolution", then you really aim low. If instead you believe that this is just *the beginning of a revolution*, then you better hold heavy tools in reserve to goad the generals, in case they lose

enthusiasm for radical transformation along the way.

For the moment this is a variation on the old *coup d'état* script, with the fundamental distinction that, while this was a *coup* engineered by a faction within a ruling oligarchy, the *coup* happened only because of the protracted national upheaval and as a way to appease the protesters. So the generals, probably with some reluctance, sacrificed their boss, so that they could keep things together, for the time being.

Old generals, new thinking?

Still, it requires a very strong faith in the civic spirit of these septuagenarian generals, many of them of Mubarak's generation, to believe that now –because of the protests– we can trust *these very same generals* to lead the country into a genuine transition towards democracy. This would imply that they have unscrewed their old heads and changed them with brand new ones filled with new ideas about the goodness of democracy, participation and tolerance.

Once again, these are the very same people who run the old regime. On top of that, being old soldiers operating within an autocracy, they are used to a top down system based on loyalty and strict discipline. All the constitutional niceties about the primacy of civilian rule and the subservience of the military to elected leaders may be a bit foreign to them.

Some may really understand

Of course, we can make the case that at least some of them, unlike Hosni Mubarak, may have seen the light and decided to go along with the new program demanded by the passionate crowds, recognizing that this insurrection signals a real historic milestone.

But it is a fact that the army was one of the key pillars of the old regime. It is well known that the army controls parts of the economy. It runs businesses and thus it is deeply

enmeshed with the ruling oligarchies, in terms of material gains as well as responsibility for whatever happened in the long thirty years of the "Pharaoh". How much have they now understood? And how much are they ready to give up?

Change under the generals likely to be slow

Is it conceivable that this citadel of power and privilege will now engineer its own demise by fostering the birth of a genuinely pluralistic modern society in which the military will take as a back seat, agreeing to be accountable to freely elected civilian authorities? It is conceivable but not very likely. At least it is not likely that any institutional transformation occurring under their stewardship will be radical and that it will happen quickly.

Some may actually get it

Having said that, it is also hardly believable that the entire top military brass will be so obtuse to discount the historic significance of the unprecedented, massive participation in the popular uprising. While some may be as dumb as Mubarak, hopefully there will be others, may be the somewhat younger ones, who will understand the profound yearning for modern institutions and accountable government demonstrated by the Egyptian society in these incredible days of mostly peaceful upheaval.

Yearning for change, powerful but uneven

Of course, any keen observer will note that Egypt's yearning for change, while intense, is by no means spread evenly. In this case, as in many others in history, there is a highly motivated fringe, a sizable but still small group of people who make things happen, and then there are all the others: the fence sitters, the agnostics and, in the case of Egypt, the millions of illiterate, poor people whose main concern is basic day to day survival and not parliamentary democracy.

Middle class leading the charge

And here we have it. Egypt is an illustration of an emerging, mostly backward country; but with a significant and now vocal and assertive new middle class. Much of Egypt is still prisoner of tradition and economic underachievement. And –beyond Mubarak’s personal role– until yesterday it was ruled by a small, yet all powerful, oligarchy that controlled almost everything. Now, in early 2011, the emerging middle class has come of age and is now the new force demanding change, so that Egypt can join modernity. Will the old ruling elites yield?

Hoping for the best

The real question going forward is whether the very same military which sustained the old order can actually be trusted to lead a genuine process of change. Under the generals’ watch are we really going to see the jelling of the protest into a new, organized political structure? Certainly it is touching to see the young Egyptians armed with brooms and plastic bags cleaning Tahrir Square after the days of protest and then revelry.

In these simple but important actions “of taking care of things” the young Egyptians demonstrate a practical understanding of what a “commonwealth” really is. Indeed it belongs to all of us and, as the need comes, we all chip in for its upkeep. This new sense of belonging and obligation to the commonwealth is a very good omen. But, while symbolically important, it is unfortunately not enough.

