

“A View from Iraq and the Region”

**His Excellency Hoshyar Zebari
Minister of Foreign Affairs of the Republic of Iraq**

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Transcript

<0:00-0:54> Introduction by Dr. John Hamre, CSIS President and CEO.

<0:54> H.E. Foreign Minister Hoshyar Zebari:

Thank you Mr. Hamre. Thank you so much for your great introduction, and thank you Jon [Dr. Jon Alterman, Brzezinski Chair in Global Security and Geostrategy and Director, CSIS Middle East Program] also for inviting us to CSIS. And with this distinguished crowd. I know many of you in person, I worked with some of you in the past, and I'm really honored to be among you today on this Friday. I'm honored also that this could be the last lecture here in this building. So I have the honor to be the last speaker at CSIS before it moves to its new building. This is another honorary thing, so thank you.

I'm here to offer a view from Iraq and the region. Being honest and frank with you, really I'll devote most of my time to questions —to Q and A— rather than giving you a ready-made piece of what you want to hear from me. I know many of you have many questions. Serious questions about Iraq —its future, its interactions in the region, and whether Iraq has succeeded in the challenges, or not.

But let me start with much of what is happening today in the Middle East and around Tahrir Square in Cairo and the southern district of Beirut or in Syria and Baghdad in terms of terrorist attacks. Really they are in many ways inter-related. The challenges and opportunities, the triumphs and the tragedies, have been taking place in Iraq for the past decade. Iraq was the first country in our region to make the transition from dictatorship to democracy. We know that the road is long and hard and very arduous —torturous— for us to make that transformation, but still worth taking.

As the Arab spring has shown, countries that are going through transitions are at risk of foreign intervention and domestic violence. In Iraq we are confronting all these challenges and more. But we are also making progress toward stabilization. Stabilizing our society, growing our economy, building our democracy, and developing good relations with all of our neighbors. Ten years after

the overthrow of Saddam Hussein, the better future that we seek is still a goal, not a given. But some conclusions are as clear as anything can be in our region and in these times. For all the suffering that we have endured, the people of Iraq and our neighbors are much better off now that Saddam is gone. Iraqis are forever grateful to the sacrifices that the Americans have made in time and treasure and in blood. Iraqis, of course, have endured even greater losses. And as the recent attacks of terrorism have reminded us, our ordeal is not over.

The Iraqi people and our government intend to redeem these losses by building a future worthy of our sacrifices. After decades of dictatorship, three disastrous wars, international isolation, economic sanctions, the displacement of over a million Iraqis, and the deaths of tens of thousands more, including the latest victims of terrorism, Iraq is embarking on building its economic future, its democratic future, and building bridges within our society and with our neighbors.

As Iraqis, as we rebuild our country, Iraq and the United States will benefit by building a long-term partnership. Together we can and must develop as President Obama has described as, I quote, “a normal relationship between sovereign nations and an equal partnership based on mutual interest and mutual respect.” With our political progress, our economic progress, and our diplomatic progress, Iraq is taking its place as a partner for the United States, our neighbors, and for the family of nations. On the political front, we are building a multi-ethnic, multi-party democracy with respect to the rule of law. Our democratic process is moving forward at a strong and steady pace. Our local elections took place in April of this year. In Iraqi Kurdistan there will be regional elections in September of this year. And our legislative and general elections will take place next Spring 2014, which will determine our national leadership and that will be a very important date to watch. We have a government of national unity that all communities participate in the working of the government and the working of Parliament. Yes, we have differences of opinion as all democracies do. But we are working together and, slowly but surely, our efforts are achieving results. We are promoting Human Rights. There have been violations, which we admit, but there are constant efforts to improve on that and be responsive to all calls. Also the freedom of expression and the advancement of women.

There have been demonstrations and sit-ins in many parts of Iraq—in Western Iraq and in Southern Sunni provinces in Iraq for the last eight months. They have sit-ins, they have obstructions, but the government has not resorted to the same methods that were recently used or deployed in Egypt to disperse the demonstrators. All the political parties have accepted elections as a method of power sharing and peaceful change. Iraqis want to decide their own future with voting, not violence.

