

DEMOCRACY
THE WAY TO DEVELOPMENT AND
STABILITY



**Qatar Third Conference on Democracy and Free Trade
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Foreword

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The third in the series of conferences organized by Qatar on democracy and free trade is rather special. It was held at a determining moment and at an exciting stage in the history of the Arab region, I would not be exaggerating if I were to say in the history of the world system: the events of the Iraqi war had reached their peak and all were waiting to see how things would go.

When the conference was convened under the aegis of his Highness Sheikh Hamad Ben Khalifa Al Thani, the Emir of the land, in the presence of such a great group of intellectuals and politicians from different countries and of different orientations, I was certain it would be indeed a very special conference. Looking at this elite gathering, I expected the debate would be at the highest level and in keeping with the importance of the moment and the seriousness of its events. This also makes me more convinced than ever of the importance for Qatar's political and economic orientations to continue towards democracy and free trade, so that it can play its role at both regional and global levels.

That is why we had to give this conference the attention it deserves and allow all those who are concerned with the important issues that were discussed with such exceptional awareness, openness and objectivity to

collect all the papers, research, reports and publish them. That would give an opportunity for all to read and study them so as to become more aware of what is happening around us, of what the future has in store and to further add to constructive thinking to serve man and society, particularly in our Arab and Islamic countries.

Consequently, with the view to giving all opinions their due as a basic principle of democratic dialogue, equal attention was paid to all the views expressed by the speakers during the conference. They were all brought together in this book, even though some of these views do not necessarily reflect the opinion of the conference's sponsors but only reflect the personal views of those who expressed them and who, of course, are responsible for them.

In conclusion, I cannot but speak of the sincere efforts of all those who sponsored the conference, particularly the University of Qatar and the chambers of industry and commerce of Qatar. Nor do I forget the hard and serious work of the organizing committee that helped make the conference such a success. It is indeed a glimpse of what our country will accomplish thanks to its loyal youth and allows us to look forward to the conference's future sessions, since we have committed ourselves to convene it every year in Doha, God willing. We have set up a permanent committee to follow up the work of the conference, to supervise the publication of its documents and to prepare for its future sessions, foremost among which the fourth one in 2004 which will be privileged to be convened under the new constitution of the State of Qatar. May God grant us success.

Address of His Highness Shaikh Hamad Bin Khalifa Al-Thani, Emir of the State of Qatar

Your Excellencies,

Our dear Guests,

First, I would like to welcome you and have the pleasure to open the Third Qatar Conference on Democracy and Free Trade, wishing it success in its deliberations.

The convening of this conference under the critical circumstances, through which our region is passing, is clear evidence of the importance we attach to the vital issues that will be discussed in its sessions. We regard democracy and responsible popular participation in decision making and the running of state affairs as a pre-requisite for the development of our countries and societies and setting the role of the constitutional, political and legal institutions needed for building the state which is capable of addressing the requirements of the contemporary world and future challenges. At the same time, we believe that the economic openness, encouragement of the private sector and investments, updating the educational systems as well as strengthening the bonds of cultural and civilization exchange and interaction between peoples and nations, constitute, on their part, necessary foundations for the realization of the objectives of the development, modernization and progress we aspire. Political democracy and economic and social democracy are, in our view, inseparable twins. Indeed, they are the indispensable means for the process of development and prosperity we seek, and work for.

Honourable Audience,

You are, undoubtedly, aware of the nature of the difficult conditions prevailing in the Gulf region and the Middle East these days. The situation in Iraq is a humanitarian tragedy and a real crisis. We have exerted our best efforts within the Arab League, the Organization of Islamic Conference, the Gulf Cooperation Council as well as the United Nations to avert the outbreak of this war and the distressing consequences it may lead to.

Now that this war did, unfortunately, take place, it is imperative upon us now to double the efforts to mitigate its damages on Iraq and the region, and help the brotherly Iraqi people build a better future, and their primary means to achieve that is popular participation and democratic practice.

The unceasing confrontation between our brothers in Palestine and the Israeli occupation constitutes in its turn a serious threat to the security and stability in the region. It is no longer permissible for the international community to stand with its arms crossed before the aggressions and inhuman practices perpetrated by the Israeli occupation forces, which are against all international laws, charters and conventions. In our view, it has become necessary to make an effective, quick international move to stop such hostile acts, and enable the Palestinian people to attain their legitimate national rights, including their right to self-determination and to establishing their independent state with Jerusalem as its capital. Here, I would like to comment the position declared by President George Bush, where he supported the establishment of an independent Palestinian state in the framework of a final settlement of the Arab-Israeli conflict. We also hope that the road map adopted by the Quartet Committee as a program paving the way for a peaceful settlement for this prolonged conflict would soon be announced.

