

***CSIS***

---

**Center for Strategic and International Studies**

**1800 K Street N.W.**

**Washington, DC 20006**

**(202) 775-3270**

**[Acordesman@aol.com](mailto:Acordesman@aol.com)**

# **Iraq: Too Uncertain To Call**

**Anthony H. Cordesman**

**Arleigh A. Burke Chair in Strategy**

**Center for Strategic and International Studies**

**November 14, 2003**

There is a tendency to see the situation in Iraq either in terms of inevitable victory or inevitable defeat, or to polarize an assessment on the basis of political attitudes towards the war. In practice, Iraq seems to be a remarkably fluid and dynamic situation field with uncertainties that dominate both the present and the future.

A visit to Iraq makes it clear that no one is really a current expert on this country. Too much is changing. Even if most prewar statistics had been valid, they would not be valid now. The security situation is evolving by the day. The local and provincial leadership elites are in a state of flux, and the Governing Council is deeply divided and has not yet taken hold in terms of winning popular support. The economic situation may be improving in broad terms, but the day-to-day of ordinary Iraqis varies sharply by area and by individual, and much of the aid program is just beginning to take hold.

More broadly, political, economic, social and military forces have been unleashed by the fall of Saddam Hussein that are only beginning to play out and which will take years to have their full effect. No Iraqi can credibly predict the end result, much less an outsider. In fact, trying to understand the uncertainties at work is probably far more important than trying to make assessments and predictions which cannot be based on past knowledge, current facts, or stable trends.

### **The Forces of Uncertainty**

Some of the uncertainties in Iraq are the fault of major strategic and tactical mistakes made by the US. US officials relied on ideology instead of planning for effective nation building, internal security, and the risk of asymmetric warfare. They failed to either make realistic assessments of the country's divisions and problems or properly prepare for the fall of the regime.

Parts of these failures were military, and every casualty that has followed is partly the result of such failures. Part were not all failures the Administration and US military planners could avoid. Part of the failure to properly secure the country, prevent looting, and take control of the areas most loyal to the former regime may stem from delays caused by negotiations with the UN and the inability to draw upon the 4<sup>th</sup> ID and other units that were planned to enter Iraq from Turkey, and from the inability to deploy them until Saddam's regime had already fallen.

The fact remains, however, that the US government failed to draft a serious or effective plan for a "Phase 4" of the war: The period of conflict termination and the creation of an effective nation building office. One senior officer directly involved in the planning and command of the war in the theater noted, "I can't judge the quality of the Phase 4 planning because I never really saw any."

Part of these failures came from the Administration's inability to appreciate the level of political chaos that was certain to follow Saddam's fall, in spite of clear and repeated warnings from State, intelligence officers and area experts and from an ideological faith

in a largely ineffective outside opposition. This failure occurred at the civilian policy level, and combined with a failure to understand the weaknesses in the Iraqi economy, and be ready with suitable short and long-term aid plans.

The bad news is that the US sowed many of the seeds of both the present low intensity war and many of the current uncertainties in Iraq. The good news is that the US has since made major efforts to restructure its military forces to fight the emerging threat, has set up a more effective effort to create a new government, and has funded and begun to implement a major aid program. One reason it is so difficult to judge whether the cup is half empty or half full, is that the US has only begun to pour.

### **The Political Forces Driving Uncertainty**

The US, however, is only one of the forces shaping the present uncertainties in Iraq. Iraq was a tyrannical time bomb that was inevitably going to explode. The key political uncertainties involved stem from the fact that Iraq is a nation emerging out of more than 30 years of tyranny, and whose secular leadership was subject to one blood purge after another beginning in 1979.

There is still hope that Iraq can coalesce as a nation without serious civil conflict or turning to yet another strong man. Iraq still is not divided rigidly along confessional lines, and Sunnis and Shi'ites live together and cooperate in many areas. The "non-confessional" nature of Iraq should not, however, be exaggerated. Much of the reason that religious and ethnic groups lived together was similar to the reason they did in the former Yugoslavia: threats and active repression. Smaller minorities had to keep a low profile and go along to survive. So did many Shi'ites and Sunnis, but ethnic conflict began long before the Iraq War of 2003.

Iraq's Shi'ite religious leadership was severely repressed in 1980, as a reaction to Khomeini's rise to power, purged or driven into exile during the Iran-Iraq War, and then purged and suppressed again from 1991 onwards. The uprising in 1991 led to a continuing low intensity war where Saddam used the Iraq Army to fight a war to control the Shi'ite south, eliminate opposition forces, and deprive the opposition of any sanctuary by draining the southern marshes and taking other repressive measures. No one who flies over southern Iraq today, and compares it with the same area in 1989 can fail to see the physical impact of some of these efforts. While CPA estimates of mass graves are premature and lack more than the crudest methodology, it ultimately does not matter whether the total is 100,000 or 300,000. The reality is still horrible.

While the divisions between Sunni and Shi'ite remained limited in some areas, confessional splits emerged from 1979 onwards, and confessionalism reached the point of war in some areas from 1991-2003. Moreover, a false sense of privilege and entitlement emerged within some Sunni areas – particularly those most loyal to the regime. Many of the Sunni towns like Al Ramadi, Fallujah, Tikrit, and Baquba, and Sunni areas of some cities like Baghdad, had weathered privileges they can never hope to have in a more democratic nation or market-driven economy.

This confessional war was matched by a similar struggle between Saddam's government and the Kurds, who have the advantage of a near sanctuary in the north, but were still subject to Turkish military action and one major Iraqi invasion. Iraqi ethnic cleansing that began during the Iraq-Iraq War continued through the end of Saddam's regime leaving a legacy of deportations and property seizures. At the same time, the Iraqi Kurds divided and sometimes fought in groups loyal to Talibani and Barzani.