Can the young outsmart the old regime?

In the end, can these young protesters with little organization and no political experience outfox the old power structure? Was their show of force in the streets of Cairo and Alexandria enough to convince the old, decrepit and mostly corrupt oligarchies that, beyond Mubarak’s ousting, it is high time to put Egypt on a real path to modernity?

Poverty, not just lack of democracy

And, even assuming that the tipping point has come and that the path towards change has been established, and that nobody can turn the clock back, the real difficulty will be in finding ways to create economic opportunity for a poor society in which too many people are poor and uneducated and thus unable to claim a seat at the table; while even many of those who have an education cannot find a job because of the narrow base of an economy devised to benefit a lot very few with complete disdain for all the others.

Middle East, late to the party

More broadly, this is the reality of the whole Middle East. If you take out the exceptions represented by Saudi Arabia and the smaller Gulf States that benefit from the oil and gas rent, the Arab world has yet to join modernity, in terms of institutions, in terms of cultural awakening and in terms of unleashed economic ingenuity and progress. Getting rid of old autocrats may feel like a great victory. But finding a workable path towards progress will be the really hard part.

A new sense of possibility can be a powerful force

Luckily, as this Facebook and Twitter savvy generation has shown, coming late to the global society party does not mean that there are no more seats available. Societies that have a renewed faith in their possibilities, as the mighty Asian awakening featuring China, Vietnam, India, Indonesia and more has proven, can cover huge distances in a relatively short time.

The young Egyptians who enthusiastically waved their flags and who chanted to the dictator: "Leave, Leave, Leave" and who are now cleaning up Tahrir Square have made a long journey in nanoseconds. Hopefully they' ll be able to keep the momentum going. As I said above, let's hope that the old generals and all the other members of the ruling Egyptian oligarchy have

taken all this in and that they understood that this is truly a historic watershed.

Protests Grow In Egypt, Mubarak Delegates Power. Tipping Point?

[the-subtitle]

WASHINGTON— Finally the signs of a tipping point in Cairo? Maybe, notwithstanding very confusing developments that may tell us otherwise. Indeed, after a day of rumors on Thursday whereby President Hosni Mubarak would go on Egyptian national TV to announce his resignation, what he actually said in the context of a a rambling speech is that he delegated authority to his hand picked Vice President Omar Suleiman, the former head of intelligence services. The word “resignation” did not appear in his address.

What did Mubarak say?

And so, right after the speech commentators tried to interpret what Mubarak actually said and what the sentence about “delegation of power” really means. Is it all power? Not clear. Finally, the Egyptian Ambassador to the US, Sameh Shoukry, called into CNN stating that Mubarak delegated “all presidential powers” to Omar Suleiman except three critical ones that now reside in...well, he could not say. He could also not say whether this delegation of power is final or reversible. So, in this confusion, we are told that Mubarak, while *de jure* still President, has effectively delegated all presidential powers to his Vice President who, for all

practical purposes, should now be regarded as Egypt's new leader.

Vice President and military take over

Other developments may indicate that real change, connected to the power transfer indicated by Mubarak, is already underway. The Supreme Council of the Armed Forces met on Thursday and was chaired by Defense Minister Hussein Tantawi, and not by President Mubarak, as protocol would dictate. Most interestingly, conciliatory language about "the just demands" of the people was included in Supreme Council "Communique N. 1". Is this "Communique N. 1" the first action of the new *de facto* policy making body of the post-Mubarak era? Be that as it may, this shifting of the power center, while significant, provides no clear indication as to which way the military intends to lead this process.

Regime in disarray

On a different level, the fact that hours after a critical presidential address analysts were still scratching their heads trying to understand exactly what is it that Mubarak said provides a measure of the disarray within the regime. Meanwhile though, the Tahrir Square crowds who were hoping to hear from Mubarak that he had resigned were deeply disappointed and quite angry. They did not get the "victory" they were expecting. The old "Pharaoh", in a fashion, is still there.

