LEE: Hi, everybody. Bad kids are always late to class, and we're the final panel of the day, but best for last.

As we're going to discuss, the U.S.-Qatar Relationship: Risks and Rewards, I would like to just give a short introduction for each of our panelists. It's great to have them on, and a diverse group of opinions.

Ambassador Husain Haqqani is a Senior Fellow and Director of South and Central Asia at the Hudson Institute. He served as Pakistan's ambassador to the United States, 2008 to 2011.

Mary Beth Long is co-founder and principal of Global Alliance Advisors, a non-resident Senior Fellow at FDD as well. She previously served as Assistant Secretary of Defense for International Security Affairs.

And Jake Sullivan, visiting lecturer at Yale Law School. He served in the Obama Administration as National Security Advisor to Vice President Joe Biden and Director of Policy Planning at the State Department. He was the Senior Policy Advisor on Secretary Clinton's 2016 presidential campaign.

And David Weinberg is Senior Fellow at FDD, where he covers the six Gulf monarchies and has written two detailed reports on Qatari terror finance issues, which are available here today in the foyer, so don't miss that. And previously served as Democratic professional staff member at the House Committee on Foreign Affairs.

It's great to have you all, and we have a lot to talk about. So I'd like to sort of jump right in, because it was really interesting to hear from Secretary Gates this morning. He said many interesting things, but two really stand out to me. One, talking about Qatar directly as a military ally, but stopping short of going further than that, and also putting on the table a question about the future of our air base in Qatar, and whether or not we should use that as leverage, and whether or not the time is now to do that.

While we have been at this conference, some news has developed on the Manchester terror attack. Now we're getting the name of the known terrorist, and I say known because the reports are now suggesting that he was known to authorities. There's no direct connection, as we know, between this terrorist and what we're talking here. But where I'd like to start is there are some things we know about Qatar to be true, that are bipartisan. And we do know that Qatar has funded, in the past, Hamas, the Muslim Brotherhood, hate preachers, bringing them into Qatar to speak.
But I'd like to start, just again, with the facts, David, and maybe you can kick us off here. When we're talking about money and support, when we're talking about a platform, what kind of money – even in the last year, what kind of money are we talking about from Qatar?

WEINBERG: So, I think when we're talking about Qatar's relationship with Hamas, it's important to be precise.

Qatar, to my knowledge, does not directly fund Hamas. What Qatar does is it has provided, in numerous different instances, financial infusions to Hamas domestic – the Hamas government's domestic projects inside Gaza in ways that prop up Hamas's rule.

So, for example, I believe it was some time in the last year there was an electricity crisis in Gaza. And lo and behold, there were – even when there were marches in the streets against Hamas, the Qatari leadership comes through with a very fast infusion of money to take the pressure off of Hamas.

When it comes to other terror finance concerns, a lot of what I identify in my reports and the things that worry me, are instances in which there are private individuals engaging in acts of terror finance that get them designated by the U.S. government, gets them designated by the United Nations but then there's no evidence that the U.S. government – there's – pardon me.

There's no public indication whether the Qatari government has taken appropriate legal action in these cases. It's not clear in which of these cases if how many of those individuals have been charged with crimes related to terror finance. It's not clear how many and in which of those cases they've been convicted of a crime, and it's not clear which of those individuals are currently behind bars or not.

So that is a real problem for the United States and for the international community in the fight against terrorism.

LEE: So in those cases, do we not know some exact numbers as far as the individuals within Qatar that may or may not be supporting different terror groups or individuals?

WEINBERG: Well, if you – you can look at the U.S. designations. And it's something like 10 to 12 individuals, most of whom, I believe, are likely still in Qatar. There are a couple of instances where their locations have specifically been identified, including by U.S. officials at the time.

But what we can say is that, as of February, the just-having-departed-the-administration Assistant Secretary of Treasury for Terrorist Financing confirmed at an FDD event that there are terror financiers, who are designated, who are under sanctions, identified in that sense, who are operating, quote, "openly and notoriously", end quote, in Qatar as well as in Kuwait, he said.

LEE: I'm curious, Jake, your experience in general with Qatar, how you see the current state of affairs.
SULLIVAN: Well, I – look, I think one of the big problems that we have with this issue of terror financing specific to Qatar but also with other countries. You just mentioned Kuwait and others as well – is getting a common factual predicate that allows us to actually have a serious and productive conversation about how we change the equation.

So, it was true in the Bush Administration, it was true with us in the Obama Administration. I anticipate it's going to be true in the Trump Administration as well. You go sit down and you say, "We know – we have evidence, we have designated individuals – that this behavior is happening. And we need your cooperation as a matter of paramount priority, to do something about it."

The response tends to be, "We are. We're doing something about it. We're improving," and so forth. And in many ways it is difficult given the murkiness of these financial arrangements, the networks through which this money flows, to actually get that common picture.

And so the first thing that I would do if I were in government right now – there was an election recently. Some of you may have heard about. So, in fact, I'm not in government – would be to say to the intelligence community, working with the terror finance folks at Treasury, "Let's all get on the same page here because we can't have a repeat conversation that says, 'We know you're doing bad things,' and they say, 'We're getting better,' and we say, 'No, we know you're doing bad things'," et cetera. You get that.

And then I do think it can't be business as usual. I mean, one of the things that concerned me about the visit to Saudi Arabia yesterday, where he met with all of the Gulf leaders, was there was not enough talk about this issue, that we are not placing a high enough priority on the national security threats to the United States that is emanating from the financing of terror groups by Qatar and other countries. And we have to be doing more on that.

Now, when it comes to the question of what to do about the air base, in an ideal world the United States would have a diversified force posture across the region, to include Qatar. So I don't think our goal should be to get out of there and shut it all down. But I do think that we have to take a firmer line with our partner in saying to them, "You know what, it can't continue this way. We are now making this the number one issue in the bilateral relationship.” And I think if we did that, we could see progress.

