



BEIRUT INSTITUTE

e-Policy Circle 7 | Unofficial Transcript

Beirut Institute Summit e-Policy Circle 7 hosted by Raghida Dergham under the theme of 'Stability Redefined: Who Authors the Future?' with HE Elliott Abrams, United States Special Representative for Venezuela; HE Brian Hook, United States Special Representative for Iran; HE Nasser Saidi, Lebanese Former Minister of Economy, Trade and Industry; and Ms. Nora Mueller, Executive Director for Körber-Stiftung.

Link: <https://www.youtube.com/watch?v=TFdpomyjijY&t=249s>

RAGHIDA DERGHAM: Good morning Washington DC and good afternoon Berlin and Dubai and I am in Beirut, and I am very much looking forward for this conversation with very imminent people in their own fields and let me start off by welcoming the Special Representative on the issue of Venezuela Elliott Abrams, the US Representative on the issue of Iran Brian Hook, Lebanon's former Minister of Economy, Trade and Industry Nasser Saidi, and Executive Director of Körber-Stiftung Nora Mueller. This is e-Policy Circle number 7 and I am Raghida Dergham hosting you from Beirut but the summit.. This is a run-up to the summit, Beirut Institute Summit in Abu Dhabi which will be held in March 2021 and we are holding these e-Policy Circles as part of the package of having the great summit that I have welcomed some of you to it, you've honored me. And so I will start with exactly what we've done every time until now. Every one of you will get four minutes to come to the table with what you wish and then I follow through on some... couple of follow-ups, we will engage in.. I'm sure this one is going to be an exciting conversation. Thank you very much. Please Elliott Abrams.

ELLIOT ABRAMS: Thank you Raghida. It's great to see you and I look forward to being back with you in the Emirates next year. Of course, we are talking about stability here. The greatest threat to stability in South America and the Caribbean today is the dictatorship in Venezuela, we are discussing Iran and Venezuela today, and these two dictatorships have much in common: mismanagement, massive corruption, brutality, and there's something else that is common to both that the world now understands which is that there is no debate about the nature of either regimes. The days when Zarif was the toast of the town, posing as an enlightened spokesman for a misunderstood religious government, those days are gone. The days when the Maduro regime was viewed as a slightly down-market version of Chavismo are gone. These are two hardened tyrannies. This very week, the Maduro regime destroyed the independence of the national election commission and took over several opposition parties. And both of these regimes, Venezuela and Iran are more and more isolated in the world. In that sense, it's not surprising that they have found each other. Iran really has no friends at all, and thinks it might find gold in Venezuela, literally. It takes Venezuelan gold to pay for gasoline. The Maduro

dictatorship has a few friends, Cuba, to some extent Russia and China and Turkey, now Iran, but what kinds of friends are these? Cuba's bankrupt, Iran demands cash or gold before they ship one gallon or liter of anything. Russia and China have backed away financially, no new loans or investments in over a year, these are two varieties. The US, the policy that we've pursued since January of last year is to deny resources to the Maduro dictatorship, thus our sanctions which deny the regime income. In fact, yesterday, the association of Greek ship owners which is the largest such association in the world announced that its members are entirely out of Venezuela trade. Venezuela's oil exports now are the lowest they have been in 70 years. Now we are talking about stability, we haven't mentioned that the Maduro dictatorship has created five million migrants and refugees, and this burden is a very heavy one for Latin America, South America, particularly in the Caribbean. It's the largest refugee crisis in the history of Latin America, by the end of this year, it will be larger than the Syrian refugee crisis and it's entirely man-made, no earthquake, no tsunami, it's the product of human action by corrupt, venal, brutal rulers. And our views of the solution is easy to describe: those rulers must go. Venezuela needs a transitional government of all parties to govern until free elections can be held for parliament and president, and that is the goal of US policy, and unfortunately until that happens, Venezuela will continue to export instability to its neighbors. Why don't I stop there Raghida and we'll come back obviously to all of what I've said.

RAGHIDA DERGHAM: Let me follow up with a couple of things, Elliott Abrams. The Iranian Foreign Ministry spokesman Abbas Musawi said in the sense referring to the tankers going and the gold coming, he said 'we showcased our minds, and our biggest display of power was the position of our will and the sailing of our oil tankers through high seas from the Persian gulf to Venezuela". This is a showcase of the might and there are news from Tehran that some in the military, they are thinking that they could revenge with oil tankers, meaning ceasing some oil tankers. Is this the horizon in what you are expecting?

ELLIOT ABRAMS: You know, Iran has gasoline to sell because its economy is in such a mess. The consumption of gasoline in Iran is quite low compared to previous years. So they have gasoline to sell and Venezuela has gold and needs gasoline. What we are doing is, first of all, making sure that ships of all nations now turn away from this trade and refuse to engage in this trade. Only Iran will engage in this trade. We'll see if they have enough tankers actually to do this. Venezuela will need a constant relay of ships, constant. I don't know if Iran really has enough ships to that, and if they do, what are the opportunity costs? What trade are they are not engaging in, to concentrate only on Venezuela? So we'll see how this will evolve. It is interesting, isn't it though? Russia is not shipping gasoline, China is not shipping gasoline, only Iran.

RAGHIDA DERGHAM: But wait a second, they are taking gold out of Venezuela, they are shipping gold out of Venezuela, both China and Russia and they don't care about the sanctions you're imposing.