Power struggles, purges, and efforts to manipulate tribalism and local governments also affected the ruling Sunni minority—16-22% of the population, much of which never benefited from Saddam's regime. In fact, Saddam's dictatorship used the Ba'ath Party, the government, and the nation's wealth to reduce Shi'ite and Kurdish resistance, as well as reward Sunni loyalists and punish real and perceived Sunni disloyalty.

There is no experienced opposition leadership. Iraq's political development was halted at virtually every level. Even the Ba'ath Party ceased to be a political party and became an instrument of regime control, and no other meaningful political parties survived. Government became passive and waited on decisions from the top at every level from the small town to central ministries. Secular leaders could not emerge and did not acquire experience in leadership and compromise, and religious leaders were prevented from political action. At the same time, outside opposition factions attracted limited internal support at most, feuded and jockeyed for power, and had leaders with high ambitions and minimal practical experience in governance.

### **Uncertainties Affecting the Iraqi Army**

Many of these same forces affected the Iraqi military. Anyone who studies the course of the war of 2003 or overflies Iraqi military bases today can see that there was little to build upon. The Army that survived some 18,000 precision guided weapons largely walked away. Sheer physical destruction made many bases useless, and repeated looting affected most of the rest. Iraq is filled with looted and shattered military ghost towns – so many that it is almost impossible to take a long flight in the populated regions without seeing them.

Whatever the armed forces may have been in the past, they also were purged and politicized when the Ba'ath came to power and again when Saddam took full power in 1979. A higher level of professionalism was allowed to emerge after Iraq suffered major reversals at the hands of Iran in 1982 and Saddam's efforts to create a Ba'ath-led Popular Army proved to be a dismal failure. Some of Iraq's best commanders were purged during even the most threatening periods of the war, however, and far more serious "accidents" and purges began soon after the ceasefire with Iran in 1988.

New purges began after the uprisings in 1991 and continued through 2003. At the same time, the officer corps became swollen and corrupt with over 1,100 general officers, most of which had little meaningful military function. Rank became a bribe to ensure regime security.

During 1991-2003, an already politicized and divided Army separated even more sharply into compartmented components consisting of the ultraloyalist Special Republican Guards, loyalist Republican Guards, heavy regular Army divisions subject to purges and loyalty tests, and a large infantry force designed largely to be used as cannon fodder. The security and intelligence services were constantly purged while they steadily increased in size, and new groups were created like Saddam's Fedayeen and the Jerusalem Army.

The Army as a political ideal for some Iraqis did not disappear. However, the Iraqi forces that emerged with considerable honor in the fighting in 1988 virtually ceased to exist, and was replaced with a politicized nightmare.

### **The Economic Forces Driving Uncertainty**

The economic problems, which began with efforts to convert Iraq to a command economy, started before the Ba'ath came to power. "Arab socialism" has been one of the most serious modern enemies of the Arab world. Saddam and Ba'ath did, however, sharply reinforce the push towards a command economy once it obtained power, and its purpose increasingly became the power and safety of the regime.

The Iraqi economy never saw effective agricultural reform, and the oil boom of 1979-1981 was used to fund a series of failed "turn key" programs to create state industries supported by turn key projects bought from Europe and elsewhere. Iraq's oil export revenues rose in constant year 2000 dollars from \$6.0 billion in 1972 to \$57.6 billion in 1980, but were only \$10.6 billion in 1986, and \$12.3 billion in 2002, and will be under \$10 billion in 2003.

During this period, Iraq's population grew from 9.4 million in 1970 to 13.2 million in 1980, 18.1 million in 1990, 2.6 million in 2000, and 25.4 million in 2003. It is projected to rise to 29.7 million in 2010, 36.9 million in 2020, 43.8 million in 2030, 56.5 million in 2040, and 56.4 million in 2050—in spite of a gradual cut in the birth rate of over 60%.

Much of Iraq's oil wealth was wasted before the Iran-Iraq War even began, and the start of the war in 1980 led to military reversals that forced Iraq to concentrate on guns at the expense of butter from 1983 to 1988. Iraq's real per capita oil income dropped from \$4,295 in 1980 to \$500 in 2002. Iraq underfunded every aspect of its economy except the construction and medical services needed to service the war, while its service industries and financial sector became frozen around a heavy level of state control.

During 1989-1990, the government chose guns over butter in spite of Iran's massive defeat. Guns had priority over both restoring the health of the economy development, and massive military forces remained deployed along the Kurdish security zone, deployed on the Iranian border and fighting a low-intensity war in the Shi'ite south.

From 1991-2003, Saddam's government fought a war of sanctions" which made every sector of the economy more and more obsolete, and forced Iraqi technocrats to

cannibalize much of the nation's infrastructure. The government focused infrastructure and services on its military security needs, rather than the needs of the people. A "service ethic" did not exist, low wages and poor administration reduced motivation and efficiency, Iraqis ceased to be exposed to the latest developments and standards, and cannibalization and emergency patchwork pairs replaced efficient maintenance and modernization efforts.

By the mid-1990s, the Iraqi command economy functioned – to the extent it functioned at all – through the UN oil for food program, because of the ability of its black sectors to work around the governments restrictions and failures, and because "corruption" and "theft" allowed people to live in spite of their nominal wages. Iraq shifted from a command economy to a "command kleptocracy" structured to serve the regime and buy loyalty in which most Iraqis had to obtain money any way they could rather than work and compete in a market economy.

### **Demographic and Social Uncertainties**

At the same time, Iraq shifted during 1980 to 2003 from a small town and rural nation to a largely hyperurbanized country. The past extended family and tribal and clan social net scarcely collapsed, but it came under severe strain and was forced to mutate. Much of the professional class and middle class were impoverished.