On the economic front, we are growing and diversifying. We have the world’s fastest growing economy, expanding by 9.6 percent in 2011 and 10.5 percent in 2012. According to Bank of America Merrill Lynch we will grow by 8.2 percent this year, beating China for the third straight year. On the energy front, our oil production has increased by 50 percent since 2005. Iraq

expects to increase oil production to 4.5 million barrels by the end of 2014, and 9 million barrels per day by 2020. As the International Energy Agency has reported, Iraq is poised to double our output of oil by the decade of 2030. We will emerge as the world's second largest energy exporter and we will ease a strained global oil market.

Despite of this progress, we have challenges that we are working to address. 90 percent of our economy depends on oil. Our unemployment rate is 11 percent, our poverty rate is 23 percent, although there has been significant progress over the last few years toward meeting the Development Millennium goals set by the United Nations (UN). In order to diversify our economy beyond energy, Iraq is investing oil revenues in education and crucial development projects including the restoration of electricity power and rebuilding our transportation system. Our economy will benefit from our progress on the diplomatic front as well.

Last month, the United Nations Security Council removed Iraq literally from the Chapter VII sanction regime. Which imposed economic and other sanctions on Iraq after Saddam Hussein invaded Kuwait twenty-two years ago this month. We are working with the International Monetary Fund (IMF) as well as with the World Bank, and the Arab League, and the Organization of the Islamic Conference (OIC) and many other regional and international organizations as a fully responsible member again of the international community. Now we are moving towards a market economy friendly toward foreign investment. Americans can provide what our nation needs through investment and trade, not charity and aid.

We need the expertise on energy, technologies, engineering, design, construction, and financial services. Iraq offers Americans tremendous investment opportunities including in developing and servicing schools, bridges and highways, healthcare, water treatment, telecommunications and much more. And this is what our strategic framework agreement between Iraq and the United States covers. But make no mistake, nothing that we built together will endure unless we win our war against terrorism and the war to stabilize the country and ensure security for all the people of Iraq.

We see the violence in Iraq and the terrible toll that it has taken daily. We have heard about the threat that compelled your own country to close your missions —twenty-two missions— in the Middle East and North Africa recently. Al Qaeda is behind the terrorist attacks against America and Iraq. And at a time when the United States is seeking allies against terrorism, we want to work with you against our common enemy. We understand what is at stake in this struggle. It is our fight for survival and it is the core of our national and regional policy. We consider terrorism a threat toward peace. Toward regional peace and the security of our people. We are working in close cooperation with the international community and with neighboring countries to fight all sorts and every manifestation of terrorism. Whatever its sources, whatever its intention and wherever we find it. These terrorists are seeking to destabilize Iraq because they see our political, economic, and diplomatic progress as a threat to the desperation on which they feed. If Americans are tempted to conclude that our concern with terrorism is only a justification for our

failure and it is extreme, then think to yourself how would you respond if a terrorist organization were operation on your soil as al Qaeda or its affiliates is operation on ours. Together with the threats against American embassies, the violence on our soil is an example of why al Qaeda is still a threat to all of us. Just yesterday they bombed five hospitals. Not police stations, not government building, no, five hospitals and deliberately. We've also seen the attacks on Eid, on the last day of Eid, which costs the lives of many people.

If America takes its eyes off the Middle East, then there will be a resurgence of al Qaeda and all of its affiliates and more menacing than anything we have ever seen. Our concern with the consequences of terrorism have shaped our views on Syria, next door. For Americans, Syria is more than 5,000 miles away, for us Syria is right on our doorstep. Our border with Syria is long and porous, and therefore we are deeply concerned about the ability of terrorists to use and cross these borders. That is why we are participating in the search for a political solution in Syria that will reduce the violence and diminish the role of the extremists. It's not easy, this political solution, as we see the balance of forces moving this way and another. But that is one of the viable options for the people of Syria. Only the Syrian people can decide and determine their future. Iraq was at the table during the Geneva I talks. And in fact the final communiqué that was produced by the meeting has strong Iraqi input and even in the language that was adopted by all the participants. Now there are new talks about resuming Geneva II, but according to what we have heard here in Washington and New York, this could only happen maybe in October or maybe later. There are no fixed dates yet about that possibility.