ELLIOT ABRAMS: Ah! The sanctions are not on the sales of gold, on the shipment of gold, they are on this gasoline trade in the oil sector. But again, you know the Russians backed away from Venezuela. Rosneft, you will remember, with sanctions from the United States, what did they

do? They immediately said 'okay we're gone, we're out'. So Rosneft is not doing business in Venezuela, they're out. The Chinese, Chinese investments in Venezuela, 2020, 2019, zero. So you end up in this little corner with Iran.

RAGHIDA DERGHAM: Thank you Elliott Abrams, I am going to give the floor to Brian Hook. Please.

Brian Hook: Thank you. I think it would have been last weekend that we would have been attending your summit in Abu Dhabi.

RAGHIDA DERGHAM: That's right, you're absolutely right.

Brian Hook: Such is the nature of the times. Thank you very much for bringing Elliott and I together virtually, our offices are separated only by a wall, we're neighbors, so here we are virtually. Elliott and I do work a lot together and there are so many commonalities that have emerged in our files, partly in our strategy. We applied enormous economic pressure on these two regimes, we have pursued a policy of diplomatic isolation and given these two regimes, they really don't have that many friends left in the world, and so now we see them coming together to see if.. You know... Iran very much needs the revenue, and Venezuela very much needs the gasoline and this creates an opportunity for these two countries to work together. Another thing they have in common is that Iran and Venezuela are not poor countries. They are very rich countries but they are governed by thieves. And especially in the case of Iran, the Islamic Republic, the Elite have been robbing the Iranian people for decades, and then they spend it on foreign adventurism. Take Syria for example, where Iranians have spent over ten billion dollars, and when you think about... this is to save Assad, and to keep him in power. But when you think about, even when they'd spent 10% of that, on a better healthcare system, to prepare for things like COVID, or to improve roads, schools, and water resource management which has been a catastrophe, so they have prioritized their ideology over the wealth of their own people. Another interesting data point that these two countries have in common, the IMF and the World Bank said that the three worst performing economies in the world are Libya, Iran and Venezuela. And so they have this in common as well. These are countries that have been robbed of decades of economic progress. I mean, in the Middle East, look at Tehran and then compare it to places like Dubai, and Abu Dhabi, and Doha, a number of cities in the region that have been so successful, and these are examples of governments that invest in their own people. So that's what we would like to see. We would like to see the Iranian government invest in its own people instead of investing in a sort of Shia Crescent that they have been trying to build out for many years. Our policies have helped to reverse that, we've had enormous success through our period: exports are down, the Iranian economy is in deep contraction, and that is even before COVID, the government budget is facing massive funding shortfalls that it has no idea how to fix, and their access to foreign exchange reserves is minimal. So this is why Iran has one of the worst performing economies in the world. We've deprived this regime of historic levels of revenue, there is no precedent in this Islamic Republic's 41 years history of this kind of economic pressure and we've been relentless about it because the regime, from the time the President got out of the Iran Deal made very clear: you

can either come to the table and resolve our differences diplomatically, or you can manage an economic collapse.

RAGHIDA DERGHAM: Brian Hook, the United States announced today a number of names related to the Caesar Act. Of course, you'll explain it. It is related to Syria and whoever supported the regime in Syria, whether they are Russians, or Iranians, or Lebanese, and let me give you the chance to explain to us why some of the names are on at least the first wave that is coming out, today, of the Caesar Act. Can you give us some of the names and explain why, please? Brian Hook.

BRIAN HOOK: Well the Caesar Act was passed by Congress, signed in the law by President Trump and then over the last days since he's signed it, we've been pulling together the names of the people that have been contributing to this needless and brutal war that has killed half a million Syrians and Arabs and also created the worst refugee crisis since World War II. This war needs to end, and Secretary Pompeo announcing the designation of 39 people including Bashar Al-Assad and his wife, and a number of other people who are complicit in perpetuating and intensifying this conflict. So this is, I think you're right, this is the first wave. You should expect to see more names added to this list and the people that engage in transactions with the people that have been designated are at risk of being cut off from the global financial system. They will find themselves on a black list - that they - it's going to be very hard to get out of. So we encourage people to avoid doing business, and any transactions with the people we designated.

RAGHIDA DERGHAM: I want to go back later on to tell you what the Secretary General of Hezbollah said about this when we engage in the conversation but quickly before I go to our next guest, What's the significance of putting Asma Al-Assad on this list?

BRIAN HOOK: Well it shows that we are quite serious about getting to an irreversible political process that is going to improve the stability of Syria and to improve the lives of the Syrian people. I think when you look at these dictatorships, as Elliott was talking about earlier, whether it is in Tehran, Damascus, or Caracas, they have no care for their own people, and you look at other countries in both of these regions and you have great examples of governments that invest in their own people. We also have notorious examples of those that brutalize and murder their own people. In November, the Iranian regime murdered 1500 of its own people and injured thousands, Assad has caused so much suffering, needless suffering in order to stay in power just like the Iranian regime, so I think that this is a very strong signal. People should understand that if we are willing to target, and designate Assad then no one who is involved in these atrocities should feel safe.

RAGHIDA DERGHAM: Whether Syrians or non-Syrians.

BRIAN HOOK: Anybody who is complicit in perpetuating the war machine needs to stop doing transactions with the people we have designated.

RAGHIDA DERGHAM: Thank you Brian Hook. I am going to go to Nasser Saidi, and four minutes to you, Nasser Saidi please go ahead.