Traditional living patterns changed, the population increased from 13.2 million to 25.4 million. Most estimates indicate that some 70% is under 30 years of age and 50% is under 20. This youth explosion seems to have sharply reduced the impact of traditional family and tribal ties in urban areas. It definitely coincided with a major decline in the quality of education and in the creation of jobs – particularly jobs that had real productive output and which trained young Iraqis to play a role in a market economy and to be competitive.

A combination of lower real oil prices, a declining oil export industry, and population growth reduced per capita oil wealth by at least two-thirds between 1980 and 2002, and possibly by as much as four-fifths. A combination of economic mismanagement, debt, an immense backlog of capital underinvestment, war damage, and reparations payments made an "oil rich" Iraq a dream that population growth alone will ensure cannot return. Only a broadly diversified and modern economy can bring Iraq back to the level of real per capita income it had in 1980 – nearly a quarter of a century ago.

### **Dealing with Uncertainty**

Given the sheer scale of the forces at work within Iraq, it seems certain that it would have exploded into uncertainty at some point in the future—even if the US, Britain, and Australia had not invaded. As the FSU and communist bloc have shown, even the most successful repression eventually fails and all of the forces repression conceal must then be dealt with.

At present, however, Iraq, the US, and the region, must live with the immediate result of the impact of the war, US failures to properly prepare for it, the forces within Iraq, and the impact of the ongoing military and nation building efforts of the US and its coalition partners.

The following nine factors will determine the outcome:

- The course of the present violence and low intensity conflict:  
The “war after the war.”
- The efficiency of the CPA and US political efforts in nation building.
- The nature of the transition from the Governing Council to a Constitutional convention and election.
- The level of confessional and ethnic conflict and/or cooperation
- The quality and impact of the US and international aid effort
- The ability to rehabilitate, modernize and reform the Iraqi economy
- The information battle for hearts and minds
- The role of neighboring states.
- The nature of the US transition to Iraqi rule and the effectiveness of the Iraqi regime that follows.

The US can lose the “peace” because of a failure to deal effectively with any one of these factors, and any US victory is almost certain to be relative. Iraq will not suddenly emerge as a model to the Arab world, and its regional impact on change and modernization will at best be far more limited than many American neoconservatives hoped. At the same time, the US can also “win,” in achieving more modest and realistic goals and more importantly so can the Iraqi people.

### **Low Intensity Conflict: The War After the War**

It is tempting to title any military analysis “too close to call,” but this would imply that the present fighting involves a stronger threat than seems to be the case. No one in the US military units most closely involved in the fighting in Iraq underestimates the threat, or feels it can be eliminated soon – if it can be totally eradicated at all.

At the same time, the analysis by CJTF-7, and by the intelligence teams in the high threat areas – led by the 1st Armored Division, 4<sup>th</sup> Infantry Division, and multinational division – all still see the threat as localized in the Sunni areas most loyal to Saddam. All estimate

that the present attacks come almost exclusively from former regime loyalists – “they are 95% FRLS.”

There is no evidence that the number of these “actives” is diminishing (in fact, the number is probably increasing), or that key leadership, command, and financier cadres and cells have yet been crippled or weakened. Nevertheless, almost all of the violence is still coming from a relatively small and heavily localized part of the population in the so-called Sunni triangle and parts of Baghdad, and even these areas have substantial groups of tribes and communities that are working with the US.

The US 4<sup>th</sup> Infantry Division and Task Force Ironhorse, for example, are able to conduct extensive engagement meetings with local Sunni leaders in the “Sunni triangle” areas (287 between mid-September and early November), and to recruit and deploy enough Iraqi police (8,461), Iraqi Civil Defense Corps (ICDC) (2,596), and border guards (1,203) to carry out 2,285 joint patrols between 11 August and 9 September, and 3,504 joint patrols between 10 September and 5 November. It has also been able to get enough local HUMINT to both greatly improve the effectiveness of its patrols, and reduce tensions from patrols that ended in false alarms, although the number of coalition patrols increase from 11,590 to 21,877 during these two periods.

Such data do not mean that US and allied intelligence analysts discount the possibility the threat may grow from Iraqi Islamists like Al Ansar may grow or the risk posed by foreign volunteers. However, the US and allied forces on the ground do not yet see any clear links between the attacks and al Qaida, and only ascribe a limited number of suicide bombings to foreign attacks.

They do not see a raising wave of independent, hostile Iraqi Sunni Islamists, and ascribe most attacks to young volunteers, paid agents, pro-FRL Islamist, and foreign volunteers used by cadres or cells of higher ranking FRLs, mixing leadership elements and financiers. None of the analysts felt there was evidence of direct efforts by Iran or Syria to destabilize Iraq, although foreign volunteers are believe to be infiltrating in small numbers across the Iranian and Syria borders, as well as those of Saudi Arabia and Kuwait.

Again the bad news is to some extent the good news. The US military was dismally unprepared for the security mission, armed nation building, and low intensity warfare when the regime fell in late March. It has taken months to make effective changes, but they are beginning to take hold. Improvements in US training and equipment for low intensity combat, improved tactics, better HUMINT, civic action programs and better civil military relations, and steadily increasing use of new Iraqi police and ICDC forces should give the US the advantage over time. This should be true even as the FRLs and Jihadis improve their own intelligence and targeting, learn more about how to exploit coalition and Iraqi sensitivity to casualties and damage; and learn to make better use of rockets and mortars, larger bombs and IEDS, and of systems like MANPADs and ATGMs.