LEE: Ambassador, I'm curious, your thoughts on this about risk and reward, going back to the theme of the panel, of whether or not – what – where you see the risk and reward with this particular relationship?

HAQQANI: I served as Pakistan's Ambassador to the United States, and am now living in exile for having cooperated with the United States. So I think I am most qualified to write the book on how the United States should deal with recalcitrant allies.

Part of the problem lies on the American side. America knows how to deal with enemies. It bombs them. And it knows how to deal with regular allies. It kind of, you know, talks to them and when they're in the same room believes what they have to say, and finds it difficult to say to them, "Hey, you're lying."
Americans . . .

LEE: Is that unique to us, by the way? Is that a uniquely American problem in your opinion?

HAQQANI: It's definitely a lot more uniquely American, in my experience, than many others. I mean, you know, a Russian will turn around say to – say, for example, if the – a supposedly friendly country was not doing what it was supposed to do, the Russians would walk in and say, "Hey, you know, we know what you're doing. We have intelligence on that. We will take care of you." And the Americans find it very difficult to threaten people with whom they are doing – one part of the business is OK, the other part is not OK. It's very difficult to negotiate that.

Secondly, there's a big mistake in American bureaucratic approach to the situation. So, folks in the DOD, folks in the State Department, they sometimes confuse bureaucratic need for national interest. For example, a base is a technical need. It's a logistical need. It's not your primary national interest. Your primary national interest is looking after Americans, saving their lives, protecting them, having other interests.

So, to start thinking of, "Oh, but we have a base there," and that brings me – I'm old enough, by the way, to remember when Ferdinand Marcos used to say, "I'm going to close down the base in Subic Bay if you tell me that I have to bring democracy to Philippines." And, you know, the Americans would always run back to him and negotiate. And that went on for 10 years. And the Philippines is not in a better position for all that, giving in to blackmail.

So my point is, look at your fundamental interest. Containing Islamist radical extremism is a fundamental interest. Having a base in the region is important, but there are other locations where the base can be . . .

LEE: And I wanted to . . .

HAQQANI: . . . where the base can be relocated. Bahrain would happily accommodate, UAE would accommodate. It's only a technical question of, "Hey, what airfield can we use for B-52s?" And it's only about extending an airfield. I can understand the bureaucratic mind, having worked in a bureaucracy. The guys say, "Oh, that will increase my budget by $52 million, and that's why I can't pay – do that this year."

But look, this is not about dollars and sense. It's about the political decision. And the political decision has to be to convey to every ally in the region, where there are people who do double-dealing, that there is a price to pay for double-dealing.

LEE: I'm curious what Mary Beth thinks about this, as someone that has worked with the Secretary of Defense. Do you think that's part – what do you think of the assessment, that this is partly an issue of prioritizing, right? And bureaucracy?
LONG: I think that's about right, but I would want to wind back a little bit. I come from the Secretary Gates school of defense and diplomacy. And part of that is publicly praising where praise is due, and publicly and – but more importantly, privately criticizing and pushing and using all leverage in your kit box for doing so.

And in the case of Qatar, my understanding is, based on conversations with the senior Treasury official who's there now, and our ambassador and a number of rather significant regional banking executives who have been there, that there have been really substantial progress made on the Qatari's responses to our concerns on terrorist financing.

LEE: How so?

LONG: To include new appointments from the central bank, new finance ministers, the arrest, which is a huge hurdle in most countries and particularly in the Gulf, of Qatari citizens and actually putting them through the judicial process.

I agree with the doctor. There's not a lot of transparency about what kind of penalties, and what kind of process, and whether they are continuing to be held, or held at all. That's not atypical for the region. It's very sensitive about indigenous prosecutions and processes in most of the Gulf countries.

But I think, to a man, the individuals I spoke to, in fact, were rather praiseworthy of at least initial but substantive progress made by the Qatari to respond to U.S. and U.N. pressure to do more.

Does that mean it's a trajectory? I don't know. Does that mean, as I think Secretary Gates pointed out, is that something that needs to continue? Absolutely. And do we need to keep the pressure on? Absolutely. And does this represent a true commitment for all time, or an acquiescence to pressure that's tactical? I don't know the answer to that. And I think the only answer to that comes about, as my colleagues are saying, with continued pressure, continued cooperation, working behind the scenes, and holding their feet to the fire.

When it comes to the base, given that as a context, I don't see any immediate pressure by the Embassy or the military to move the base or to make adjustments with the base. I mean, the base came about in part during a time period in which we were not able to operate freely from our other air locations in the region. We simply weren't. And there were things that we could do from Al Udeid that we could not do elsewhere. And the Qatars were extremely accommodating in that respect and others.

Now, that has probably changed. But at this point, I don't feel that there is pressure to move or expand the base. I think, actually, from a military perspective, the idea that we have assets spread throughout the region, that we were able to leverage maximized pressure on the Qatars and others for participation in terrorism, is probably the ideal position to be in, and particularly – and someone said it better, and I think it was Jake.
Coming off this Presidential visit, where the Qataris and others will have their feet held to the fire not only because of the Jeddah Accord that was accomplished in the previous administration, but because of what the President just accomplished. That base is even more important leverage-wise.

And I do think having our intelligence and having our whole of government pressure the Qataris and others for basically a comprehensive strategic approach to terrorism support, financing, the use of assets, the use of even very creative trade relationships to get around the banking systems, where they know we're watching very carefully. All of that is significant and important. And I think – I hope to see a big thrust in this next Administration.

LEE: David, what does real progress look like, in your mind?

WEINBERG: Yes. So, I would just come back to you with a question. I understand that some U.S. officials at the Embassy in Doha are optimistic. But if you look at the cable traffic from the past, there have been times when they were optimistic before and, as Gates described it at that past episode, they respond.

So in order to ensure that that's not the case, and I don't know if it is, and I don't know if it's not, I would ask you, of the dozen or so U.S. designated terror financiers linked to Qatari territory, how many of them have been prosecuted?

LONG: A, I think your broader point . . .

WEINBERG: Right.