Honourable Audience,

The problems our region is suffering from are not limited to political and security aspects; but there are other challenges and difficulties, which we have to tackle in the economic, social and environmental fields. These are of no less significance and impact than regional conflicts in terms of their negative repercussions. Indeed, poverty, unemployment, social and cultural backwardness, decline of standards of education and vocational training, mismanagement, poor economic performance, lack and disparity of job opportunities, all of which form sources of threat that cannot be ignored. Furthermore, they represent major obstacles which impede the attainment of progress and development.

It is no longer possible to put aside these difficult economic and social conditions without according due attention to them, but it has rather become urgent and imperative to find out plans and programs that guarantee reaching effective and quick solutions to them.

In our view, such plans and programs could never be successful without providing for the constitutional and administrative structures and institutions, which we seek to, establish within the framework of democracy, popular participation, reform and modernization at all levels.

These principles and practices are not alien to the values of our society, and are not far from the teachings of our true Islamic religion. Islam calls for counselling (Shura), and in my address to your conference last year, I underlined that counselling is a mandatory principle in ruling according to the teachings and tenets of Islam. Furthermore, Islam lays emphasis on the importance of human rights, equality among human beings, non-discrimination among peoples and races, and teaches us, as well, tolerance,

openness, cultural interaction among nations, respecting human life and non encroachment upon others rights.

That is why we always call for dialogue and cooperation among all peoples and religions within a context of mutual respect and common interests. We endeavor to realize the objectives of democracy and economic development out of our full conviction that it is the optimum means to achieve the progress of our countries and peoples. We hope that your conference will participate with us in supporting these goals and principles. Thank you for your attendance and I wish you all success.

May peace and blessings of God be upon you.

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An Overview of the Conference

Throughout its sessions, the Conference discussed the two issues of democracy and free trade as a general starting point from which stemmed several closely related topics. The angle from which democracy was approached was widened so as to include religion, education, institutions, human rights and information. As for the issue of free trade, it encompassed open markets, sustainable development and economic institutions. All the debates took into consideration the regional and international conditions, concentrating first and foremost on the present and future concerns of the Arab region, particularly the events in Iraq, the Arab-Israeli conflict and the stand against terrorism in the light of the ongoing changes in the international order and the aims of world strategies in the region.

The preparatory working paper for the Conference greatly contributed to drawing the main lines of approach to the issues and problems to be discussed. The presentations of the main speakers during the sessions were of a high level in terms of the information, ideas and views on the subjects. Equally important were the addresses at the opening session by speakers belonging to national, regional and international institutions, whose role and importance in these fields are well known. The discussions of the participants played a positive role in enriching the dialogue with their depth and courage.

I. First: Democracy

The Conference's view of democracy was that it is the backbone and common denominator of the different issues under discussion. It is worth mentioning that there were no differences of opinion regarding the traditional concepts of democracy and its requirements (party pluralism – transparency – open policies – accountability and women's' rights along with their positive participation in society). Yet, when it came to details, differences did appear, and sharply, as a result of the different intellectual positions and views of the participants.

1) Democracy and the Arab World

There were many important queries as to the compatibility or lack of compatibility between democracy and Islam, whether it can be applied without separating religion and state, the difficulties and challenges facing Arab democracy and, finally, whether democracy in developing countries is a foreign concept or one that stems from their heritage.

Concerning the compatibility or lack thereof, one of the papers expressing the Islamic current indicated the ongoing serious attempts at a new and different understanding of the relation between Islam and democracy. Yet the stifling climate of political oppression in most parts of the Arab world weakens the front of those who opt for democracy within the ranks of the Islamic current. Hence their preference for the Islamists' reliance on the respect that people have for Islamic law (Shari'a), a respect which becomes a social stand and a cultural belief, rather than insisting on transforming such a belief into a binding legal text.

On the other hand, another paper reflecting a secular view held Islam, describing it as "exclusionist Islam", responsible for denying the right to participation in Islamic society. The paper called for internal reform as well as for outside intervention with the view to changing the situation.

Midway between the two poles, there were other opinions rejecting the idea of an exclusionist Islam, while others doubted the possibility of seeing Islamic currents committed to the principle of rotation of power on the basis of democratic elections.