To lose in a military sense, the US has to encounter a larger and more threatening enemy. This can only occur if:

- The US loses the tolerance of the Shi'ites and they contribute major elements nationwide to the attacks on US and allied forces.
- The current FRL-driven threat in Sunni areas comes to include for larger numbers of Sunnis actively opposed to the US, whether for political or religious reasons.
- Ethnic cleansing and conflict in the north broadens the scope of the war, and/or Turkish military intervention undermines US credibility.
- Outside volunteers and forces acquire far more strength and popular support than they now seem to have, and bordering nations like Syrian and Iran both actively support the hostile forces and act as sanctuaries.
- The US military fails to properly prepare for steadily more sophisticated attacks, longer-range weapons, and an enemy that is flexible, adaptive, and learning more and more about how to best target and strike at objectives with a high political impact.
- The US and its allies are not prepared to see the current level of attacks be sustained well into 2004, at least in terms of political and media impact and see at least some casualties and strikes continue through the US election and full transfer of sovereignty back to Iraq.

The US can, however, also lose for internal and political reasons, and these may prove to be as much, or more of a threat. The ways the US could lose are:

- A popular perception in the US that the war after the war is pointless, casualties and costs are too high, and nation building cannot succeed. So far, the Administration is preparing for such a defeat by underplaying the risks, issuing provocative and jingoistic speeches, and minimizing real-world costs and risks. The weakness of the Governing Council, a failure to convince the Iraqi's that the US is committed to a true and early end to occupation, and a failure to communicate the scale and future impact of the US aid effort, currently increase the risks.
- A failure in the efforts to create a new Iraqi government and deal with economic problems that means the US loses the battle in Iraq for credibility and "hearts and minds."
- A loss of international support and credibility by withdrawal of coalition allied elements, inability to carry out armed nation building in high threat areas, and last departure of the UN, NGO, and other international aid elements.

--The US makes reducing US troop levels and military expenditures a domestic political goal at the expense of adequate warfighting resources, and tries to rush the creation of an Iraqi police, ICDC, Border Police, and Army too quickly and puts too much reliance on such elements too soon. The same is true of putting reliance on militia and Ba'athist forces that may ultimately backfire.

--Inability to improve coordination between the military and CPA, particularly in the field and aid efforts, and a failure to maintain CERP funds to allow effective civil-military aid and engagement programs.

--Rotating key military personnel too quickly, losing carefully built up area and combat expertise, because of political pressure and troop demands for early rotation or fixed duty cycles.

--Trying to reinvent the wheel in terms of Washington-led efforts to restructure US forces for asymmetric warfare, rather than recognizing and reinforcing that high level of innovation that US military units have already achieved in the field.

Grand strategy is the key to victory, and victory or defeat is tied as much to politics as to warfighting. This means the Bush Administration faces some hard choices. It seems very unlikely that the current level of fighting will be over before February at the earliest, and may well continue until June or longer. Some casualties and major incidents seem like to occur through the November 2004 election and may well go on as long as the US is in Iraq.

Any effort to "spin" these unpleasant realities out of existence is going to broaden the credibility problem the Administration has developed by underplaying the risks before, during, and immediately after the war. The sooner the Administration prepares the American people and its allies for a long period of low intensity conflict and continuing casualties, the better.

Moreover, while it may not affect defeat or victory in Iraq, the US must consider better ways to ensure the proper rotation of US military personnel, and more acceptable duty cycles for regular and reserve personnel. US military forces are scarcely broken, but no one can visit Iraq without become aware that they are damaged and reenlistments are going to drop sharply unless the men and women in uniform can be assured that there is a near term answer to creating limited tours of duty in combat areas and providing a career cycle that gives personnel time for their families and ordinary lives. The US needs larger or different forces to do this and it at most has 1-2 years to begin rushing through the necessary changes.

In the interim, one solution may be to offer a clear pay incentive to those who face extended tours in hardship areas, similar to combat pay plus better insurance and other incentives like tax relief. A strong incentive program for long tours for critical combat. Intelligence, and other specialties may be vital to avoiding a key problem in Vietnam:

The constant departure of critical personnel at the time they have become most valuable to both the military and civil-military efforts.

### **The Efficiency of the CPA and US Political Efforts in Nation Building**

The current quality of the civil side of the US nation building effort seems to be significantly more problematic than the quality of the US military effort. Ambassador Bremer seems to have achieved a great deal in salvaging what initially was a hopelessly inadequate effort in the field, in coping with a lack of understanding and direction in Washington, and in countering the illusion that nation building did not involve conflict and could be accomplished without massive aid.

The fact remains, however, that far too many people in the field feel that the CPA in Baghdad remains over-isolated from the military, is an overcentralized bureaucracy, is slow to respond or non-responsive to coalition forces and workers in the field, and relies far too much on contractors, plans too much in theory, and is not realistically evaluating developments in the field.

At a minimum, there is a serious problem in communications and trust. Moreover, many field elements in the Shi'ite south and other areas feel that they are not receiving support and timely responses from CPA in Baghdad, that they lack proper force protection and communications and other equipment, and that CPA is failing to develop mechanisms to ensure it follows up on given programs and promises, and effectively evaluates the impact of its aid efforts. Further, many Iraqis are angry or alienated by the way the CPA deals with them on a day-to-day basis. The CPAs image is one of a foreign palace complex replacing Saddam's and far too many CPA Americans in Baghdad are talking to Americans who should be working with Iraqis.

The US and CPA should strongly consider:

- A major review of the quality of the administrative effort by CPA.
- The impact on basic human relations of the way CPA Baghdad deals with the US military, its own field staff, and Iraqis.
- Reinforcing CPA field efforts and reducing staffs in Baghdad.
- Creating aid evaluation cells, with suitable field staff, similar to those developed by Task Force Ironhorse, to better focus, monitor, and evaluate both the effectiveness of aid programs and how Iraqis actually perceive them in the field.
- Getting out of the central palace complex in Baghdad to reduce CPA's profile, interfere in the daily life of Iraqis, and indirect association with the former regime, and colocating with CJTF-7. This would also be a way of dispersing more personnel to the field.