LONG: . . . is the point that we're all agreeing on, which is, there have been times – and I've sat in the front seat in the Department for decades when we have had all kinds of signals and promises. And I think Secretary Gates said it, head nodding. And let's be frank, tactical acquiescence . . .

WEINBERG: Yes.

LONG: . . . that have been a major sticking point between our government. And then as soon as pressure is taken off, you know, things tend to dribble on or off the table.

So I agree with your fundamental point. I don't know the answer to that. My understanding is that the – our senior Treasury executive can tell you three of the five most recent were prosecuted. I don't know the status of them.

I think we don't – I don't know the answer. I could think the bigger picture . . .

LEE: So we don't – I want to . . .

LONG: . . . is more important.
LEE: . . . speak here to the crowd, though. When we say prosecuted, we're thinking of our own legal system. When you say prosecuted, to your knowledge, does that mean they're in jail? They're under house arrest? There's . . .

HAQQANI: No, they're not.

LEE: . . . there's something that's happened to them or . . . ?

LONG: My understanding is they're not in jail. There's . . .

LEE: OK.

LONG: . . . several of them are in house arrest.

LEE: I just want . . .

HAQQANI: So basically . . .

LEE: . . . because when we say prosecuted, we think that, "Oh, well, they're behind bars." Maybe there's something . . .

HAQQANI: So the trick is – this is the old hat trick, you know. So basically what you do is American pressure comes. You initiate a technical process and you say, "We are prosecuting them." Pakistan has been doing that with the Mumbai bombers for, what, how many years since that has been?

Look. I have tremendous respect for Secretary Gates, and I have only one comment to make on the particular school of thought that Mary Beth invoked here, of public praise and private remonstration. That's what gets you Pakistan's nuclear program.

Basically, at the end of the day, you have to make an assessment . . .

LONG: I think ISIS . . .

HAQQANI: You have to make an assessment. What does the other side really want?

LEE: What do they want?

HAQQANI: And . . .

LEE: What does Qatar really want?

HAQQANI: . . . so you have to figure that out. You have to figure that out.

LEE: Do we not know – in your opinion, do we know?
HAQQANI: Now, in the case Qatar, I think we have to understand. 313,000 citizens. That's what it is. $120 billion GDP, primarily from oil and gas. So, just a group of people who turned out lucky, with gas and oil being found there. And basically wanting to punch above their weight in the region. They are not a normal – so I already have invoked this analogy before.

It's like Luxembourg trying to tell Europe what to do. And therefore wanting to be that powerful country, what would they do? They would try to undermine Germany. They would try to undermine France. They would try – and that's what it's all about. Allying with Turkey to try and get a little bit of force because they can't have their own force after all the 313,000 people who are citizens, a large number of whom are children and women, you can't get a big army.

So you then – and having an American base confers on them a feeling of power and a feeling of protection. And they do need to protect themselves, say, for example, against Iranian intentions, et cetera. But, the other part of it is, we need to have influence also against what are otherwise potential allies. Saudi Arabia, et cetera. And so therefore the Muslim Brotherhood is that instrument of influence. Radical Islamist groups all over are that instrument of influence. Why would Afghanistan and Pakistan pay attention to them unless they were Taliban?

So basically what they are trying to do is essentially punch above their weight by, on the one hand, having an American base, on the other hand promising American officials, all the time, “We're about to act against these people whom you see as bad actors,” but whom they do not see or publicly proclaim in their own societies as bad actors. And then allowing that money to be used to put out – put fires here and there, which they think, A, keep them relevant and important and, B, they are fires that are not going to engulf them because they are far away.

LEE: Jake, it would be a very different panel if we were talking about Luxembourg. But it's an interesting analogy. I mean, when you think about, would we be asking the same questions if that was the scenario? Would we be, or is there some sort of double standard for how we're approaching this particular region?

SULLIVAN: Well, I do think that anytime you make a panel about a particular country, you immediately raise the question of, "Well, why aren't you taking about other countries, as well?" And plainly, there are other countries who are engaged in this behavior, as Treasury and the intelligence community can readily attest, as Secretary Gates could, or any of us could. And we should talk about all of that.

I think what the Qatari example allows us to really look at clearly is something Ambassador Haqqani said at the outset, which is, why is it the United States has a hard time managing relationships with countries that act coincident with our interests in some cases and against our interests in others?

And it's largely because we have the responsibility to uphold the global order that neither Russia nor China has, so they can just turn around and punch people in the face, in a manner of speaking, which we cannot do. So...

LEE: Why can't we do that?
SULLIVAN: So – look.

(LAUGHTER)

If...

LONG: I love that you're asking Jake that, from the previous –

(LAUGHTER)

LEE: I would think that makes our punch more worth something.

SULLIVAN: So, my basic take on this is that if our view of a regional order that is built on strong relationships with the Gulf, which, by the way, was the predicate for the entire visit that Donald Trump just made to the region, in which he didn't really talk about this issue, before a very large crowd of folks, why not?

LEE: Didn't talk about what issue?

SULLIVAN: The issue of terror financing coming out of the Gulf, in Saudi Arabia, in front of the Qatars and others, in a speech in which he was going after the radical jihadist terrorism. Why not? Why even Donald Trump doesn't do that?

Because...

LEE: Did President Obama do it, more specifically, in your experience?

SULLIVAN: No. I don't think President Obama did and I don't think President Bush did it because I think they all basically adopted the Mary Beth and Secretary Gates school of thought, praise publicly, push privately.

I think the challenge here, the reason – what they all run into, and the reason we don't just walk in and say, "To heck with you, and to heck with you, and to heck with you," is at the end of the day, we are trying to build a security architecture that does get to the main thing. And the main thing for us in the Middle East is a two-fold threat that we face. We face a threat from Iranian expansionism and we face a threat from Sunni extremism.

And just throwing the Qatars overboard and saying, "You know, we've had enough. We're done. Get out. We're taking our base," and so forth, to me that is not prudent policy. That's not statecraft. That's emotional reaction masquerading as toughness.