Other speakers doubted the existence of true democracy in the states of the Arab region, even though they recognized the presence of some

practical manifestations of democracy in some of them. Some went so far as to say that true democracy in the region only existed in Israel and Turkey. There were also those who blamed the Arab regimes for rejecting democracy and held them responsible for the dramatic situation prevailing in the Arab region, calling to mind what tyrannical and oppressive regimes – in particular the former Iraqi regime – had inflicted on their peoples in terms of internal instability, regional conflicts, foreign interventions and waste of resources. Some speakers denounced the use by some Arab regimes of the Palestinian question as an excuse not to apply democracy.

Other opinions, opposed to the above tendency, refused the use of the word democracy to describe Israel and Turkey in view of the former's inhumane practices against the Palestinians and in view of the role of the army in Turkey. They mentioned a number of forms of democracy existing in the region as well as the natural and inherited democratic qualities inherent in Arab and Islamic society (the principle of consultation "shura" in Islam – consultative boards and "diwans" in some Arab states). They held western practices in the region, starting with occupation, as largely responsible, as well as the role played by western cultures in shaping certain Arab ideological elites, some of whom later came to power and ruled undemocratically. They also blamed the West for supporting tyrannical regimes in several states in pursuit of western interests. Finally, they spoke of direct intervention, such as that of the recent United States' intervention in Iraq, as responsible for weakening liberal trends in the states of the region, thus serving the interests of conservative currents.

All views concurred as to the inevitability of change in the region towards the application of democracy, for both internal and external reasons. They expressed appreciation for the steps taken by some Arab states, particularly Qatar, in this respect. Some views, however, differed on that same subject as follows:

- * The need to respect Arab and Islamic culture and traditions, and the fact that democratic reforms in the Arab world must stem from within and must be carried out by civil society, not dictated by America or the West.
- * The possibility for the region to benefit from the European lesson, the Europeans having succeeded in overcoming their crises, after a long struggle and thanks to American intervention. The international community, being responsible for much of what befell the region, must also be committed to help Arab states in that direction.
- * Absolute priority must, at present, be given to the development of poor and underdeveloped states before even thinking of democracy since their situation is economically and socially very bad.

2) The Arab Political Regime - Evolution or Revolution

Serious questions were raised concerning the position of the Arabs in the world of today, now that Arab politics are at a crossroads, as well as the ways of reforming Arab policies and the means available for so doing.

Some opinions criticized the Arab political regime and even doubted its existence considering its failure to deal with some of the vital and urgent problems of the region, for reasons related to the different regimes, governments and elites. They called for change and for internal restructuring. Others believed that getting rid of the Iraqi regime raised new hopes in the region, hopes that the Arab states will hold on to, now that Washington has proved its seriousness. Moreover, there would be a new pragmatic approach in dealing with world matters with the growing awareness that the United States is the party in control, and that alliance with America will be beneficial, particularly since there is no other valid alternative considering the failure of Arab institutions and the fact that regional organizations have not done their work. At the same time, some comments questioned the idea of 'Middle East' and its compatibility with the Arab regime.

A few speakers expressed their optimism for a more democratic and stable future for the Arab world, despite the possible events and developments that may lead to different kinds of extremism and instability. They criticized the invasion of Iraq by the United States, while some comments defended the Arab political regime and called to mind its success in facing several Arab problems.

In the final analysis, the two views agreed, each from its own perspective, on the necessity of solving the Arab/Israeli conflict and of

seeing the U.S. assume its responsibility in this matter. Some opinions stressed the need for President Bush to commit himself to implementing all U.N. resolutions. At the same time, voices were heard calling on Americans to differentiate between terrorism and the struggle for freedom, not to be selective in matters pertaining to human rights and to put an end to occupation before seeking to apply democracy because it is not possible for democracy to be applied under hegemony or for it to lack justice, such a democracy would be distorted and doomed to failure.

3) Education as a basis for democracy and development

Against a background of concern for the role of education in allowing citizens' participation in the political process, the challenges of cultural interaction in the world of globalization, the impact of world education on local values and traditions and the role of education as a means for development, several interventions reviewed the main problems and shortcomings of the educational process in the Arab nation. They spoke of the fact that the educational policy, as such, did not keep pace with the spirit and methods of the present age, of the curriculae, the teachers and the methods of administration, all of which lead to shortcomings in the personality and behaviour of the Arab and Muslim individual; contrary to the precepts of Islam itself. Such shortcomings have a negative effect on how the Arab and Muslim individual perceives the others, causing an imbalance in the social structure which affects his relations with others and his stands vis-à-vis the political regimes which exploit the situation in order to entrench tyranny; it also affects the relations of society with other societies, relations often based on isolationist and confrontational concepts.