Nasser Saidi: Thank you, thank you for inviting me. I'm going to start off from your title 'Stability Redefined' and I want to change track a little bit and talk more about the economic situation which we haven't discussed so far and the world war warning from the very beginning, MENA region and particularly the Middle East might be heading for another lost decade. We've already had severe under performance in the past ten years, we're now having a global recession, a regional deep recession, we are expecting real income, real GDP to decline by more than 4%. The oil market is a total disarray and oil prices are crashed, and on top of that we now have COVID. The net result of all of that is of course higher unemployment and we already have one of the highest unemployment rates in the world, particularly of youth, an excess of 35%, those are daunting numbers. In addition to refugees which we discussed, our region has 60% of the world's refugees and at the same time, poverty rates are increasing. So what we are looking forward to is really a very dismal economic and social and humanitarian situation, and we need to realize that this is not going to be improving, it's going to get if anything worse. Now let me turn to sanctions, and I can see the impact of sanctions on Iran, it's very clear along with the oil prices. But what we need to think of is post-sanctions, even if they succeed and what measures of success of sanctions. I think we need to move towards more regionalism, what I mean by more regionalism is that the voice of the region needs to be heard and we need to get more engagement by the countries of the region. It cannot be solely the US who sanctions. And that to me means working towards a non-aggressive path in the Gulf countries to include all countries surrounding the Gulf. Number two, I think we need to de-escalate. If you look at how much we've spent on arms in the region, it's about 5.8% of GDP back in 2018 and it has not improved. We should be using that for economic development, not for building up more military assets. Then I think the next question is: what do we do? Where do we move forward? I think in terms of moving forward, we need to think about nation-rebuilding. We have countries across the region that have been destroyed for whatever reasons, what we need to do is to start talking economics and not too much politics and put on the table the needs of re-constructing the countries of the region. I think, the agenda that you want to talk about 'Stability Redefined' should be focusing on economic development and reconstruction of countries that have gotten destroyed.

RAGHIDA DERGHAM: Thank you very much for looking into the larger picture Nasser Saidi, but can you be specific a little about for example, your warning about situation, the dire situation in some countries? Your own country Lebanon is in a very bad situation. You keep saying "we, we, we", I don't know which "we" you are talking about, can you be specific to tell me which "we" got us to the where we are?

NASSER SAIDI: Oh! In the case of Lebanon, I think that's very much straightforward, you have a very corrupt political class that has wasted resources and that has led to the demise of Lebanon and turned it into a failed state. What we need to do is think how to get out of that failed state. It may very well be that we want to move towards a third republic, but we also need to help Lebanon in terms of resources. So when we talk about "we" I know who "we" mean. There are no illusions about that.

RAGHIDA DERGHAM: You also criticized sanctions, you said, you know “we have to think about the impacts, not only sanctions”, do you think the American sanctions [inaudible]

NASSER SAIDI: Well I think there are two issues... Sanctions are a tool, you need to say... what are your final end game? What is your strategy? Let's suppose we get rid of Bashar Al-Assad tomorrow, and I don't like him, what do we do after Bashar? What comes next? We have not been very good at re-building nations, we've been very good at destroying nations.

RAGHIDA DERGHAM: Alright, let me just.. I'm sure the American delegates here will get back to you on this, but they're not saying that you're saying that.

NASSER SAIDI: I think we need that, yes.

RAGHIDA DERGHAM: Just a second, because it's difficult. My question to you was: do you oppose the American sanctions on Hezbollah.

NASSER SAIDI: No, I think the issue of sanctions is one issue, the issue post sanctions is the true issue to my mind. What do we do to rebuild the Lebanon, I want.

RAHIDA DERGHAM: Thank you very much, Nora Mueller, you have heard a lot of food for thought. I'm sure you've come with your own thoughts, four minutes to you please.

NORA MUELLER: Thank you very much Raghida, it's great to be here at the e-Policy Circle, and yes as usual, I think the Europeans get the last word, I guess. So, let me make my way of an introduction start by saying when we talk about Europe and Europe's role in a post pandemic world, what can it do for stability, that there's a lot of talks about the upcoming German EU presidency, and my advice to all of us here would be: don't get too excited about this presidency because it will be mainly about two things. It will be about holding the club together, i.e holding the European Union together which is no small feat in the current situation, plus it will be about setting economic recovery in Europe on track. Now of course, this begs the question: What about this whole story about Europe's footprint on the global stage then? And that brings me to my first point that I wanted to make, I think that in the post-pandemic world, soft power will not be enough for Europe. I think this post-pandemic world is a world more according to Mr. Hobbes than according to Mr. Kant so it's a world less peaceful, a world more insecure, and a world more competitive. So, if we as Europeans want to thrive in this world and want to be shapers of international politics in this world, I think we have to put on some muscle. So what do I mean by muscle? Of course we have to invest more in our defense capabilities, this is not new, but it still holds true both within the contexts of EU and as a- not to our American friends, within the context of the NATO obviously, I think we are well-advised to become more of a geo-economic actor in the sense that we should be more aware of the nexus between economic interdependence and political leverage, as other actors do as well. And I think we will also have to define our position between the US and China, and here my personal view is that we as Europeans, we cannot and we should not be neutral. We are part of the political west and I think we should also take China for what it is, a partner but also