Crowds disappointed but still alive

While a symbolic and practical setback for the protesters, nonetheless there is no sign that the military and the large security apparatus of the regime is gearing up to force an end to this vast rebellion through the use of force. More demonstrations are planned for Friday, after prayers. A crackdown may indeed happen, but there is no indication thus far. On the contrary, military leaders who recently spoke to

the demonstrators used conciliatory language and even praised the mostly young protesters.

Protest movement advancing

But beyond this important, if fuzzy, power shuffle signalling Mubarak's exit, other developments would encourage thinking about a tipping point in Egypt. Instead of waning, the national protest is still very vibrant. Indeed, in the last few days there has been a significant broadening of the anti-regime movement to include workers in a variety of sectors in different cities. And to this labor unrest we have to add groups of professionals, including actors, doctors and lawyers, joining the demonstrations.

Thus, a Cairo based, youth-led rebellion is beginning to look more like a broader national upheaval. The military, probably now the real ruler of the country, may soon come to the realization that it can neither tame nor easily crush this movement. It may very well come to the conclusion that, given the magnitude and strength of this opposition, it will have to make real, as opposed to cosmetic concessions.

Labor protests further weakened the regime

I previously indicated that the regime did not seem to be negotiating in good faith, that most likely the leaders were hoping to outlast the protesters, while encouraging divisions among them. And probably this is still their goal.

However, what has changed in the last couple of days is that their bargaining position deteriorated. Instead of receding, the protest has broadened to include labor issues and a variety of wage increase and economic demands. While not necessarily tied to the initial goals of political reforms, in practice these strikes and other actions amount to the swelling of the opposition front and thus a huge additional complication for the authorities who may now fear that the protracted upheaval might morph into a revolution.

Real negotiations?

What remains to be seen, with Mubarak receding into the background, is whether genuine negotiations leading to a real transition to democracy will gain momentum and credibility. This is by no means a sure thing. However, at this stage, given the swelling of the opposition front, even if reluctantly the regime may have to seriously contemplate steps leading to its own retreat –if not outright eventual demise.

This is not a done deal, of course, as the protest movement, even if remarkably resilient, is still leaderless and disorganized when it comes to articulating a clear reform program and milestones, let alone, even assuming free and fair elections, an implementation timetable. As it has been said, it is pretty clear what the protesters are against. What they are for, beyond generalities about democracy, and how they can get from here to there is another matter.

Will the military lead an honest process?

It is true that the regime still has the monopoly of force and thus the ability to resist change. However, if the urban protesters can successfully link up with workers across the country and bring Egypt to a standstill, then we can have a real shift. Ultimately, it will come down to the same military. Does the army want to crush this national uprising through violence, or is it willing to take responsibility and honestly lead the country in a process toward genuine change?

Egyptian Regime: Negotiating

In Good Faith, Or Just Buying Time?

[the-subtitle]

WASHINGTON – The updates from Cairo create a mixed picture that invites caution in any attempt to “declare victory” for the urban, youth-led uprising. True enough, the demonstrators show that they have staying power, for now. They keep going to Tahrir Square in central Cairo. They keep voicing their demands for radical change –first and foremost president Mubarak’s immediate departure.

Protests go on

Wael Ghonim, the 30 year old Google executive held in detention because of his role in setting up the “cyber rebellion” and then released, is now the hero of the hour for the “real revolutionaries”. Speaking to the big crowds in central Cairo, he proclaimed on Tuesday that: “We will not abandon our demand –and that is the departure of the regime”. Certainly thousands of demonstrators share the same desire. But the “departure of the regime” does not seem likely.

On the contrary, the general feeling that one gets is that the broader Egyptian population, while generally supportive of the demonstrators, is eager to see this whole thing over and get back to a “normal” life; a life in which banks are open, salaries are paid, shops are supplied, children go to school, and so on.