And from my perspective, a much more clear-eyed approach would be to say, "It is OK to call this out publicly.” It is OK to say that our allies and partners in the Middle East have not been carrying their load in terms of the fight against Sunni extremism, and that has come at a cost to the United States. And we should be prepared to do that publicly, as I am.
But we also should think, "How do we do it in a way where we can actually maintain an effective partnership with these countries?" because in the absence of that, I think any chance of a sustainable Middle Eastern order is going to fall through.

LEE: And then, what the question is –

(CROSSTALK)

Hold it a second.

The question is, though, what is the goal? What do we actually want from Qatar?

(CROSSTALK)

LONG: Since my approach has actually been addressed by both of these colleagues...

LEE: Which is actually going to be trademarked later today.

LONG: Yes. I was going to say, I'm happy to share the nomenclature with Secretary Gates on anything, any day. But I think we're taking it a little too far.

I – if you listened to what I said, it is – you have to continue to push. And there is – in fact, President Obama did it. President Bush did it. This president did it in spades over the weekend. And that is calling out and getting others to support U.S. interests in the region, recognizing that there are U.S. interests coincide with their interests, which is the most important part, something that I think, frankly, our presidents have done for the last 30 years.

Not – saying that you public praise and you privately cajole has its limits. Everybody knows that. Secretary Gates, our former president, our current president have been absolutely public about the need for additional support for NATO. So did President Obama.

SULLIVAN: Right.

LONG: So did President Bush. And Gates did it under both administrations. They have been very public about support that they need from Qatar and others regarding terrorist financing. In fact, there's a couple of local – I know the Emiratis have one, the Saudis are now sponsoring one – intel sharing and collection capabilities in order to get that done. That's done publicly and privately.

Where you need to make sure that you're fair is, if you're going to condemn privately, you need to also condemn publicly, but you need to also publicly recognize where advances have been made. And the one thing that hasn't come out, and I was just making a point, and I think it's a fair point, that if you ask our Treasury representative in Qatar, who's there on the ground, this is his life’s work. You ask our embassy and you ask bankers, progress has been made. Full stop.
Is it enough? No. Does it get the Qatars off the hook? No. Do you continue to push them publicly and privately, but save specifics and really push privately? You're most successful that way.

Why? As Jake pointed out, the last thing you want to do is emotionally react and alienate and disregard leverage and pressure points because you weren't looking at the strategic. The Qatari Foreign Minister...

LEE: But my question is, though, how do we assess progress if we don't know...

HAQQANI: That was going to be my point.

LONG: At one point.

LEE: Wait. I'm not done.

LONG: Sure.

LEE: How do we assess progress when we're not being clear about what the end result is? What is it exactly that we want from Qatar?

HAQQANI: So...

LONG: When the Qatari Foreign Minister says in a public setting that we now view our support in the past to terrorism as against our own interests, and we are now making changes. And I'm not just talking about this particular financing issue but more broadly speaking.

He was asked about Libya, he was asked about al-Nusra Front, he was asked about Hamas, he was asked about a plethora of organizations – the Taliban and why they're there – he publicly said, "We made mistakes and we're trying. You need to continue to hold our feet to the fire. You need to be clear what you want." But that, to me, is progress.

LEE: Ambassador, you're going to jump off the chair.

(CROSSTALK)

HAQQANI: I don't think it is progress. I think it's words. Progress would be if the Treasury representative is able to report that the 20 accounts we asked them to close have been closed, but no new ones have been opened.

The problem is assessing, are they actually out of the business of funding and supporting terrorists and jihadis?

LEE: And is that the end result that we want?
HAQQANI: And that is not – that’s the end result we want. My point is, if somebody has gone on for too long – look, you don't do it even in a personal relationship. Somebody cheats on you once, you give them a break. Do it again, they do it. I mean, come on. Then you end up in the situation that certain people have ended up, and they lose elections.

My point is...

LEE: Well, I don't know where this conversation is going.

(LAUGHTER)

HAQQANI: My point is, serial cheating is – serial cheating and putting up with it is setting yourself up for failure.

And I think that those whose behavior is consistently bad, they don't need to be punched in the face. I agree with Jake. That's not diplomacy. But they need to know that they may have to pay a price. A price. In this case, there is no price. There is no price.

WEINBERG: The end goal needs to be behavior change. Like Secretary Gates said -- it was either him or the Chairman, saying that we don't want to totally abandon any sort of relationship, but like you said, ideally we would have some base there. But we wouldn't be absolutely strategically dependent. And – but I think transparency is essential to this.

To this day, Qatar does not have, like most of its neighbors or the United States, a list of banned terrorist organizations published. I'm not aware of a published form of the Counter-Terror Finance Agreement that the administration reached with the GCC states this weekend. I also think it is important to talk to people on the ground. Many of us do that or try to do that on a regular basis.

What I do have a problem with is that the embassy in Doha provided more detail on the specific cases of combating terrorist finance in the last week to people speaking on this conference than they have to me in the last two years. I mean, I would be curious from a show of hands how many of us here on the panel, or other speakers, heard from the embassy in Doha in the last week or two. Because I know it's me.

LONG: I reached out to them in Doha. I will confess.

WEINBERG: OK. Great. But I think if we're going to address this problem and have a – you know, a clear understanding of what's been achieved and what's not, and praise them or not praise them, or what have you, there needs to be transparent data on this issue.

And this is something where the Saudis have prosecuted for terror finance hundreds of people, and they share the data, and they report on it. The Qataris do not. And there has been such a reluctance to shed light on what they're doing or not doing, that we can sit here and argue about how many angels dance on the head of a pin as long as we want. But if it's not based on the data, if the data is not there for the public, for think tanks to assess, then it just gets relegated to
bureaucratic infighting within the U.S., and debates about whether they're looking at the same part of the elephant.

LEE: Well, let me, let me...

HAQQANI: Baby steps must be followed up. Baby steps must be followed up.

LEE: OK. Well, what is the...

HAQQANI: And teenage steps and adult steps.