increasingly a systemic rival. Now I am not a dreamer, and I know that all of this won't happen overnight, maybe it won't happen at all, but I think at least there are some promising signs here. If I could because there is the discussion also about the Middle East, I want to make one additional point. I think Europe won't become a heavy weight in the Middle East but I think that it should up its game. I am very much echoing what Nasser Saidi said earlier on, I see a number of opportunities. First of all, I do believe that we should maintain the levels of humanitarian aid and development assistance we've been giving so far, and this is a tall order really in light of the budget pressures we're facing at the moment. Then I think we should also raise our political control and here I see an opportunity for pushing for a comprehensive security architecture in the Gulf region. Now this is a topic, which for a long-time used to be a non-starter and people used to start yawning once you mention the idea, but I think in a post-pandemic world which has left a number of countries weaker and also poorer, this is something we should look into. I know I am running out of time Raghida so just two more points, I think as Europeans, and I know that there are some different opinions here on this call, we should also try to keep the JCPOA on life support at least until November 3rd. And my third point is that there might be an opportunity when it comes to Syria. Assad is under tremendous economic pressure and was so even before the Caesar Act. Russia is not going to be with Damascus either, so this may be an opportune moment for some concerted international effort to push for a new political process. These are some thoughts.

RAGHIDA DERGHAM: Thank you very much Nora Mueller, so are you supportive of the Caesar Act implementation in the case of Assad? And you're thinking that it might bring him to negotiate? Is this what you're thinking, that he will accept the political process, be it Astana, led by the Russians or otherwise? Is this what you're suggesting?

NORA MUELLER: Let me maybe say a word about the Caesar Act, and I'm not familiar with all the details but it seems to me that the Caesar Act is possibly more targeted, or more part of the maximum pressure campaign against Iran than with regards to Syria. I think that Syria has been under tremendous economic pressure even before the Caesar Act also related to the dire situation, the dire economic situation in Lebanon so I believe that, you know, the Caesar Act may be only one further element in a much more complex picture. So I do believe that, you know the fact that the Assad regime has come under enormous economic pressure may form an opportunity and it may also form an opportunity when it comes to coordinating with other international powers, including Russia.

RAGHIDA DERGHAM: So Elliott Abrams, do you see it the same way like Nora Mueller?

ELLIOTT ABRAMS: First I think the Syria Act, excuse me, I think the sanctions on Syria, and the Caesar Act is really about Syria. But, are they about Iran? Well, only in the sense that you know, it is impossible to think about the events in Lebanon, Syria, and Iraq without thinking about Iran, so sure, they are in the background. But it's really about Syria itself. There is a maximum pressure campaign on Iran, and Brian Hook can obviously speak about it, he's the person in the US government to speak about it. But Syria, while not unrelated in any way is a separate problem and I think the utility of the Caesar Act moves is to remind us: what is the problem. You know, the problem starts with Bashar Al-Assad. A different person, a different family would

have been in a different situation. And you asked, you know, why Asma? You know, if you go back a few years, she was on the cover of fashion magazines, she was a liberal, she was enlightened, and what we're saying in these designations is that she is a war profiteer.

RAGHIDA DERGHAM: Interesting. Listen I have to ask you a couple of things related to Venezuela because then we are going to engage into the different- ... it is related to this part of the world...Alex Saab who is associated with Hezbollah, allegedly anyway he was arrested in Cape Verde and this decision and what's going on with Venezuela. Can you, can you try to put this together for us? What is next in that sort of relationship? Are you targeting Hezbollah via Venezuela as well? Elliott Abrams?

ELLIOTT ABRAMS: We see an enlarged role for Iran in Venezuela I would say certainly this year and probably over the last couple of years. And again, I think because as China and Russia have pulled back, the regime has looked for any friends it could find, and it seems to have found Iran. And with Iran, where there is Iran, you have the danger of seeing IRGC and Hezbollah. So we are watching very carefully for this, and for their presence. Their presence has more been in the south, in the so-called triangle area in the past. So at this point I would say that with larger Iranian role, we always worry about a larger Hezbollah role as well. And we will watch that with a microscope.

RAGHIDA DERGHAM: Brian Hook, let me stay on this issue of what was mentioned a bit earlier from Caesar Act to the role of Hezbollah. As I said before, yesterday, the Secretary General for Hezbollah, Hassan Nasrallah, spoke in a very firm and very threatening language, i.e. he basically said "this Caesar Act is an act in the last US..." it is the last US weapon, he's saying basically that Syria has won, to use his words and that the "allies of Syria will never allow the downfall of Syria in this economic war" he's saying that, you know, the allies and Hezbollah will save the course, and that as I told you "Lebanon will never close the doors to Syria". So, I mean what is the answer to that? He's saying, that we're going to fight you, you're going to choke us economically, in his words, 'we're going to fight you'. You are going to try to kill us, in his words 'we are going to kill you'. Brian Hook?

BRIAN HOOK: Well I think this is the typical bluster you would get in a position of somebody who is in a position of weakness. Our economic pressure campaign because it has been so effective against Hezbollah's banker back in Tehran that in March of last year, Hassan Nasrallah had to take a fundraising drive, and he had to deploy little banks and grocery stores asking people to donate their spare change and I saw bill boards up asking people to text donations to Hezbollah. That is simply because our campaign of economic pressure is seeing the kind of results we expected when we started it three years ago. If you want to weaken Iran's foreign policies, you have to weaken Iran. And one of the big failings, the sort of, most faulty premises of the theory on the case of Iran nuclear deal was that by reaching an accommodation with Iran and encouraging business with the regime, you are going to make Iran's proxies richer. And the United States sent in all of our banking and oil sanctions. The oil sector is the regime's chief source of revenue to fund its malign activity, and so we went after the oil very hard, we've gone after the banking sector very hard in order to drive the revenue. And so Hassan Nasrallah today

is much- much- weaker than he was when we took off three years ago and that's because of a policy that is rightly formulated.