The regime retains its power

And, if this is really the prevailing popular sentiment, then the regime still retains the advantage , as it has resilience, being still in control of all the levers of power. Indeed, this regime, as brittle and antiquated as it may be, so far

has shown remarkable staying power. It did not dare crush and defeat the revolt through massive use of force, showing that it is sensitive to the international public relations disaster that a violent end to the uprising might have brought about. But, at the same time, the massive, unprecedented rebellion could not cause the regime to crumble. Again, its main institutions are still intact. It still has the loyalty of the army and the rest of the security apparatus, as far as we can see.

Mubarak to stay

Most importantly, the loud demand for the forced resignation of president Hosni Mubarak has been simply ignored. Which is to say that, so far at least, this urban uprising has not morphed into a revolution leading to “regime change”. The regime suffered blows and clearly lost the international public relations battle. But it is still there, almost intact and still in charge.

The rebellion succeeded in putting on the table the need for reform. But the way forward is not at all clear –the end game even less so. Indeed, while promising to engage the opposition in a new dialogue aimed at charting a genuine reform process, including constitutional amendments that would open up the political process, it remains to be seen where all this is leading to. Again, the opposition has the weapon of public demonstrations. The regime, however, retains all the “real”, tangible weapons.

Negotiations in good faith?

The perception at this still early stage is that Vice President Omar Suleiman, who has been placed in a prominent position in order to deflect attention from the hated Mubarak, is very much in charge and is leading this process. This is not a tottering government in a panic mode, trying to deflect popular anger by giving everything away. Sure enough, there is

an ample agenda on the table. And, in theory, all this could lead to a new legal framework that should make free election more likely, a few months from now. And, again in theory, free elections could lead to the end of the regime.

But the suspicion lingers that these negotiations are dilatory tactics, empty promises made by an entrenched power structure that is studying every possible avenue to retain as much power as possible for the longest period of time, at the same time telling the broader public opinion that all change needs to happen respecting “constitutional order”. Their idea of secret police enforced order? Based on a constitution that has clearly created a totally rigged game?

Establishment not willing to give up

My hunch is that the old establishment, whatever Mubarak’s personal fate may be, has not given up. They think that, given their continuing control of the real levers of power –the army and the police– and the allegiance of the economic oligarchies that prospered under the regime, they can still win this thing. Sure enough, they have to give something away. But not everything; and not too fast.

Opposition not united

Vice President Omar Suleiman is an intelligence services old hand. It is not lost on him that the opposition to the regime is not united. The movement has no leader of national standing and no real organization; no sustainable funding systems, and so on. The government game plan most likely is to give a little here and there, while consolidating its own base through more perks to its loyalists. (Look at the announcements of a 15% pay raise for civil servants and the promises to increase pension benefits). The hope is to drag this process until many among the least radical protester will get tired and go home, while many others will be very happy to get “something”.

Just an episode?

The real open question is whether or not this Tunisia-inspired spontaneous rebellion was just an episode, (even though large), of generic, if justified, popular unhappiness, or something that started a self-sustaining real reform process that will eventually lead to the modernization of the Egyptian society; a modernization that will include the real acceptance of pluralism, freedom of expression and the rule of law.

At the moment none of this is clear. The demonstrators who, negotiations notwithstanding, refuse to go home, clearly do not trust the sincerity of the regime. If past experience is any guidance, they have every right to be skeptical.

Part of a society coming of age

More broadly, we are witnessing here the historic phenomenon of a significant, albeit small, segment of a Middle Eastern society coming of age. This urban youth, unemployed graduates, professional people and more are yearning for what they understand to be modern, democratic institution. First and foremost they want an end to arbitrariness and prevarication. They can at least conceive modernity as the rest of the democratic world would understand it. They are pushing for it. Certainly what they wish for their country is something that we in the west would find totally unobjectionable.

The rest of the country is still in a different era

Having said that, it would be foolish to think that the tens of thousands or hundreds of thousands marching and chanting really represent a consensus or the majority of a mostly poor, mostly backward country of about 80 million, for whom freedom and parliamentary democracy may be distant and truly foreign concepts.