We in Iraq do support the legitimate aspirations of the Syrian people for freedom, democracy, and self-determination. And Iraq has tried to adopt an independent, neutral position. Not to side with one side against the other but to seek and support a peaceful democratic solution in Syria. There is no sympathy whatsoever with the Baathists in Syria at all or with the Baathist regime. In fact, at one point when we called the international community to hold the Syrian government responsible for terrorist acts in Iraq, we were the only voice. All our allies and friends abandoned us in that call. Unfortunately, there are some who call for Iraqis to volunteer on both sides in Syria. And have used religious justifications on the basis of a sectarian confrontation. But let me be clear, Iraqi volunteers who are fighting on either side in Syria do not represent the policy of the Iraqi government in any way. We are also opposed to the smuggling of arms from Iran to Syria. The government of Iraq is committed to implementing UN Security Council resolutions promoting peace in Syria. And keeping with our position against the militarization of the conflict, we are doing our utmost to prevent the shipment of arms across our borders or airspace by whomever. But we cannot do this without the capabilities and the sophisticated, integrated defense system that we lack. And this is what we have been asking from our friends to help us with. This is one more reason why the United States and Iraq need to deepen our partnership and to combat terrorism. We need to fully implement the Strategic Framework Agreement that our countries signed before the withdrawal of American forces in 2011. That means expedited delivery of promised military sales, as well as assistance in counter-terrorism and enhancing the

capacity of our security forces. Short of reintroducing American troops in Iraq —no one is calling for the redeployment of American forces— but under the Strategic Framework Agreement there is a great deal of room, of space, for security operations to enhance our common fight against terrorism. Iraq is also in the process of purchasing over \$10 billion worth of military equipment, mainly from the United States and other countries. We are paying for it with our own revenues and we want to buy this hardware from American allies. Our recent purchases of 30 Boeing planes for our national carrier testifies to our potential as a market for American companies, American products and American services.

The view from Iraq and the region also includes opportunities as well as challenges as we have outlined. Over the past two years, relations between Kuwait and Iraq have improved enormously. In fact, there have been mutual visits between the two countries at the highest level. The problems of the past are being resolved through the joint Ministerial Committee and the UN Security Council resolution 2105 on June 27 of this year. This included Iraq's compliance with our obligations toward Kuwait. The only remaining issues —which is not a controversial issue because there has been mutual agreement and timing— is the compensation which Iraq has been doing. But my country is practically out of Chapter VII and the sanction regime. Now we are focusing on the future relationship between our countries so that together we can promote peace, stability, and security in the region. Considering how much has changed between Iraq and Kuwait, there is a new hope for our neighbors throughout our region.

We do not object to Iran having peaceful civil nuclear power programs, but we would be one of the first countries to object to Iran possessing nuclear weapons because of the past and because of their history. In fact, we favor the universalization of the Nuclear Non-Proliferation Treaty, and strict adherence to all of its obligations, particularly in the tinderbox of the Middle East. Definitely, Iran needs to convince the international community that their program is only for peaceful purposes, and the world community needs to engage with Iran to address the issues that have isolated it. We are encouraged by the elections in Iran and the victory of President Rouhani, and the selection of his new team. Iraq has been trying to be useful or to be helpful in reaching an understanding on this very important issue. In order to reach diplomatic solutions to the crisis of the nuclear program, Iraq has worked in cooperation and coordination with the Islamic Republic of Iran and the European Union towards the meeting of the 5+1 group in Baghdad last May. Iraq will continue its efforts in the area of coordination and cooperation with the countries concerned.

As the first nation in our neighborhood to abandon weapons of mass destruction, Iraq recently chaired an international conference on disarmament. Just imagine where we were twenty years ago. We seek a Middle East free of nuclear weapons. Towards that goal, we support efforts to convene a UN conference in Helsinki. Iraq seeks to forge friendship with our neighbors, and a strategic partnership with the United States. Together we can build a future of peace, prosperity, and democracy worthy of the struggles and sacrifices of Iraqis and Americans in our time. And the hopes and the dreams of generations yet to come. I thank you very much.