Sometimes what happens is bureaucrats in embassies, and U.S. embassies do this a lot with difficult allies because they need to have good will. And I understand that. But they will be saying, "We know that some steps are being taken." Then the next guy comes and says, "I know some steps are being taken." But what's the cumulative balancing?

LEE: Well, I was just curious, Jake's thought on that, is of what is the risk of the status quo? I mean, if you look out, not just, you know, five years from now, but 10, 20, 50 years from now, what's the risk of a status quo where there might be some progress, maybe. Maybe we don't have all the numbers we need. But just — if everything stayed the same, what's the risk of that?

SULLIVAN: My view is that the status quo of terror financing emanating from the Gulf, including from Qatar, is not sustainable, that we need to do more than we are presently doing to lock it down.

Where I have a problem with the analysis that says any progress is almost by definition just a con, then if that's our attitude, then it's like, how — you're never going to get progress, because you need to reward progress to induce more of it. And so I think we do have to go back to the beginning of what I said at the outset, which is let's get a common picture. Let's figure out...

WEINBERG: Yes.

SULLIVAN: ... how we can sit down in an effective way...

HAQQANI: Instead of...

SULLIVAN: . . . to actually work out whether or not the progress Mary Beth talks about is durable and sustainable and real, and it can be built upon, because if we enter this conversation immediately presupposing that it's just going to ultimately fail, it — that will be a self-fulfilling prophecy.

LEE: But when you say it's not sustainable, what do you mean it's not sustainable? What does it look like?

SULLIVAN: What I mean is that — what I mean is that if the current state of affairs both as a matter of steady state and in particular crisis situations, like in Libya and in Syria, the instinct of
countries like Qatar is to support groups that ultimately, at the end of the day, post a threat to them and to us, then the terror threat is only going to grow.

And so I do think that the United States needs to be doing more, not just...

LONG: Yes.

SULLIVAN: . . . with the Qatars, but with the Kuwaitis and the Saudis and others as well, to be thinking about this as a core national security interest. And I think part of our challenge over time has been that we will occasionally get on top of this issue, and then we'll move on to the thousand other things we need to do with our partners within the region. And so we let it slip. This needs to be a persistent issue that we put on the table.

And I actually thought it was interesting – Mary Beth raised the two percent of NATO. Bob Gates went around Europe, saying...

LEE: Absolutely.

SULLIVAN: ..."You guys, pay your two percent." And the Europeans didn't turn around and say, "That's a stain on our national honor." They said, "OK. Those are two adults talking to one another about this issue."

We ought to be able to do the same thing on this issue. And it's why I actually think we need to bring it out from behind closed doors and talk about it openly, because I hope for much of the progress that was touted in the summit that Donald Trump just had in the region. I do think we need stronger relationships with our Sunni partners.

However, if it is not embedded in an understanding that we are going to demand more on the issue of terror financing, which is such a fundamental threat to us, then I think over the long term we're not getting out of those relationships what we want.

LEE: Well, the question becomes, will we get different results?

LONG: Well said.

LEE: I'm going to add, that was great just to bottom line – again, what is the risk of just where we're staying? We're going to have the same panel 10 years from now, and we'll have before and after pictures, so it will be great.

Is there any further questions from the crowd? We're going to get a microphone, too, so that everyone can hear. Here they come. Do you want to come to the front? Yes.

QUESTION: Thanks. Andy Lappin, Chicago. By the way, I hope you are going to stay with Fox.

(LAUGHTER)
SULLIVAN: What is happening on this panel?

(LAUGHTER)

QUESTION: Anyway, now I'll ask my real question. So, I feel like we are – we're straying off course in the sense that the purpose of terror – terrorism is ultimately a tactic to accomplish a political objective, which is through political Islam. And I feel like we are talking about making these complex deals with people who are steeped in an ideology that will prevent them from ever delivering any meaningful results.

So, meaning if – so, if we're not talking about the ideology and what's wrong with the ideology, while we're talking about combating its primary tactic, aren't we just kind of wasting our time a little bit?

LEE: Ambassador, what do you think about that?

HAQQANI: I think that's absolutely correct, and I think the ideology needs to be combated. And the ideology right now, if you look at it – for example, all the major ideologues are located in Qatar. Sheikh Karbalai, some of the others.

And – but combating ideology, I must say to a primarily American audience, it's really easy for you all to talk about combating ideology. In the end, that combating of the ideology is going to be done by us, meaning Muslims who disagree with that ideology, because, after all, it's our faith that is being invoked in support of that ideology.

So, yes it is something that needs to be done, but America's role in it may actually have to be secondary rather than primary. It can help those who are already trying to do it. And in that sense, I actually think that the announcement in the Riyadh summit of creating a center to combat extremist ideas in the Muslim world is a positive development, because in the end, the ideology has to be sort of opposed and confronted by us.

LEE: Why do you view that as a positive development, where some might be skeptical of assessment of progress in Qatar?

HAQQANI: OK. For one thing, there is a serious effort that is visible over the last couple of years in other countries which have, in the past, and Jake rightly points out several of them have been on the financing front in tolerating extremist leaders and preachers, et cetera. Many of the countries in the region have lapsed in the past.

But in the last two or three years, there is an awareness that is visible. And so I would consider that greater progress, when you actually say, "Hey, such and such hate preacher will not go on state television anymore." Then somewhere else where they say, "Well, we'll talk about it." And so that's the only reason. So the progress is visible...

LEE: So you actually see the progress, some progress.
HAQQANI: Some progress. But again, I don't what that progress...

LEE: David's feeling less optimistic about it.

HAQQANI: Yes. I mean, as a whole, I would say that maybe the entire region has a double – sort of – a two-faced approach to the issue because they do not want to confront the demons as upfront as I would like to do that. But that said, I think some of these governments have played a relatively more positive role than others. That's my contention.

SULLIVAN: Yes.