And this dichotomy between the more educated urban elites protesting and everybody else is not lost on the ruling

elites. The old regime and the economic oligarchies that thrive under its patronage probably think that they still have an edge. They may look at this upheaval as a big fuss engineered by an unrepresentative, if loud, segment of a larger society that is still indifferent to all this clamoring for elections and democracy.

Will the ruling elites embrace change?

As the urban protests could shake them, but not dislodge them from power, will they eventually come to their senses and understand that what these urban protesters demand today will be demanded by larger social segments tomorrow? Do they want to finally embrace democracy and human decency; or do they stubbornly believe that they can hang on for ever?

Not a Revolution; But Egypt Will Get its Reforms – Is Anybody Watching?

[the-subtitle]

“Those [Middle East leaders] who cling to the status quo may be able to hold back the full impact of their countries’ problems for a little while, but not forever. If leaders don’t offer a positive vision and give young people meaningful ways to contribute, others will fill the vacuum. Extremist elements, terrorist groups, and others who would prey on desperation and poverty are already out there, appealing for allegiance and competing for influence. So this is a critical moment, and this is a test of leadership for all of us”.

**-Hillary Rodham Clinton, Secretary of State, Doha, Qatar,
January 13, 2011**

WASHINGTON – In a remarkably prescient and accurate way, Secretary of State Hillary Clinton, speaking only a few days ago in Doha, outlined the framework and the content of a predicament that she had no way of knowing would materialize so soon. Entrenched Middle East power structures, confronting a deep yearning for change may be headed for bigger trouble, unless they would get in front and lead a positive reform process that may otherwise get out of control and overtake them. This was in essence her speech.

As she said it...

And here you have it. A few days after her address in Doha, it all happened more or less as she predicted. Large numbers of young, urban protesters managed to kick out the Tunisian autocrat. And then it all spread to Egypt. But the hoped for “domino effect” whereby similar protests would cause Egyptian president Hosni Mubarak, in power for 30 years, to let go and retire immediately did not materialize. He will go, but on his own schedule, In September, upon completion of his mandate. And his ability to hang on is mostly due to the resilience of the security apparatus that he relies upon. It is still possible that the army will throw him overboard, in order to maintain its prestige with the populace; but, so far, there is no sign of this happening.

Mubarak will not go under pressure

His official excuse for staying put? Well, his excuse is that if he leaves power this would cause anarchy, chaos, disarray and the take over by the Islamists. And, while entirely self-serving, this analysis may have some truth. And this also matches in part Clinton’s scenario. If things get really bad, uncontrollable upheavals may lead to chaos which in turn may give an unexpected opening to radicals and terrorists.

Disorganized opposition

And here we have the dilemmas caused by this situation precipitated by the sudden crisis that started in Tunisia and then spread to Egypt. There is a spontaneous uprising of people who want immediate change. And yet nobody plotted the path ahead. And unfortunately there is no legitimate institutional path that would permit a smooth transition from one party rule to functioning pluralism. Furthermore, clearly, this is not an organized opposition. This is a well meaning, courageous street movement. The people in Cairo are not part of a revolutionary force in the traditional sense of the word. They are people who are venting their deep frustrations and who demand basic political rights: real elections, freedom of expression, government accountability.

Justifications for repression

As we know, the Mubarak led government practiced repression under the (up to a point) credible excuse of protecting the country against reactionary Islamist radicals, the followers of the old Muslim Brotherhood. So, the Mubarak bargain was: "We rule with an iron fist, fellow Egyptians. But it is all for your own good". Back in the 1980s, after the assassination of president Anwar Sadat by Islamic radicals, he had a valid point. But Mubarak used this excuse of the looming Islamic threat to construct a self-perpetuating autocracy that would not see any advantage in letting go of its monopoly on power.

Opportunity for rebellion

Fast forward to today. Energized by the events in Tunisia, the urban Egyptians thought their moment at last had come and they could force Mubarak to go through massive street demonstrations. But they could not, as the regime did not crumble. Mubarak may be shaken by the demonstrations; but he is unmoved. He says that it is all about security, stability and order. He says that if he is forced to leave before the

end of his term it will be chaos.