--Ending short rotations in the CPA, and selecting personnel on the basis of a willingness to take on “year long plus” to ensure continuity, development of proper expertise, and better relations with Iraqis. One way of accomplishing this would be strong pay and other incentives for long tours and major bonuses to stay the course. This could include the same kind of early retirement benefits offered to some intelligence officers in hardship posts.

At the same time, the major interagency coordination problems between State and Defense, and striking ineffectiveness of the National Security Council in forcing effective interagency coordination, remain a major problem. Four years into office, the Bush national security team is not a team, and there are far too many reports of ideological efforts to shape the nation building effort and personnel deployed to Iraq. Both the CPA and troops in the field now suffer from the past results of these failures. They should have been decisively and finally corrected long ago.

Finally, what is now happening in Iraq must be clearly understood to be a warning of things to come. Just as the US military must restructure away from a focus on defeating conventional forces and technical intelligence to a matching focus on low intensity combat and HUMINT, and see the civil-military and security missions as having the same priority as the combat mission, the civil side of the US government must understand that it must prepare for armed nation building in the future.

State and other civil agencies need to be prepared for political and aid activity in a low intensity combat environment and for the fact the UN, most international agencies, and most NGOs will not operate effectively or at all as long as low intensity combat presents a threat. There must be a clear plan for future “Phase Four” operations on an interagency basis and to recruit USAID and other personnel who know they may have to operate in such environments and have the equipment, training, and pay/career incentives to do so.

The current force transformation strategy of the Department of Defense is fatally flawed and inadequate in several critical respects. It does not make adequate military preparation for low intensity combat and provide for adequate HUMINT resources, and it only provides for winning half the war: Winning the combat but not the peace. The Department of Defense does, however, at least have a strategy. The civil side of the government does not.

Jointness must be an interagency effort and the current exclusive focus on military jointness fails to meet our defense and foreign policy needs. At present, the NSC, State Department, and other civil departments – including some elements of the civilian intelligence agencies – may often have some excellent people in the field but their Washington headquarters approach to asymmetric warfare and the need for armed nation building is all talk and no walk.

## **Transition from the Governing Council to a Constitutional Convention and Election**

Ambassador Bremer has consistently stressed the need to make as rapid a transition to Iraqi sovereignty as soon as possible. His efforts to create a locally elected constitutional convention, draft a constitution quickly, approve and move towards national elections seem as practical a path towards this end as any available.

There is no good solution to an early transfer of power and there is no alternative that will not breed massive Iraqi, Arab, and Islamic hostility. There is no time to evolve political parties, develop experienced leaders, or hold model elections. The Iraqis, their neighbors, other nations, the UN, and American domestic politics all are headed towards “descending consent.” The US must return sovereignty to the Iraqis as soon as possible, and be clearly seen to be sincere and effective in trying to do so. This is not a case where the best is the enemy of the good, but one where the good is the enemy of the acceptable.

One key question that is emerging, however, is whether the Interim Governing Council established on July 13, 2003 is part of the problem or part of the solution. Its divisions, the ambitions of its members, their lack of a local following and political charisma, and ludicrous multiple, rotational leadership could be forgivable if they drove the nation building process forward. In practice, they have so far delayed it. Most members seem likely to fall firmly by the wayside once elections do occur, and the overt selection of the present Council’s membership to reflect ethnic and confessional divisions has done much to cause significant internal distrust without satisfying Iraqis that its members represent them.

The history of some key members of the Council is not reassuring, nor is the idea that so divided a body can be used to speed up the creation of a provisional government and constitution. Long before the war, the Iraqi outside opposition divided over the issue of making Iraq a republic -- in part because Kurdish demands that “republic” take on something of the character of autonomy proposed in the 1974 amendment to the Iraqi constitution. The secular Iraqis in the outside opposition were more willing to grant this – along with the protection it would give Iraq’s Sunnis – than some of the religious outside opposition. These tensions helped limit support for the Conference of the Iraqi Opposition in London in December 2002, and led to charges the US was secretly forcing a constitution on Iraq.

Since that time, similar issues have helped slow and divide the efforts of the Governing Council, and of its Constitutional Preparatory Committee. This has been compounded by a growing Shi’ite demand for a larger role for the major and opposition to a republic. For example, the Grand Ayatollah Ali al-Sistani issued a Fatwa on June 30<sup>th</sup> calling for an election of delegates to a constitutional convention, partly to ensure the Shi’ite majority would have a dominant role, partly to ensure that the US and outside opposition could not dictate what constitution should be adopted, and partly because of concerns over what role Islam and Islamic law might play in the constitution and future government of Iraq.

Hopefully, the better members of the Governing Council are coming to understand the time pressures involved, and the priority nation building must have over their own differences and ambitions. Reports that President Bush has decided to push ahead with the creation of an elected body to replace the Council could be of major help if such elections can be accomplished in ways that allow different leaders to compete, and without creating more tensions over how power is to be redistributed between Shi'ite and the Sunnis, Kurds, and other minorities.

In any case, it is clear that the current Governing Council is not fit to be a provisional government, that the leaders of the outside opposition have not been able to catalyze enough Iraqi support to claim a legitimate leadership role, and some form of elections are needed to allow the Iraqis to select their own leaders.

It also seems clear that some mechanism is needed to elect constitutional delegates that both legitimizes the constitutional process and ensures that the drafting process is not dominated by the Shi'ites. A mix of elected delegates and appointed Iraqi respected by the Iraqis in Iraq – supported by a mixed body of international advisors – is one possible solution to quick action.

At the same time, rigid deadlines for a constitution, election, and transfer of sovereignty could prove to be extremely dangerous as could any effort to rush the process simply because of the impact of the war on American domestic politics. It is one thing to wait years; it is another to wait months. Setting artificial deadlines to motivate action can have great value. Enforcing them can snatch defeat out of the jaws of success. Here, Ambassador Bremer and those in the field need leeway. The US should not make promises for domestic or international political reasons that it should not keep.