HAQQANI: Muslim Brotherhood presence. No Muslim Brotherhood presence in UAE, for example, right now, that's visible. Saudi Arabia has this – you know, definitely degraded the presence of the Muslim Brotherhood even though they have long-standing ties going back to many decades. Kuwait is trying to restrain and control some of the Muslim Brotherhood activists that have based themselves in Kuwait.

LEE: OK. David, provide some balance on that.

WEINBERG: Yes. So, there's some talk about the 2014 Jeddah Communique, this – today, you know, which basically laid out the criteria for America's Arab allies, for 10 of them in particular, in the fight against ISIS and in the fight against terrorism. And two of the key criteria on which Qatar has failed, in my opinion – one is consistently bringing terror financiers to justice ending their impunity, and the other is combating the hateful ideology that underpins terrorist groups such as ISIS and other violent extremists.

Now, the Counter-Extremism Center that was inaugurated this weekend with that amazing glowing orb, which one of my colleagues actually suggested that we have one of these...

LEE: I would like it. Yes.

WEINBERG: . . . here today to start the conference as well, it wasn't in the budget. Look, that Center was in the works for two years.

HAQQANI: Sure.

WEINBERG: They just repackaged it this weekend so they could have a glowing orb party.

Now, if you look at the tweet that's pinned at the top of my Twitter profile, it's a review of current Saudi textbooks. And what do you see in those textbooks? It's the sort of ideology that the Brotherhood helped institute into the Saudi education system.

HAQQANI: And vice versa.

WEINBERG: Right.
HAQQANI: The Saudis helped...

WEINBERG: Yes, exactly.

HAQQANI: . . . the Brotherhood – I mean the party has two dimensions.

WEINBERG: This is – with the holy Muslim month of Ramadan almost upon us. There are a lot of state-sponsored lectures...

HAQQANI: Sure.

WEINBERG: . . . in the Gulf states. And if you watch those lectures, if you see who they invite, you're going to see, if it's anything like last year, you're going to see extensive state-sponsorship of festivals with hate preachers in Qatar. You're going to see hate preachers in Saudi on state TV. You're going to see hate preachers at government-linked events in Dubai. You're going to see similar issues in some other parts of the Gulf as well.

And so, when you say that this optimistic sense that, you know, there's this new awareness, sure, there's a new Center. There have been centers or programs or efforts in the past. The question is, are the states still sponsoring these sorts of hate preachers who incite the sort of ideology that's so problematic?

LEE: Well, interesting. Secretary Gates also said that he thought there might be an opening here, based on the President's trip.

WEINBERG: Right.

LEE: And I'd be curious to get your thoughts on that, whether or not we really might have seen a shift that allows more accountability. So maybe we'll get to that...

WEINBERG: But where is the institution to make it …

LEE: And that's a big question.

Do you have your question, sir? You can – do you have a – yes.

QUESTION: Victor Comras, previously from the State Department and the United Nations. One of the great lacunae here is, when we talk about terrorism financing, is the definition of terrorism. Everybody still views that differently.

If you look at the OIC Conference Treaty that – on counter-terrorism that permeates through the Middle East, they've completely accepted those groups that they call freedom fighters. The United Nations has grappled with the issue of defining terrorism over a great number of years and has failed, closed it down. So, don't we still have this problem of knowing who the terrorists are?
Some cases are clear. The United Nations has designated certain groups as terrorists, binding upon all of the international community. But groups like Hamas get a free ride in many of these countries because they're not defined by so many of them as terrorists. So what can we do to push a clearer understanding of our perspective of what terrorism and terrorism financing is?

LEE: What a great question. Mary Beth, what do you think?

LONG: We're undergoing a lot of that, as you understand now, with the Al-Nusra Front and what factions or regurgitations of factions of factions are actually still al-Qaeda-affiliated, whether the YPG, you know, Turkish terrorism is probably not exactly what the U.S. – PKK, similar, and these are ongoing questions, and I definitely empathize with you. And I think you're right.

I think in the broader sense, I think Erik Trager said it very well, which is a lot of this is an internal discussion of the Islamic world that needs to be figured out by those who are practitioners of the belief. And the only thing we can do from an ideological standpoint is push our ideological red line, so to speak, where those particular acts, practices, beliefs, confront U.S. national security and our beliefs and our country. And that needs to be a very clear line, and that needs to be a very firm line.

And our definition of terrorism need not conform with everyone else's and, in fact, won't. But we need to be clear internally and we need to be clear explicitly with all those around us, and we need to act on our own behalf, whilst definitely confronting an ideological world dialogue about what is terrorism and what isn't, but it's not for us to decide whatever struggles are going on within Islam. I think that's a trap, and I think that's not useful.

I think where Qatar has a problem is, yes, in the past – we've gotten a lot of head nods and there's not going to – it's been a horrible track record. And it could be the future. I don't know. I hope not.

But Qatar has taken the position traditionally that it will be the open door for all voices in the region, for good or for ill. And that's the kindest interpretation, which means you have a lot of hate speakers, you have representations of organizations that are clearly terrorists, that are clearly fighting against U.S. forces, that are clearly our enemies, and yet they have this safe space.

That is a decision that had been made by the Qatari government, that it will be the – I don't know, the Switzerland, under the most favorable view of – for all voices.

OK, fine, but there are consequences to that. And the consequences of that are what measures you take are viewed exactly in terms of those measures for that moment. And they should be viewed skeptically, and they should be viewed as trust but verify, and they have been viewed, and I think rightly so, as being tactical, political, acquiescence rather than sea changes.

I don't know whether there's been a sea change. I think we've seen some things that would demonstrate a willingness to go farther than heretofore, but the problem that Qatar has then is, then why do you still permit, allow, support, and even help propagate, to some extent, hate speech and
other things that are contrary to our interests nationally and to our values? It's going to be the hurdle, and it means the expectations should be even higher. I think that's fair.

But the idea that we'll all agree on who are terrorists and on what instances terrorists will be deemed by the U.S. to be against our interests, I don't know. And I actually see some fluctuations already showing themselves when it comes to Syria.