RAGHIDA DERGHAM: He's also accusing the United States of also starving both the Syrian people and the Lebanese people. Hassan Nasrallah is proposing to turn to Iran in order to circumvent what he's saying is – calling - the dollar issue, accusing the United States of taking the decision to withhold dollars for political purposes and therefore intentionally hurting the Lebanese people, making them weak and starving. So he's pledging that he will not allow Lebanon to go hungry and that the way out of this is to turn to Iran, to say 'forget about the American dollars, we're going to do business in the Lira, in the Lebanese Lira and the Chinese are going to be there to help us out, the business people otherwise'. Is this in your point of view doable? Is this pipeline a dream, or is this a plan?

BRIAN HOOK: Well I think Nasrallah is shedding crocodile tears for his own people, You know, if you look at Tehran, or Hezbollah, these are not entities that care about their own people, and it's always fascinating to watch them suddenly have this awakening where they care deeply about their own people and if only the American sanctions weren't effective at all, it would be some sort of paradise. The truth of the matter is Hezbollah has, I think, undercut the security, prosperity, and the welfare of the Lebanese people, in the same way that the Iranian regime has done that for the Iranian people. One thing I'll point out which is very important, this is the standard talking point, whenever they start feeling pressured, they start to say that American sanctions are hurting the people, of course, prior to that they've shown no interest to the welfare of their own people. In Iran, you have protests in all 31 provinces, all against the regime. There was not a single protest against American sanctions, against President Trump, against our foreign policy, and that's because Iranian people know where to place the blame for their economic [Malaise? inaudible]. It's not like this started in the last three years, this has been going on for 41 years. And the massive protests you saw in Lebanon are another example of that, in October. People are tired of the corruption, which has collapsed the economy, they're tired of the lack of accountability, they're tired of the... the elite are rich, and the poor.. Every body else is poor. We are exposing these regimes for what they are, and they're not used to being told no.

RAGHIDA DERGHAM: Nasser Saidi, what do you think of the proposal of Hassan Nasrallah? That you can turn to Iran, forget about the dollar, you can turn to Iran, forget about the American plan, go to China and we'll be saved, Lebanon will be saved. He's saying that at any rate... what you call weapons for bread or bread for weapons, he said we have a plan. He pledged that he would never allow it to happen. So what is... you are an economist above all... take it from here on any level you want, both economically and politically. Is that doable? To turn to the Lebanese Lira to the rescue in light of the downfall of the dollar value, sorry the Lira value to the strong dollar. Nasser Saidi.

NASSER SAIDI: No of course that's a pure illusion. Nobody is going to deal with you in Lebanese pound, they are not convertible, and you cannot transfer them anywhere nowadays. You might have done that years ago but certainly not today, so the idea that you can turn towards Syria, Iran, Iraq to rescue Lebanon through trade is certainly not feasible and will not rescue Lebanon

in any way. What Lebanon needs on the other hand, on the contrary is to reach a deal with the IMF, under the program and the plan which has conditionality. To address this sort of issue we care about, we have to address corruption above all, we have to address the waste that has led to the situation in Lebanon and we need a change in terms of the politicians that have led us to where we are. So I am very active in terms of civil society and action on the ground, and we'd like to see change. The main issue, it seems to me, is: how do we put pressure on Lebanese politicians to affect change? I'm not sure that so far, by isolating Lebanon, we will get change. This is a worry I have, when I see that we are reaching depression level in Lebanon, i.e. we are going to have a decline of GDP of 15%, I have 50% of the population in dire poverty, 25% of the population in food poverty, I am not sure that we are going to be able to use that to change regimes, and to change the political class. We've been active since October and here we are in June and I've seen no reform. What I'd like to see is more pressure on the politicians, sanctions may be a tool that the United States wants to use in Syria, Iran and elsewhere. My concern right now as a Lebanese is: how do I rescue Lebanon.

RAGHIDA DERGHAM: What do you mean pressure? What are you proposing? If you're saying these sanctions are not good enough as pressure, or maybe they're- whatever you're saying,- but sanctions, you know that this government, the government of Hassan Diab... [inaudible]

NASSER SAIDI: Well... well, it's straightforward. For example, since September of last year, since September 2019, we've seen more than 20-25 billion dollars escape Lebanon, and those are mainly of course very rich people but also politicians. Let's have access to who they were, let's have a stolen assets recovery program. That's where I would like to have assistance and help. Let us get this money back because it is our money. That's where I would like to see assistance.

RAGHIDA DERGHAM: Okay, let's just... Kindly let me kindly get in to ask you precisely and then... so we don't speak on top of each other, let me ask you, who are you asking to do this for you? Who are you saying...

NASSER SAIDI: Oh, this is straightforward. The stolen assets recovery program is something that is done under the auspices of the World Bank, and the United Nations, but all nations participate in that. So for example, we've asked the Swiss to assist. The Swiss are willing to assist. The Europeans also would be willing to assist and so would be the United States. And the United States has a very important role to play because all the transfers were in US dollars, they go through swift and this can be accessed. That information can be accessed. So that's the sort of help we would need.

RAGHIDA DERGHAM: I just want a yes or no from the other three guests. Is it a reasonable thing what Nasser Saidi is asking? Nora Mueller, yes or no in like 20 seconds because I want to move on to something else. Is that something reasonable? Are you willing to play a role? You are Germany after all, and you are also the next presidency.

NORA MUELLER: Well Germany is always ready to help stabilize the MENA region, so in that sense, let's leave it here.