One intervention spoke of the experience of cooperation in the field of education attempted between the European Union and the Gulf States and the reasons for its failure to materialize. Other participants expressed their concern as to the reasons behind the ongoing initiatives to reform education in the region.

4) Human Rights in a Democratic Society

The question of gender equality, particularly women's rights to positively participate in society (elections, decision-making – assuming positions of leadership) was paramount in the debates. Examples were given of the efforts made in this direction, considering that when women want to obtain their rights it is a true measure of serious progress towards democracy. The conclusion was that it had become imperative to overcome all obstacles that impede the achievement of this goal.

One intervention spoke of American ideals concerning human rights in terms of practicing one's beliefs and admitted the existence of some errors that are reflected in the foreign policy of the United States. It spoke of the latter's attempt to improve its image and correct its errors in the light of the criticisms addressed to it in some regions, particularly in the Middle East where it is accused of using double standards where the Palestinian question is concerned.

Some comments criticized American military presence in several regions such as Japan, South Korea and the Middle East.

5) Information and Democracy

Considering the role of the free and independent information media in achieving transparency and accountability as a first step towards democracy, all opinions concurred as to the importance of the enlightening role of information media in the democratic process.

Two of the information media were of particular concern for the Conference: the CNN as a symbol of the end of the cold war and an expression of globalization and the 'Al Jezira' channel as a phenomenon of the post September 11 events. Both were considered to be a sort of democratization of information at world level as well as an expression of the new tasks to be fulfilled by information in the Arab and Islamic worlds which are bound to lead to a form of confrontation between democracy and autocracy. The conclusion was that information in our age would assume a moral and philosophical task that only free information can achieve.

In this same context, some interventions affirmed the need to create independent television channels in the region by local and foreign partners where priority would be given to local concerns.

6) Democracy and Development in the Face of Regional Conflicts and Threats to Security

The fact that Israeli authorities had prevented Dr. Mostafa Al Bargouthy from leaving the occupied territories to attend the Conference prevailed in the discussion, since it confirmed the role of occupation in hampering democracy and development. The content of the Report on Human Development for the year 2002 was a major basis for the arguments of the speakers in this matter. Moreover, the events in Iraq cast their shadows on the session.

The intervention of Ambassador Martin Endick contained an analysis of the United States' policy regarding the Palestinian/Israeli conflict and its stand vis-à-vis the region following the events of September 11. He considered the Arab side as largely responsible for impeding the application of democracy, development, the settlement of the Arab/Israeli conflict and for the rising tide of Islamic extremism which many of the participants expressed opposition to.

The address of Lord Steel of Aikwood, the President of the Scottish parliament, at the opening session of the Conference blamed the Israeli side, even the whole international community, for neglecting a particular paragraph of the 1917 Balfour declaration which confirmed that no action was to be taken that would harm the civilian and religious rights of non-Jewish groups present in Palestine; he called for the rapid implementation of that paragraph and considered this to be a commitment for the world.

In general and however different, opinions concurred as to the danger of regional conflicts and threats to security, whatever their reasons, to stability, development and democracy. They stressed the need to reach a just

solution to the Palestinian question, but differed as to whether the present American solution, represented by the Road Map and President Bush's commitment to the establishment of a Palestinian state, offered a real possibility for the hoped for settlement

II) Second: Free Trade

1) Free Trade and Open Markets

The starting point of the discussions of this theme were the realities imposed by the present world economic situation which forced all states to re-examine their economic and trade policies and compelled local economies towards greater integration and competition. At the same time, relying on local markets and resources alone has become insufficient for achieving growth and progress. That is why local economies have been pushed towards greater integration and adaptation with the world order.

The interventions spoke of the important role played by governments in protecting property rights and the freedom of contracting among citizens. They also dealt with the issue of national protectionism and the need to overcome it, as well as with the need to create more fields for special activities and ventures, to enhance the performance of financial markets and reduce trade barriers with a view to achieving international integration, transparency and the eradication of corruption at the level of government and the business community.