When it comes to Qatar and what's going on there, I think we're all very clear, and we need to get on to the same page, I think is what Jake is talking about, about where we're going with that.

LEE: In the back.

QUESTION: Thank you, Ambassador Haqqani. This is Jay from HN -- from the Hindu-American Foundation. As ambassador of Pakistan, it's – at one point in time, can you explain the relationship between South Asian countries and Gulf state countries like Qatar, where they're sending millions of their laborers who then send back remittances but also bring back perhaps a form of Islam that is quite radical in comparison to what they – what's in the region in South Asia as it is today?

HAQQANI: Well, it's very simple answer to that question. I mean, Islam, as a religion of 1.6 billion people, could not have been uniform. That's why it's spread so – all the way from Morocco to Indonesia. So, various places, people adapted. Various schools of jurisprudence were adopted at various times of history.

And in South Asia, there were a lot of cultural practices among Muslims that were not approved of by the more Salafi, Wahhabi clergy that emanated from the Arabian Peninsula, in the last 200 years or so. And the ability of the countries of the region to influence Islamic practices all the way from Morocco to Indonesia has been phenomenal in that. Of course, it's not just Qatar. It's also Saudi Arabia. It's many others who basically were helping, ostensibly, their Muslim brethren.

And then with all the labor that came from South Asia, especially those who were Muslim, they were now praying in mosques where the preachers had very different interpretations of their faith than the preachers back home. So that has changed the color of Islamic practice, not only in South Asia but also in Southeast Asia. It has become less diverse, less tolerant, and much more puritanical than it used to be, and that has been a major, major influence.

A bigger part of it is, of course, the political dimension. Groups like the Muslim Brotherhood, their influences in ideas on South Asian and Southeast Asian groups are an entirely different matter that we could discuss separately in a different panel someday, of how ideas that originated in the Middle East have ended up now becoming part of the mainstream of Islamic practice in India, in Pakistan, in Bangladesh, and Indonesia, where they weren't so, barely 70 years ago.

LEE: Another question?

QUESTION: Mohammad Fahmy, journalist.
I'd just like to say that to say that there's any progress in what Qatar does is completely unacceptable for many reasons. And to even begin comparing Qatar to Kuwait or other Gulf nations is also inappropriate in many ways. Yes, there are other countries that, you know, don't do a good job, but the term state-sponsored is something we need to focus on here.

Many of the reasons why a lot of these donors and people who fund terrorists in Qatar are not being arrested is that they are directly related to the Emir and to the regime itself. And they're inter – they're married to some of the, you know, members of the royal family. It's like telling Donald Trump to go arrest Kushner, you know. It's never going to happen. So these are major issues here.

So my question is, to FDD and Mr. David Weinberg, who's done a great job of covering this topic, when will it be called state-sponsoring rather than using terms that are probably diplomatic enough, like negligence or turning a blind eye? Just three days ago, the Qatari State Information released a very insulting statement in response to about four or five op-eds that have been written by some of the best journalists in the U.S. and Canada, who were stating that this issue has become unacceptable and that Qatar has been funding these groups.

And they said that this is a lie and they feel that this is some sort of conspiracy that's been funded, and that these journalists are somehow being funded by groups or a party that's behind this kind of campaign, which basically says there's zero progress because they do not even want to face this sort of very legitimate, you know, objection to what they're doing.

So my question at the end of this, when will this be called state-sponsoring? Thank you.

WEINBERG: Thank you. Sure.

LEE: David?

QUESTION: To David specifically.

WEINBERG: So, I think there's a difference between you and I when we talk about Qatari conduct, about whether they're sup – whether they themselves are funding terror or whether they should be doing more to stop others that are funding terror. And I think it's an important distinction, and I think in specific answer to your question, when will we see it?

My prediction is never, ever, ever, ever. Ever.

But there are three or four main...

HAQQANI: That's optimism for us.

WEINBERG: Yes. There are three or four main laws that make up the statutory regime for what a – how you determine what a state-sponsor of terrorism is, how the State Department
determines this on an annual basis. And one of them actually has a somewhat different bar than the other ones.

Most of them require a sin of commission, a state that is physically handing its own treasury to a terrorist group. And we can argue that what Qatar does with regard to Hamas constitutes that, but because it's somewhat indirect it gives wiggle room enough to the State Department to dodge that ball.

However, the Export Administration Act of 1979, if I'm remembering it correctly, section 6(j) says that if you are a state that is providing safe haven to terrorist operatives or to terrorist leaders, then you're – the Secretary of State needs to say that you are doing that, and that you therefore will have requirements every year – or henceforth, that dual use items exported from the United States need to undergo a special licensing process different from other countries. To date that has not yet been invoked by the Executive Branch against Qatar, although arguably under law it's supposed to.

Similarly, it has not yet been invoked by members of Congress against Qatar, who could easily pass, say, a Sense of Congress resolution or write a letter to the administration raising concerns about this. We may see that change. You see it – the change in how the Chairman was – when Chairman Royce was talking about, "There are going to be real penalties now." You may see that with regard to the Export Administration Act of 1979, as well. But it's up to Secretary of State Tillerson to decide what he wants to do about that.

LEE: I have to get to our final thoughts, unfortunately. We're going to -- I'm just going to start from the end. Ambassador, just get – the whole point of holding conversations like this is that we actually move the conversation to the next point and then we have new panels 10, 20 years from now where we're not discussing the same thing. And sometimes with terrorism it feels like we're on the same topic for years and years and year.

So, I'd like – in your final thoughts, if you all can include what do we do to make a real change? And again, what is it, the goal that we're working towards?

HAQQANI: I think the goal should be an abandonment by all groups and states in the Muslim world of terrorism as a means of advancement of any cause whatsoever. And if that is the goal, then it should be a policy of zero tolerance, and a way of communicating to governments in particular that are partial friends, but not complete allies, that the United States means business and that there will be some cost to them.