Legitimate transition needs to be created

In part this is true, in as much as the regime prevented the creation of any legitimate path for an opposition to take over in a smooth way. Besides, as noted above, the opposition is leaderless and disorganized; even though, ironically, this is so largely as a consequence of decades of repression and intimidation by Mubarak's very own government. So Mubarak's regime has now the excuse of affirming that, (because of its own repressive measures), if it relinquishes power to no one in particular, there will a power vacuum and the whole state will crumble.

Will the Muslim Brotherhood take over?

Does Mubarak have a point about the danger of extremists taking over? So far we do not know. Still, the Muslim Brotherhood, while quiet and soft spoken at this time and certainly not leading these demonstrations, may very well have a different agenda going forward. Certainly a more open, tolerant future environment will create an unprecedented latitude for new radical propaganda and proselytism. If the growth of the Muslim Brotherhood would lead to a fundamentalist Islamist government in Cairo it is not a cheerful prospect for anybody.

Opening for al Qaeda?

And we can be sure that al Qaeda leaders, the real hard line revolutionaries, are now reassessing the situation in Egypt. They may very well see in this exceptional political turmoil unexpected opportunities that they could not even dream about when the effective Egyptian security apparatus checked on everybody.

Tough going ahead

So, the path ahead is not all as clear and simple as those who have sympathy for the courageous demonstrators would like it to be. Of course, common decency would require for Hosni Mubarak to be gone; perhaps mostly a symbolic gesture, but a change that would give the movement a real sense of vindication and victory.

Can Suleiman broker a faster Mubarak exit?

But would such victory signal the beginning of chaos in a leaderless country, as Mubarak himself and Vice President Omar Suleiman affirmed? Probably not. But who knows, exactly. And yet this is “the” sticking point, right now, that needs to be resolved in some fashion for the transition to effectively move forward. The protesters say “No negotiations as long as Mubarak is in power”. Mubarak says he already begun the transition along the lines demanded by the opposition. But this statement lacks credibility because he is in charge of this process. The White House wants to have demonstrable evidence of a credible transition to democracy to be underway “now”. Does that include Mubarak’s immediate departure? This has not been said. But rumors indicate that Washington leans in favor of a more rapid departure for the old leader.

Is compromise possible?

Can anybody square this circle? Can anybody, perhaps the new Vice President, Omar Suleiman, broker a deal, whereby Mubarak leaves earlier than September, or is relegated to a more ceremonial position, while the government gives credible evidence of being truly engaged in a process that will lead to a new constitution and then real elections in the next few months? And, moving forward, can we have adequate, impartial, may be UN supervised, inspection of this electoral process? In other words can the demonstrations end with a sense of real accomplishment, as opposed to the feeling of being hoodwinked by the same old oligarchy with some vague promises of change?

Can Egypt handle “democracy”, all in one big gulp?

And, last but not least, is Egyptian society at large, all of its 80, mostly uneducated, million people, (as opposed to the more aware, more educated urban dwellers who created this protest), prepared for democracy? Who knows. And let us not forget that many of the grievances of the people are really economic. Huge youth unemployment is a worrisome fact in Egypt. Democracy, even if genuine, will not fix this problem any time soon.

Let a credible reform process begin

Be that as it may, as Secretary Clinton indicated in her Doha speech, the Middle East was a boiling pot well before these upheavals. She called upon leaders to get ahead the curve, to open up and become inclusive, lest they be overtaken by events. She was remarkably prescient. But it was already too late, as events proved.

Now, it is small consolation to say to the same myopic leaders: “I told you so”. Now the US is trying to help steer a ship in the middle of a tempest. America wants rapid, visible change; but smooth, orderly and peaceful, avoiding at the same time the perils of extremism and chaos. Really hard to do all of this.