RAGHIDA DERGHAM: So you're willing to help try to trace 20 to 25 billion dollars stolen out of Lebanon, and probably through the Swiss banks or maybe... of course they are dollars and he's asking Europe and the US to do something about that.

NORA MUELLER: In all honesty Raghida, I'm not sure I have insight into policy-making here in Berlin, so I can't answer.

RAGHIDA DERGHAM: I'm going to take this to Elliott Abrams and Brian Hook, is this something that you think the US can be helpful with?

ELLIOTT ABRAMS: Well I think we can be helpful if there is first of all, if it's a World Bank program, and secondly if we think these are illicit transfers.

RAGHIDA DERGHAM: Brian, do you want to say anything else on this?

BRIAN HOOK: No I don't have anything beyond what Elliott said.

RAGHIDA DERGHAM: Great, Nora Mueller, let me go back to you. It seems that there is a move – a movement by France and Germany, and some... one other European country of pressuring the Iranians on the IAEA Inspectors Access. Is this something that you feel will get you some results, or do you think the Iranians are so angry with you Europeans that they are going to say, well we're not going to trust you anymore because you promised us relief through Ins tax, whatever it's called, and then you didn't deliver? What are you trying to do? And what do you mean by asking to stay the course until November 3rd? We assume you mean the elections in November 4th. What is that thing that you said earlier? What is the purpose of making that point?

NORA MUELLER: Right, so let me start at the very beginning. I'm still very convinced that keeping the JCPOA in place is in the security interest of Europe. And therefore, whatever we Europeans can do to salvage this deal, we will definitely do. I think the big question at this point in time is whether the Iranians will be willing to stay coarse. It seems to me that there is also a trend in Tehran saying 'we will keep a low profile until the US elections and then see whether there will movement on the American side. Therefore, I don't expect decisive action from the Iranians side at this point in time.

RAGHIDA DERGHAM: Brian Hook, what do you say about what Nora Mueller just stated?

BRIAN HOOK: I think the Iranian regime is likely waiting to see what happens in November. I think they're calculus all along is whether their resistance is greater than our pressure and we have achieved historic results in terms of economic pressure and diplomatic isolation standing with the Iranian people, restoring military deterrence we're very proud of our record. Ultimately the regime has to decide what it wants and we have... we have provided the regime with so many diplomatic offerings in order to resolve our differences diplomatically, not just us, President Macron and Prime Minister Abe, Sultan Qaboos, a number of countries have gone to the regime and asked them to de-escalate and come to the table and the Iranian regime gives

the same answer of 'Mind your own business'. So the regime is in ... I mean pre-COVID, it was on the verge of depression. It's going to continue to get worse for them. They are hoping that they can grind it out until November. For those who are still supporting the deal, there isn't going to be much left to the deal when you rejoin if... that ever comes to pass. The arms embargo and the travel ban that were passed by the UN Secretary Council expire in October and then the missiles started expiring three years later and it is going to continue to unravel. I think a lot of people forget that the Iran nuclear deal is a temporary and modest non-proliferation plan. It's not even an agreement foreign Minister Zerif told me that in person. They couldn't agree to call it an agreement, it's only a plan. That's why it's the joint comprehensive plan of action. It has no legal status, it's a political commitment made of by a president who left office over three years ago.

RAGHIDA DERGHAM: I have a question for you Brian Hook, and it's from Rt Hon Jack Straw, And he says, you are correct in your claim about the economic damage being caused to Iran by the US sanctions and the fall of the oil prices. And about the scale of popular dissent often put down brutally by the regime, but where is the evidence that the US strategy will lead to a change for the better in the political control of Iran? Brian Hook, Jack Straw's question to you.

BRIAN HOOK: Well it's nice to hear from Jack. That's a very good question, it's the right question to ask. Here's how we look at it. There's no precedent in the 41 year history of this regime moderating or changing its behavior without economic pressure, diplomatic isolation and the credible threat of military force to defend our interests. If talking nicely with this regime worked, we would have solved this 41 years ago. But this is the language the regime speaks, and we have had Kleier success with this, and other administrations, if there is pressure in place, at some point, the regime becomes pragmatic. It's highly ideological but it has a real knack for sort of survival. So at some point we believe that they will come to the table. If it was before November, after November, that's a question for them. But if you don't have those three things that I spoke about earlier, you're dead in the water with this regime. And one of the things I'll mention quickly: we tried sanctions relief, called the Iran nuclear deal. Iran used the cover of the deal to expand in all of those non-nuclear threats that include ballistic missile testing, space launch vehicle, regional aggression, and hostage taking. Logistic missile testing increased during the Iranian deal so I think the burden is on the other side to demonstrate that a policy of accommodation is more effective than a policy of pressure and isolation.

RAGHIDA DERGHAM: And also, you have said recently Brian Hook, you spoke about the Iranian funding to Yemen Houthis. You indicate that you might want to find a way to stop that funding. How is the United States pushing to abort the funding of Iran to the Houthis in Yemen, while trying to negotiate with Iran? I'm going to join two questions. You're calling on to sit face-to-face with you for the prisoners' exchange. So two questions before I go back to Elliott Abrams.