The reason why they are able to do what they're able to do is that they do not have any cost to fear. They understand, for example, to take Qatar as an example, the Americans need the base. Do we do certain things for them? That's good enough. And that will actually result in the behavior that we are seeing, which is why it will keep going on for 10 years.

I do not share the complete pessimism because I have seen the younger generations of Muslims themselves worrying about terrorism. And that's a positive. Even the people who have been brought up on textbooks that are hateful, every now and then I get letters and e-mails, et
cetera, from them saying, "Hey, you know, your point about our textbooks being hateful is right. But then what do we read?" And so that's where all of us can get together, both those Muslims living outside of the region and others who can actually offer alternative textbooks for people to think about.

And the states need to be pressured. But at the same time, I think the United States needs to get out of this, sort of, you know, past method of, "Well, you know, the alliance is more important than the pressure." You have to find the right balance. I don't think you have found it yet, and I hope that panels like this will help Americans make that decision about at which point do we actually start assessing up pressure as ineffective, and then use new levers of pressure.

But as long as there are states that are supporting this process – look, after 9/11, terror financing is not what it used to be. Hawala business more or less collapsed, but the carrying of cash bags ended. So, new ways have emerged.

That – those new ways now need to be curbed, and it needs to go beyond specific requests. One person arrest – put out of business at a time. The whole business needs to be shut down. And that should be the American objective.

LEE: It sounds like you're talking about personal accountability as well, in this equation.

HAQQANI: Yes.

LEE: Mary Beth, what are your thoughts?

LONG: As a practical matter, I sympathize and emotionally I agree with a lot of what you say, but the fact is, you know, 15 years ago we would have called, and justifiably, Pakistan a state sponsor of terror. And as a practical matter, that just doesn't, at the end of the day, advance our national interests in the means in which we need to be.

So, my bottom line is, you encourage and you emphasize and you reinforce good behavior, and to the extent that there is – somewhere we can have a debate, whether there is sufficient, or there is or there isn't, and how much – but to the extent that there's any, you reinforce it. You make it worthwhile to the Qataris and others that this is good. You encourage it and you demand more of it. And you raise the bar and you keep pushing, pushing, pushing, pushing on all the states.

We're at a time of – rather than looking backwards, I actually think we're at a time where looking forward is ideal. We've got a tremendous new agreement with the President for the first time historically pulled all the Arab States – actually all – many of the state of Islam, not just Arab states – pulled together under the same roof, in agreement to go forward.

The bar should be set high. Everyone should be held to the same standard. We need to follow up with our own internal consensus in a policy regarding support to terrorism, not just financial and other. We need to convey it publicly. We need to be fairly exacting about what we demand, and hold the Qataris and others to account for either complying or not.
But at the end of the day, I don't think we should confuse internal issues regarding Islam with our national interests. At the end of the day, it's got to be about American safety, safety of our borders, the safety of our troops abroad, and whether or not that specific state, Qatar or other, is acting in our interest. And if they're not, we hold them accountable. And if they are, we do what we can to promote it. I'm very practical in that respect.

LEE: Jake, do you think we're in a period of a reset, and what are your final thoughts?

SULLIVAN: Well, look. I think at the start of every administration, presidents go out. They make strong statements, they gather world leaders. A lot of promises get made, and then the devil is in the details in whether it plays out or not.

So I have learned my lesson about calling anything a reset, ever, and would only just say that what we saw here this weekend does not tell us sufficiently about what we are going to see over the next four years.

And frankly, the expectations are so high now. They were raised to sky high levels in the region – that President Trump could suffer for some of the things President Obama did from his early days, where the gap between expectations and what the United States is actually capable of delivering, for a whole host of reasons, becomes an irritant and an impediment to a better relationship.

The only point that I would make in closing goes to your question about, what is it that we want? I think we want – if we take a sober and principled analysis of this, an effective, mutually respectful partnership with every country in the region with whom we are presently engaged, including Qatar, where they are working with us on the challenge of terrorism and on the broader regional threats as well, as opposed to working against us.

To get there, in my view, we need to get on the same page about where we are right now. We need to set out a game plan for getting to the point where we have stopped this flow. And we need to hold our partners accountable at every stage along the way.

And one of the things that we haven't talked about today, and I know this from personal experience in working on the Iran sanctions as we built them over the course of four years, this takes resources and focus and dedication by people in the United States government. And I think that Treasury should be getting more, not less, in terms of its ability to go after this kind of stuff so that, to the extent we're getting cheated in some way or another, we can catch it and stop it.

WEINBERG: Yes. I think this – we've got consensus that the importance is to keep pressure on and in an internal U.S. governmental sense as well as in what the U.S. does in relation to the Qatari. I think – I would disagree that we can have a debate, because, you know, well, in one sense we're having a debate right now, we don't have all the data, right?

And this has been such an opaque issue to date that I think evaluating Qatari conduct moving forward is going to be really impossible for people in the open sphere, until they prove that they're keeping their commitments under the Jeddah Communique, until they prove that they're not
state-propagating, through sponsoring events with preachers that spread this hateful ideology. Until they prove that they've ended the impunity of terror financiers.

And, you know, until we get to that point, I'm going to remain skeptical. But I think the – you know, the President this weekend, there was, you know, some sort of new benchmark when it comes to combating terror finance. It would be great if that benchmark were transparent as well, so we could hold the Qataris to whatever they agreed to.

One thing he did say very specifically was to drive them out, with regard to terrorists. He said it again and again and again, drive them out from your mosques, drive them out from your territory, and so on.

And, yes, Qatar can play both sides diplomatically, but when it's letting in someone like Muthanna al Dari, who's under U.N. sanctions and the U.N. travel ban, allegedly for providing over $1 million to the forerunner of ISIS, when it's letting it into their, you know, their boundaries in violation of their U.N. commitments, that is the poster child of violating the President's new rhetoric in the fight against terror.

And until, you know, until they drive them out, I think there are going to be real mismatches between the U.S. and Qatar in our relations.

LEE: A lot to think about. Thank you, all, very much. It was a great panel. Thank you.

(APPLAUSE)

END