The way ahead in Cairo

In any event, here is how things look like in Cairo, as this process unfolds. Right now it appears that the Egyptian security apparatus, while shaken by the force of the demonstrations, is still pretty much intact. The national prestige of president Mubarak is gone; but not his authority where it matters: that is the army and security forces with guns. The demonstrators have a lot of courage and resilience; but they do not have any credible force other than their numbers and determination.

Not a “revolution”; but historic nonetheless

As I see it, the “revolution” did not happen, if by revolution we mean not just the resignation of president Mubarak, (yet to take place), but the actual dismantling of his regime. But something big nonetheless happened –and there is no going back to the same unchallenged autocracy. Indeed, this is a historic upheaval that may very well force real change in Egypt and beyond. Globalization created awareness in Egypt and elsewhere of how people in other countries can live good, normal lives under reasonably free institutions. Freedom does not mean disorder, (provided, of course, maturity within any given society). In the end, the idea that autocrats can fence this notion of freedom off forever, having determined that entire societies are not ready for accountable government, is clearly not working any more.

As Secretary Clinton indicated, better for leaders to be proactive and open up now than to be overtaken by events. Who knows if anybody in a position of authority will re-read her Doha speech and take notice of her advice. It is awfully late; but not too late for the region and, indeed, the rest of the world.

America: Time for Clarity on Egypt

[the-subtitle]

WASHINGTON – White House press secretary Robert Gibbs yesterday tried his best to say as little as possible regarding the US position on Egyptian autocrat Hosni Mubarak. “We want change”; “There has to be increased participation”;

“We are for democracy”. All this is nice; but it shows that America is still hedging and not leading on this issue of an unfolding revolution in Egypt that will be remembered as a historic watershed, as the event that started the transformation and the genuine modernization of the Middle East.

Washington is too slow

Of course, the White House does not want to be seen as encouraging the overthrow of legitimate governments. But the point made abundantly clear by the continuing, massive participation of Egyptians of all stripes in the demonstrations is that Mubarak’s government, if it had any legitimacy, lost it long ago. There is nothing to salvage there.

It would appear that the opportunity for face saving compromise, for some kind of agreeable, gentle exit for the old autocrat came and went. Had Mubarak announced his retirement at the very beginning of the street protests, maybe he could have survived for a little bit longer. Instead he did the clever tyrant thing: he sacked his cabinet. “You see –he hinted– It is all their fault. And I got rid of them”. Well, that did not work.

Mubarak is the symbol

There are times in history in which symbolism is all. Mubarak “is the regime” –and people now will not accept anything less than his final exit. It is that simple. As for a path that may lead to a legitimate government, it would appear that the armed forces, given their remarkable restraint so far, may be the guarantors of law and order until a caretaker government of national unity will be put together to hold elections for a new legislature/constitutional assembly, or whatever the Egyptians may want.

Regime change then and now

George W. Bush was criticized for advocating “regime change” in Iraq on the basis that Saddam Hussein represented a threat to America. The whole thing was a big mess, as we all recall. This time we should realize that “regime change” is demanded by the people of Egypt and get behind them. It is obvious that the thousands of demonstrators in Cairo are not part of a sinister plot, they are not the agents of Osama bin Laden.

This is the emerging Egyptian middle class: business people, lawyers, professors –mixed with everybody else, of course. As I said before, this is a rather messy affair. But it should be obvious to the White House that on balance this is a genuine popular uprising led by people who want what we say that everybody should have: legitimate, accountable government.

America has to lead

Can America be in front, for a change? Can America show leadership to the world? Can we show that we are really and forcefully behind a pro-democracy movement? Or do we want to be remembered as those who hesitated and waited too long before recognizing the inevitable? The Middle East has lagged behind. But now it is coming of age.

In Egypt, civil society is demanding what others demanded and obtained in South Korea, Taiwan, Eastern Europe long ago. This revolution will have major ripple effects in the region and beyond. America used to be the “Leader of The Free World”. Time to show that we can lead again.