BRIAN HOOK: I'll try to give brief answers here. So on the first question, we have forced the regime to make a choice between guns in Yemen or butter in Iran, because when they cut those fuel subsidies in November, they had their worst political unrest in their history. And so Iran is one of the most heavily subsidized countries in the world. And we are forcing the regime to make a choice, and we want them to choose butter in Iran. So they have less money to spend

on the Houthis, and on Hezbollah, and on Hamas, and PIJ and all of these countries in the Shia crescent that starts in Lebanon and comes all the way down to Yemen. We've made Iran financially weaker so that it would have less money to spend on these things. The second part is that we have... our military has interdicted a number of weapons shipments that otherwise would have made their way to Yemen, could have been then used to for the civil war in Yemen, and also to attack Saudi Arabia. On the prisoners' exchange, I've now successfully conducted two negotiations with the Iranian regime through the Swiss. Each one of these releases takes a few months' worth of talks, and I think it shows that we are able to reach agreements in spite of our differences. I'd also point out that we have now won the release of two Americans with no palace of cash, no sanctions relief, and no change in policy, which I think, if you ask a lot of people in the comment area whether that is possible, they would have said there's no way with all of this pressure and escalation that we could be able to get out two Americans. But we have found a way to get in agreement with the regime. President Trump would very much like this, I think, to lead to resolving our differences diplomatically. He's met with Kim Jung Wu three times now during the course of his presidency. And the Iranians continue rejecting diplomacy.

RAGHIDA DERGHAM: Just so that I can pick a couple of things from Elliott Abrams on this. Elliott Abrams, maybe Brian Hook is not going to tell me, but maybe you are going to tell me: who is the backchannel with Iran?

BRIAN HOOK: It's Elliott Abrams.

ELLIOTT ABRAMS: You know, we should thank the Swiss, because you know, they have a vocation here and they really do very good.

RAGHIDA DERGHAM: A couple of questions to you before I go back to Minister Saidi, it's reported that president Maduro of Venezuela will visit Iran soon in what he's calling an 'historic visit'. Is that a bilateral issue that is none of your business as the US? Or would you interpret this as a defiance and what would you do about it?

ELLIOTT ABRAMS: You know you have had statements recently from yesterday, from the European Union, from Mr. Parel, and from the international contact group, which is European, and Latin American, and Canada, denouncing these steps that the regime has taken. Maduro, you know, in a certain sense, it's right for him to visit Tehran. That is the kind of vicious, brutal regime that he mimics, that he wants in Venezuela, so it's no surprise that he would want to visit such a place, it is interesting though. I think one of the reasons he goes to Tehran is that very few countries will now allow him to visit.

RAGHIDA DERGHAM: Interesting, and what about... I am going to turn to Turkey's president Rajab Tayep Erdogan. Elliott Abrams, you said that the Chinese and the Russian step back in Venezuela, but it seems there are reports, and you tell me if they are incorrect or correct. Rajab Teyp Erdogan, he's stepping in, he's enhancing contacts with Venezuela through business people, and otherwise. Any sanctions on the pipeline for the secondary sanctions of the

businesspeople or directly on Turkey, or Rajab Tayep Erdogan, or... if he goes on. Is it sanctions on Iran only, and spare Turkey?

ELLIOTT ABRAMS: No no, you know we have sanctions on the oil sector, for example, we have sanctions on the regime. If Turkey violates those, then Turkish businesses for example will be sanctioned. You don't see much of that. I think what you have seen. You have seen some shipments of gold, in previous years, they went to places like the UAE, they went to Africa, and as we have talked to governments, they have closed that down. So more recently, they have gone to Turkey. But I would say that right now, If Turkish businesses engage in this kind of activity in Venezuela, we will sanction them.

RAGHIDA DERGHAM: And because I exhausted Brian Hook with the questions, I am going to ask you one that is related to Lebanon and I know that you know this place very well, and this one is from Paul Abi Nasr and he asked, "Will the Americans dangle a Marshall plan for Lebanon to contrast what Hezbollah is trying to do?" not just sanctions, and I think this is probably what Nasser Saidi was trying to allude to. So can you take a look at that, and tell us...

ELLIOTT ABRAMS: I think it's pretty clear, you know, Nasser Saidi mentioned what Lebanon needs. It needs a lot of international cooperation. It needs an IMF program, it needs World Bank loans, and it needs help from the EU and the United States. And the willingness of the United States, the EU, and others to give that help is really directly tied to the points he was making, well what is the government of Lebanon doing? What is the willingness of Lebanon to undertake these reforms? I think if you go back, you will see decades of American support for Lebanon, but that support is going to be limited when you have a government that seems to be first of all, a government that doesn't have a lot of popular support. And when you see the power of Hezbollah in Lebanon.

RAGHIDA DERGHAM: Yeah but the Lebanese are saying, you know, 'you're choking us, not only Hezbollah; Hezbollah is going to last as long as Iran says Hezbollah is going to last so, is there any? I think back to Nasser Saidi's point, and the question that we just had. You just say 'you're on your own, you go rot no matter what?' or are you thinking of something else... the talk here is about a total collapse of this country, and the government, I could tell you, my view at any rate I am entitled to my view, I don't see it doing anything to bring in IMF, it is not independent of Hezbollah. So is Lebanon, the Lebanese, to suppose that they are doomed to a total collapse of the country regardless because that is the US policy against Hezbollah... Be as open with me as you can on this.

ELLIOTT ABRAMS: Well it is certainly a US policy to continue to resist international terrorism, and one of the worst, most powerful international terrorist groups is Hezbollah. And this is something on which the United States, and the EU are in agreement. Ultimately, it is the Lebanese who have to rescue Lebanon and when they are ready to do that, I am confident that they will find the US, and the EU, and all of the international financial institutions, not only ready to help but jumping at the opportunity to help. But ultimately, the country is not ours, it belongs to the Lebanese people.