Q&A

Moderated by Dr. Jon Alterman, Brzezinski Chair in Global Security and Geostrategy and Director, CSIS Middle East Program

Alterman:

Thank you Mr. Minister for that statement. I think it's a sign both of the complexity of your agenda, and the skill with which you handle it. The minister has agreed to take questions. We ask that you wait for a microphone and that you identify yourself, and that you only ask one question until everyone has had a chance, so we can work our way around this rather full room. So we'll start here, if we may:

Q: Said Arikat, Al Quds Daily Newspaper

Thank you Mr. Alterman and thank you your excellency. My name is Said Arikat, I'm a Palestinian journalist in town, but I also served in Iraq as a United Nations spokesman for five years. I got to know it. Your excellency, what are the safeguards you are implementing now to ensure that Iraq does not slide back to the bad old days of 2005 to 2007, especially in light of the merging of al Qaeda Iraq and al Qaeda Syria and how would that figure into a new SOFA, security agreement, without introducing troops on the ground? Thank you.

A: Zebari:

First, I'm a believer as a practitioner of Iraqi politics, not as a diplomat, I personally don't believe that Iraq is sliding into sectarian or civil war for a number of reasons. First, with all these attacks that you have seen, the people have not responded, have not been influenced at all by these deliberate attacks to ignite sectarian or civil war. You've all seen the reports last spring of troops massing up in the frontiers of Kurdistan or in the disputed areas between the federal government and the regional government, but nothing happened and the problem was resolved peacefully. You've seen many people abandon their government in Iraq—the Kurds, the Sunnis, and others—but then through dialogue, through interaction, I think now everyone has rejoined the government to work together.

Also, we've been there before in 2005, 2006, 2007, and we've seen how terrible that situation was when we were counting a hundred, a hundred-fifty bodies in the streets of Baghdad and so on. Really there is self-restraint by all the communities not to be dragged again into that. Although civil wars and other phenomenon, don't happen by a decision or an incident or another incident, but we all followed how the surge worked in Iraq and how successful it was. And still actually there is a great deal of expertise and benefit we are drawing from these efforts.

Secondly, politics has taken over in Iraq. Most Iraqis—even those that are opposed to “the new Iraq” or new regime—are embracing democracy. They are all waiting for the next election to change their future. We have seen the recent local election, how the people have spoken

everywhere. And they are waiting for the next elections in 2014. As I said before, we have had demonstrations, sit-ins in many parts of the country for the past eight months, and the government never resorted to the kind of violence [seen in Egypt] except in one or two incidents in Hawijah. And I'm not here to justify these violations whatsoever, but really generally the government has tolerated this [the demonstrations], so far to go on without any intimidations. And the dialogue is continuing. The other element and restraint, is that the religious establishment —the Shi'a religious establishment— in Najaf and Karbala has stood very strongly against any engagement or retaliations in responses. There are militias, there are forces, extreme forces, on both sides, but really they have not reached the level of seeing the country dragged into a new civil or sectarian war. So security wise, it may not be stable, but it will be manageable until the next year.

Now there are no plans to have a new SOFA (Status of Forces Agreement). We have concluded the SOFA. It's done. It's over. We have another agreement, and that's the Strategic Framework Agreement (SFA), that's a long term agreement that defines Iraq-United States relations for many years to come. And under this, there are joint commissions on security, on diplomatic and political issues, on services, on energy, on cultural things. I have attended the fifth meeting of the Political and Diplomatic Joint Coordinating Committee with Secretary Kerry yesterday at the State Department. So this is indication that this is going on. But under the SFA, I think there is room for more security cooperation between Iraq and the United States.

Q: David Mack, Middle East Institute

David Mack, Middle East Institute, and old hand at U.S.-Iraqi diplomacy. I want to salute what you've done in terms of reintegrating Iraq into the international community. I think future historians are going to rate you right there with the great French Foreign Minister Talleyrand [Charles Maurice de Talleyrand-Périgord] in terms of what you've accomplished. But my hard question for you is: what is the outlook for improving Iraq's somewhat troubled relations with two of your larger neighbors —both Turkey and Saudi Arabia?