The US should take the following measures:

- Either announce early elections that can create an elected body to replace the Governing Council and take on the role of a provisional government, or most of this role – provided that Iraqis can agree on mechanisms that will allow this without triggering major new confessional and intra-Shiite tensions.

- Announce a projected schedule for local elections of delegates to constitutional conventions and push forward with or without the support of the Governing Council.

- Use the constitutional convention not only to create a constitution but also to provide a public and transparent drafting process so the Iraqi and Arab media can see the actions of the officials involved, be sure the process is legitimate, and judge what new new political leaders should emerge.

- Make it clear to the members of the Governing Council that the US has absolutely no future obligation to any members or self-appointed leaders who remain part of the problem rather than become part of the solution.

--Plan for less than perfect elections to both the constitutional convention and the creation of a national government. Avoid the trap of trying to meet idealized "international standards."

--Reinforce these national efforts with local and provincial elections and by giving successful ministers and lower levels officials the same or a higher public profile in Iraq than the members of the Governing Council. Do the same with successful jurists, tribal councils, and human rights activists.

--Make all these efforts a key focus of the information campaign, and ensure that peaceful dissent from US views is given equal time, including the views of Shi'ite and Sunni religious figures and Sunnis who may have ties to the former regime.

--Communicate a clear plan for projected phase out of the US/British occupation to the Iraqi people in terms of clear milestones with strong incentives to the Iraqis to meet them to speed the US and allied withdrawal. Seek a full transfer of sovereignty and full withdrawal by end 2004 and no later than mid-2005 -- barring the reality of risk of civil war,.

### **The Level of Confessional and Ethnic Conflict and/or Cooperation**

Iraq is currently a mix of areas of both Sunni and Shi'ite cooperation and of areas with serious and growing confessional tension. This tension is most serious in the Sunni areas which benefited most from the former regime, but serious concerns exist among Sunnis inside and outside Iraq over the how Sunni Arabs will be treated in a nation where Shi'ite Arabs have three times their numbers and will have their first fair share of power in Iraqi history. The Shi'ite problem in the south is to redefine both the Shi'ite role in the nation, after decades of de facto discrimination and suppression, and the power structure within the Shi'ite population – which has a vacuum in terms of experienced secular leadership and where power relations among clerics are now subject to open competition.

The problem of Kurdish autonomy continues to interact with intra-Kurdish tensions, and problems with Arabs, Turcomans, and other minorities. While there are successes like the multiethnic and multiconfessional government of Kirkuk, there are many areas where Kurds are quietly pressing for the evacuation of other minorities, and the return or confiscation of property occupied by other minorities.

More broadly, there is a natural cultural tension between the efforts of a secular CPA and occupying force and a nation where freedom is, for the first time, potential and the freedom to be Islamic.

There is no easy way to deal with the resulting uncertainties, which are massive and in a high state of flux. The former Yugoslavia is only one example of a nation where the end of tyranny opened up a Pandora's box of violent tensions and conflicts that no one adequately understand or could control. There are, however, measures that can be taken:

--The US and its other allies in the coalition should make it clear to the Iraqis that its efforts are to create a republic that protects all Iraqis and shares power rather than shifts it. It should announce options for such a republic and not wait on the constitutional convention. The US should not try to impose such solutions. It should propose and endorse them.

--The coalition should make it clear to all Iraqis that its aid efforts already provide a fair share for each region, and for Kurd, Sunni, Shi'ites, and others. It should not talk about aid in confessional or ethnic terms, but funding and progress should be described in enough regional detail, and in regular media and meetings, to show the Iraqis that all will benefit.

--The coalition should reinforce the current efforts to create local and provincial governments, and engagement programs, that show Iraqis that they will control their own destiny at the local and regional level, and not be subject to the domination of a central government under any group. Strengthening local and regional government while building central government is a key check and balance.

--The creation of a strong legal system and protection of human rights also provides protection of the Sunnis, Kurds, and other minorities. There is far too much talk about democracy in the narrow sense of elections, and far too little talk about the role of the separation of power and rule of law. This reflects a critical problem in the Administration's entire approach to "democracy" in the Middle East. It is largely advocating undefined slogans, not practical and balanced specifics. In Iraq, and elsewhere, the end result is often seen as showing contempt for Arab societies, or as a prelude to new US efforts at regime change.

--The coalition should consider creating a long-term international aid, debt relief, and reparations program clearly tied to a post-sovereignty Iraqi government that fairly distributes power and wealth. The Coalition will lose any power to compel, but not the power to create incentives.

One other key element will be to try to get human rights groups and NGOs into the field in spite of the risks involved. There is far too much noble theory and outdated area expertise, and far too little pragmatism in some of their current efforts outside Iraq. If they were inside Iraq, such groups and other NGOs would offer an alternative to the "occupier" that can work with Iraq's factions in ways that will have more trust than the CPA.

No one needs carping from the sidelines from voices that do nothing more seize the high moral ground and remain there in safety. There is a great need to go beyond the military and CPA if field human rights, legal aid, and other NGO personnel can be found who will take the risk.



## **The Quality and Impact of the US and International Aid Effort**

Civilian aid experts are not likely to appreciate the military statement that “dollars are bullets.” Aid is, however, as a virtual an element of bringing and maintaining security and stability to Iraq as is combat operations and the political aspects of nation building. It also is not a short or mid-term task. The fact is that no one can predict how much aid will be needed, and programs that end in 2005, leaving a political and financial vacuum, are likely to be a Congressionally imposed political disaster.

The coalition aid effort cannot be shaped around predictable time lines or a “cut and run” deadline. It cannot be shaped in a way where the US loses the ability to offer incentives as it transfers power and tries to influence the aftermath, or on the assumption that Iraq is a wealthy nation before—if ever—Iraq actually becomes a “wealthy nation.” It cannot be shaped around the assumption that command economies rapidly become effective free market economies – an ideological absurdity that proved to be a major problem in dealing with the FSU and much of Eastern Europe.