Some of the speakers stressed the fact that developing countries in general and Arab countries in particular did not lack the conviction of the need for opening up, for adopting market policies and for the liberalization of trade. Their suspicions and hesitation resulted from the practices of the key players in world economy, the signs of corruption and absence of good governance in many economies and developed states, at a time when the developing countries heed and respond to the advice of the World Bank and

the IMF regarding the need to combat corruption and to adopt good governance, advice that often causes several problems. Such matters elicit several reactions and queries concerning the appropriateness of free economy for all forms of economy. All the above requires a kind of reconsideration of economic practices at world level in order to strengthen relations with developing countries and build the necessary confidence that would make the latter accept open-door policies and adopt market economy.

On the other hand, other speakers concluded that the “neo-liberal” policy now prevailing in world economic circles leads to inequality and dependency, which makes it even more difficult to convince developing countries of the credibility of the link between free trade and development hence the need to change the world trade order.

One of the papers presented affirmed that the U.S. war against Iraq had but one purpose: oil, and the U.S. plan to privatize the Iraqi oil sector as a first step towards changing world policies regarding oil in terms of production ceiling and prices.

Some views maintained that freedom of trade and property rights do not bring democracy, but that they are important as such, even though one does not lead to the other.

2) The Balance Between Globalization and Sustainable Development

The discussions of this theme took place within a framework of general concern with the requirements of sustainable development in developing countries, with the need for economic partnerships and with the expectations of world economy in the light of the lessons drawn from the Seattle and Doha conferences where two major issues were the center of interest:

First: The ambiguous relation between globalization and sustainable development and the need to strike a balance in order to achieve a kind of commitment to co-existence between them so as to ensure the success of globalization and, hence, the realization of sustainable development for all. Some views concluded that globalization and sustainable development are not, necessarily, compatible where free trade is concerned.

Second: How far are developing countries capable of participating in international negotiations. Despite their increasing effective participation, yet there still remain institutional obstacles to their satisfactory participation.

At the same time, the topic of the democratic rights of immigrants had its share of discussions. One view held that real democracy cannot be achieved without social justice.

3) Building the Institutions of Economic Development and Democracy

The debates on this theme struck a balance in dealing with the relation between democracy and development. Some of the interventions affirmed that twice as much foreign investment is directed towards democratic societies than to others, because democratic regimes have systems of auditing and accountability which are strongly and positively linked to economic development.

Some speakers' opinions explained that when working to bring about economic changes and democracy, there is a need for a legal framework to cover both the democratic process, such as freedom of the press, of expression and of dialogue, free flow of information, property rights, building institutions and developing the middle class.

One intervention tackled American foreign policy wondering whether it was the power of the U.S. that determined its policy, or whether its policy made its might. The speaker concluded that the time had come for Washington to take positive steps towards this region (support the peace process in the Middle East – adopt the policy of partnership – based on mutual understanding and respect – endeavor to find honest and just solutions for the problems – rebuild confidence through continuous dialogue with its Arab friends about bilateral and multilateral relations – to be truly committed to political, economic and social reforms in the Arab world; only so can Washington recover lost ground.

4) The Prospects of Arab Economy

The discussion of this theme was based on four basic points: the restructuring of economic priorities in the Arab world with a view to the future and with due consideration of world challenges, internal shortcomings and the problematic of economic reform along with modernization.

The working papers resorted to statistics and analysis in order to understand the nature of the problems facing Arab economy from an economic perspective (economic policies dependent on raw materials, on agriculture, on low-wage public sector employment, low productivity, inadequate conditions for “venture capitalism”, rare investment opportunities in the region due to the absence of the laws, by-laws and effective measures to protect private property, the management of financing, trade and partnership activities, the absence of transparency, the brain drain and flight of capitals abroad, the low standard of labor and management, the limited investment in technology and education). The fact that economy is too closely linked to political dimensions was also mentioned, in addition to the impact of regional problems and relations.

The discussions reached the conclusion that the main challenges to be facing Arab economies in the next decade will be mostly the need to create job opportunities for skilled labor, particularly since almost 50% of the inhabitants are under eighteen years of age. Moreover, there is a need for macro-economic reforms, reform of financial and monetary policies, of the economic, financial and legal infrastructure, a wider participation in political and economic decision-making with a lesser role for government, overcoming bureaucracy and allowing greater independence and flexibility for decisions regarding investment and employment and creating a network of connections with business partners in different parts of the world. All the

above can be summed up in three elements: democracy – freedom and creativity – free trade.

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