RAGHIDA DERGHAM: I am going to take this to be the last word from you Elliott Abrams, I am going to go to Nora Mueller. Go ahead Nora Mueller, and try to combine what you want to say as a last word, unless we still have time, together with addressing the point that was just made by Elliott Abrams, on the whether the Marshall plan, and whether the rescue, and - who will bring about the -... what will it take to prevent a total, total collapse of this country called Lebanon because of course some say Hezbollah and Iran in principle, and where is Europe on that?

NORA MUELLER: Right. Thank you very much Raghida. And before I go back to your point, I want to set the record straight on something Brian said earlier on, saying that the JCPOA is in fact a part of a policy of accommodation. I'm not sure I would agree with this argument. I think the JCPOA is and has been a very straightforward non-proliferation agreement purely transactional. And the aim of this deal is to keep Iran from getting the bomb. So I think the question to those who are not in support of this deal is: which regional conflict will be easier to resolve with an Iran that is nuclear armed. And on the efficiency of Maximum pressure, I mean it seems to be the case, or not only does it seem to be the case, it is the case that Iran is resuming enrichment activities exactly the one point that the JCPOA was put in order, in place in order to be prevented so I think there are some question marks about maximum pressure here.

RAGHIDA DERGHAM: Thank you Nora Mueller. Nasser Saidi, we have a question for you. Please combine your last words with an answer if you can, "would you be willing to be part of a future Lebanese government as a Minister of Economy or Finance, if yes, what are the conditions, your conditions?" I don't know if you have time for all the conditions, but can you combine your last words with an answer to this?

NASSER SAIDI: I think I and many others would certainly jump at any occasion to help our country. I have no doubt about that, but let's be very clear, don't put Lebanon in the context of being squeezed in the confrontation between the US and Iran. We cannot afford it, the risk is you'll end up with a failed state in Lebanon. That is what we need to avoid. So to go back to what Brian Hook was saying, we need to look at the butter side of the equation, rather than the arms side of the equation, so what really needs to be put on the table in front of Lebanese politicians is to tell them, you can have an IMF program, a Marshall Plan along with the World Bank, and other countries who are willing to help. They've already expressed their interests in doing so. But there is conditionality, let's be very clear about the conditionality. Let's use American power to rescue Lebanon, not just to squeeze Hezbollah and everybody else. This is on the table.

RAGHIDA DERGHAM: Thank you very much Mr. Saidi, thank you for your intervention, and your participation. Last word to you Brian Hook and if you can answer to Mr. Saidi, as well as one more question for you. There are just several of this question. For the secondary sanctions that will result from the Caesar Act, I am being asked by several people, "will Mr. Gibran Bassil be added to the list, if yes, when?". This is the question to you Brian Hook. You have your last word.

BRIAN HOOK: Well what I would say on that, the Caesar Act is that you are seeing the beginning of a campaign of economic and political pressure by the US to achieve... to work in the direction of a political process which would certainly benefit the Syrian people. So I think today....Yesterday, when the list came out, this is the beginning, we very much, we've got great personnel working on this. Jim Jeffrey and Joel Rayburn who've been devoting so much of their lives to try to help the Syrian people and to ensure the defeat of ISIS, and Al-Qaeda, so that work is going to continue. We would like to see an end to this war in the region, and one of the things we've talked about reconstruction. The US is going to withhold reconstruction assistance for Syria until all forces under Iranian command and control leave the country. Iran has got to get out of Syria. And I see increased incentives for both Putin and Assad to at some point have Iran exit, because for as long as Iran is using Syria as a forward deployed missile base to attack Israel and as a bridge to Lebanese Hezbollah, Syria is going to be very unstable and I think there's an increasing awareness of the role that Iran plays, they don't want the conflict to end, they don't want it to end in Yemen, they don't want it to end in Syria, they don't want it to end in the Palestinian territories. They want conflict to keep going, they want Civil war in Venezuela. Those are the ways they'd like to serve.

RAGHIDA DERGHAM: And the question that was addressed directly to you about the secondary sanctions and the former Minister of Lebanon Gibran Bassil?

BRIAN HOOK: I'm sorry can you give me the question, I don't quite understand it.

RAGHIDA DERGHAM: We're running out of time but the question was if the secondary sanctions will get Lebanese personalities and if Minister Gibran Bassil is amongst them.

BRIAN HOOK: Oh, well we never preview our sanctions because that would give the targets a heads-up to hide their assets and do whatever travel they would like so we don't have a preview, but more are coming.

RAGHIDA DERGHAM: Alright, thank you very much Brian Hook, Elliott Abrams, Nasser Saidi, and Nora Mueller. Stay with me while I announce who is going to be with us next week at the same time, and do join us. We have Nasser Judeh, he is the former Deputy Prime Minister of Jordan as well as the former Minister of Foreign Affairs, we have Shashi Tharoor, who is a member of the Indian Parliament and a former Minister on human resource development, we have... just so nobody says that I only host Republicans, we have the prominent Democrat Phil Gordon, who is a friend and he's a wonderful person. He is of course, the former Special Assistant to the President Barack Obama and was the White House Coordinator for the Middle East, North Africa and the Gulf, and we have Christophe Farnaud who is the Director for North Africa and the Middle East at the French Foreign Affairs Ministry and he was the former ambassador of France to Greece.

How grateful I am to all of you for being with me. Thank you very much for joining me, and until next weeks. My guests, I'm ever so grateful for your time and patience. Thank you, goodbye everyone!