It would be a tragedy if the many CPA and civil-military successes to date could not be sustained and reinforced. The broad priorities of the CPA and CERP program seem solid, and their initial successes are not illusory. Anyone who overflies Iraqi towns and cities – or drives through them – can see many of the material benefits simply by looking down at schools and economic activity.

These successes also are only the beginning. They have been accomplished although actual expenditures of aid in critical areas like the hostile Sunni areas occupied by Task Force Ironhorse only totaled \$18.4 million as of November 3rd, out of FY2002 funds totaling \$139.8 million, and the project completions were heavily dominated by local civil-military CERP programs. Again, the cup half full versus half empty debate is pointless at a time that FY2002 funds have only begun to pour and FY2003 funds have not begun to pour at all.

This does not mean, however, that the Congress was wrong in reducing the Bush Administration’s \$20.3 aid request to \$18.4 billion. It is clear that the CPA is not yet ready to formulate effective aid requests and programs in many areas, that the contracting procedure is sometimes flawed to the point of being broken, and that far too much responsibility is being turned over to prime contractors in the middle of a low intensity war and to deal with a command economy far different in structure from any that contractors have worked in before.

It is also striking that the CPA has made so inadequate an effort to realistically measure the impact of its aid programs on stability and regional perceptions and focuses so much on total “input” data like total power generated, numbers of schools, etc. Much of this progress is impressive, but it is also terribly abstract to both Iraqis and anyone trying to assess what is really happening and what needs to be done.

In other areas of the planning for the aid effort, there seems to be an alarming combination of theory based on uncertain surveys and assumptions, and a bureaucratic desire to minimize the contracting and administrative burden on the US government in some of the most important aspects of aid. This not only reduces the short and long term benefits to Iraqis, it leads to efforts decoupled from the reality of fighting and sabotage and the practical political fact that post sovereignty stability is heavily dependent on the political impact of pre-sovereignty aid.

Specific recommendations have already been made about ways to improve the CPA effort and how to do more to convince the Iraqis of the merits and fairness of the US aid effort. There are, however, several additional recommendations that would help in dealing with the uncertainties in the aid program:

--Do not assume anyone can make Iraq a model of free enterprise in less than 5-10 years. Do not operate on theory. Evaluate every program in terms of its practical impact in terms of immediate and near term Iraqi perceptions and as a seed that may or may not succeed once the Iraqis have sovereignty.

--Break programs into smaller, and easier to plan and manage, components. Reduce reliance on US primes as soon as possible. Change US contracting procedures to sharply reduce paper work, time, and the incentive to go to large contracts simply to bureaucratize the aid process efficiently.

--Bring in as many people with actual area expertise as possible, and "internationalize" as much of the effort in terms of non-US expertise as soon as possible. Integrate Iraqis fully into the planning, project selection, and contract award process. Shift from US to Iraqi contracting and project standards as soon as possible.

--Open up every aspect of the aid effort to Iraqis with full, near real time transparency, and create Iraqi teams to publicly evaluate contract performance.

--Publicly crucify the first major US contractor foolish enough to non-perform as an international example to the others.

--Understand that oil revenues are the key to power in Iraq and the success of the future Iraqi government. US success stand or falls on the quality and export revenues of the Iraqi petroleum industry and on Iraqi confidence that all decisions on the future of the industry will be made by Iraqi's, and the US and Britain will not seek to gain any financial advantages. Do not securitize modernization and renovation. If done at all, this should come after the transfer of sovereignty and purely by Iraqis.

--Allow for the fact no one can really survey the needs and costs of the petroleum sector at this point, predict the impact of sabotage and combat conditions. or

predict near term revenues. Be adaptive, be prepared for things to go wrong, and do not count on near term oil reserves.

--Do make it clear that the US will seek to create an Iraqi constitution that ensures revenues will be shared with some equity.

--Look beyond the aid often to Iraq's overall financial position. Do not forget the whole aid issue will be moot if Iraqi is left with a Weimar Republic-like heritage of debt and reparations payments. This is a burden of over \$100 billion. A push for international forgiveness is almost certainly far more important than trying to find more small aid donors.

### **Ability to Rehabilitate, Modernize and Reform the Iraqi Economy**

It is unfair to call economics the "dismal science." Economics is "dismal" but it is never a "science." In all frankness, far too much of the current US effort is based on being able to properly understand, analyze, and quantify a war-torn command economy torn apart by a dictatorship, and then make the right decisions.

There is no good solution to analyzing and reforming the Iraqi economy. and there can be no good data, just lots of expensive bad data and bad modeling. There can, however, be a much stronger joint coalition-Iraqi effort to understanding and model the Iraqi economy, establish a sounder basis for planning, and to try to provide more coherence to both the Iraqi aid effort and post sovereignty Iraqi efforts.

This could lay the groundwork for post-transfer consulting and joint efforts, particularly if it could be internationalized to include other aid donors and groups like the IMF and World Bank.

Such an effort would be particularly valuable if it was fully open to public Iraqi review and a wide mix of advisory groups. Transparency and visibility are key weapons against conspiracy theories and distrust.

### **The Information Battle for Hearts and Minds**

The US fought information warfare against the Iraqi armed forces with some skill both before and during the war. It was totally inept, if not inert, in preparing the Iraqi people for a coalition victory and in dealing with the immediate aftermath of Saddam's fall. It then treated much of the early broadcasting and media effort as a theater of the absurd, wasting the talents of many good people.

An honest assessment of these failures in both civil and military terms is critical to lessons learned. One lesson, however, is clear: slogans and platitudes do not win hearts and minds and spinning the situation to give the most favorable picture is quickly seen as lying by default.

At this point, the coalition has radio and TV coverage largely on line, and has extensive print media assets. It has made growing use of engagement meetings, local councils, etc. The fact remains, however, that many Iraqis and outside Arabs feel the coalition is an occupying force that does not serve Iraq's needed effectively, distrusts what the coalition says, and relies on other media. If the situation is being fixed, this is not clear, and information operations are absolutely critical to US success.

The most reliable polls taken to date – run with the support of the Independent Republican Institute -- indicate that a narrow majority of Iraqis still supports or tolerates the coalition, although two-thirds feel occupied rather than liberated. The poll also showed, however, that number of Iraqis who feel coalition forces are liberators or peacekeepers declined from 47.2% when they first arrive to 19% in October, and 46% felt less safe that a month earlier versus 23% that felt more safe. Only 3% felt the coalition patrols were the best guarantee of safety, although only 9.8% strongly opposed the coalition presence. These poll precede the sharp intensification of the fighting that has followed, the problems in moving forward in creating a constitution, and the uncertainties created over the future role of the Governing Council and elections.

An independent panel of area – not media – experts – with full language skills in Arabic is needed to work with the CPA and CJTF-7 to assess the effectiveness of the US message and what needs to be done to improve it. Honest use of public opinion polls is needed; not propaganda like manipulation of efforts like the Zogby poll. The issue is not American popular music, it is trust in nation building, the security efforts, and the honesty and diversity of the information the US provides.

### **The Role of Neighboring States.**

The US will inevitably shift its attention and focus when it leaves Iraq. Turkey, Syria, Jordan, Iran, and the Southern Gulf states will not. The US needs to initiate a formal and informal dialog with each such state now on what it is doing and what will happen when sovereignty is transferred. It also needs to stop publicly demonizing Iran and Syria, and quietly set clear goals for their behavior.

One classic description of US efforts to rush in to try to create lasting solutions without realistic assessments of the attitudes and long-term role of its allies and rival in the Middle East is “a tendency to play Russian roulette while regional powers play three dimensional chess.” Unfair as this statement is, it is a warning of the dangers of treating every outside action as interference or hostility.

The US should at least try to work with Iraq's neighbors, and do so in pragmatic and quiet terms.

## **The Nature of the US Transition to Iraqi rule and the Effectiveness of the Iraqi Regime that Follows**

No one can now predict the exact level of US success in Iraq at the point the US transfers sovereignty, or the form the Iraqi government and economy will have taken at that time. No one ever can predict whether the fighting will be over. It is also clear that the US has one "exit strategy" it should do everything possible to avoid. If the Iraqi people broadly decide the US occupation is unacceptable, the US will have to leave. Armed nation building is one thing. Forced nation building is another.

Even under the best case scenario, however, the US will have to leave an Iraq that is far from stable in political and economic terms, and where massive internal forces will still be at work that will lead to at least some crises after the US departs. No other society with anything like the challenges Iraq will face has moved smoothly and easily towards progress and success. In fact, it seems almost certain that the leadership Iraq has on the day the US transfers sovereignty will not survive for more than few years at most unless a new strong man emerges.

Put differently, the US cannot hope to achieve victory in the form of creating some shining example that will fully transform Iraq, much less transform the Middle East. This was at best a noble neoconservative fantasy. More practically, it has always been a rather silly one. Iraq will be driven by many of the forces that shape its present uncertainties for years and probably decades to come.

Victory can, however, consist of giving the Iraqis opportunity and hope. The US can lay valuable groundwork, if not the perfect foundation. Here, however, the US needs to prepare in advance for the future in ways it did not do in shaping the transition from the fall of Saddam's regime to nation building. It needs to look beyond the transfer of sovereignty and begin now to shape a strategy for the transfer of power that will both help Iraq and create incentives for as stable a post transfer evolution as possible.

Such a strategy should take the following form:

--A clear commitment to major and long-term aid in grant form if Iraq maintains a democratic form of government and protects human rights, and moves forward towards economic reform. The US cannot hope to succeed in influencing a post-sovereignty by a cut and run approach to aid simply because this saves money in the short run. The US, Iraq, and the region will pay far more for such a policy in the long run.

--The US should offer Iraq security guarantees and military assistance, but US combat forces should quickly leave. Independence should be full independence, barring a major internal military problem or outside threat. This means accepting risk. However, the US can never win Iraqi or regional trust if it tries to stay in military terms one day longer than the Iraqis truly demand.

--The US should accept the fact that the post-sovereignty Iraq will sometimes be hostile to the US (and Israel), rather than grateful. These are realities that are likely to emerge with true independence. This should not, by itself, be a reason to halt aid or every effort to gain international support for Iraq in areas like aid, trade policy, debt forgiveness, and reparations forgiveness. The US, of all countries, should know that young regimes are not always easy to live with.

--Iraq cannot be separated from the other issues that divide the US and the West from Iraq's and the rest of the Arab world. Friendship and trust will be dependent on the belief the US is fully committed to an ongoing peace effort at the highest levels. It will be dependent on the belief the US seeks partnership in the war on terrorism and does not demonize Arabs or Islam. It will be dependent on proving the US search for "democracy" means supporting well-planned reforms on a nation-by-nation basis, and showing the US will help the peoples and leaders of each nation find their own best path to reform on evolutionary terms and not make "democracy" a tool for US efforts at regime change and serving US regional ambitions.

--The US should seek a well-defined Arab, UN, and international role in Iraq once the US transfers sovereignty, and do everything it can to encourage the development of UN and NGO activities the moment sufficient security is available. There is no practical option for transferring power to the UN and international community. There are many options for expanding their role in transferring power to the Iraqis.

Sovereignty and freedom are not catchphrases; they must be real and the US must be prepared to live with the consequences. There is as much reason for optimism as pessimism, however, and the consequences may well be good ones.