A: Zebari:

Thank you David. I appreciate it, one of the first American diplomats I met before becoming Foreign Minister of Iraq was David Mack at the U.S. State Department. I remember that meeting very well in 1991, immediately after the Gulf war and the uprising and exodus. So it's good to see you David, a friend for whom I have a great deal of respect.

Your question is very important. We in the Iraqi government have been discussing this really very closely. Let's be honest with each other. There are two countries that have an influence over Iraqi Sunni communities. Saudi Arabia and Turkey, for different reasons. We have good relations with Iran, with Jordan, Egypt, with the Arab countries. And for your information, now in Iraq we have nearly 92 or 93 diplomatic missions. Including fifteen Arab embassies. So those days of boycott of Iraq, of not respecting this alien body are gone. Even the Saudis have non-

resident diplomatic representation. With Turkey we've experienced many problems, primarily because of the lack of respect by Turkish politicians or officials for dictating, on an elected-Iraqi government, what to do and what not to do. I think now they realize and recognize that there is another way to follow and foster. Although Turkey is our largest trading partner, actually now we have between \$12 and \$15 billion in trade with Turkey. They are after the closure of Syria for their own goods, and for transit and so on, Iraq is the only viable route for them to the GCC and to the Gulf. I'm planning to meet with Turkish officials soon, maybe in Ankara or Geneva, for talks in order to improve that.

With the Saudis also we have not broken relations. We have communications and contacts. There are a number of things we can do to improve relations or to introduce some confidence building measures. One of them, we have a treaty to exchange prisoners. We have Iraqi prisoners in Saudi Arabia. The Saudis have some prisoners in Iraqi jails. We are almost at the final stages of concluding that. We are also considering some business relations with Saudi Arabia through re-opening the Ar'ar border point between Iraq and Saudi Arabia. David, for your information, I was in Riyadh a few months ago and I discovered that the Saudi trade with Iraq —not directly, but through Jordan and Kuwait— was nearly \$4 billion.

And also we need to lower the rhetoric, the sectarian rhetoric really, on both sides, in many ways, in order to seek viable healthy relations. Our resolving of our problems with Kuwait have helped —with the Saudis and with the other GCC members. But I take your point, it is an important challenge for us, in fact, to work on that very seriously.

Q: Barbara Slavin, the Atlantic Council and Al-Monitor

Minister Zebari, always a pleasure to see you wherever, in Washington or in the region. I wanted to get a little more detail on your views on the new Iranian government, and on what Iraq is willing to do to facilitate the nuclear talks. Were you in Tehran for the inauguration of President Rouhani? Could you tell us something about your discussions with them and what your sense is of how the U.S. is receiving the overtures from the new Iranian government.

A: Zebari:

Thank you Barbara. I believe that the election of President Hassan Rouhani was a statement by Iran and the Islamic Republic of Iran to the international community, to the world that they mean serious business. Otherwise, there are many ways his success or his election could have been scuttled from the first round to force it into a second round, but the pressures were enormous on the establishment to go along with the outcome. And also he has drawn a great deal of support from the reformist movement. Rouhani is a credible leader who is a member of the regime. He is not weak. He has very strong relations with all the key leaders in Iran, Khamenei included, Khatami, Rafsanjani, and others. So he's a member of the revolution —his credentials could not be challenged.

Also the statements we have heard calling for moderation, calling for the ending of Iran's isolation and the suffering that the Iranian people are going through by the imposition of sanctions and political isolation. I think were made very clear and loud. I wasn't in Iran actually during the inauguration, but the Vice President was there, Masoud Barzani, the Kurdish Prime Minister was there, so the information we have had was that there would be a change. But this change could not come immediately as many people expect. The key element that many people will be watching will be the 5+1 meeting in September and whether the Iranians will come to present any new approach. I personally doubt that it will happen that soon, but the pressures are amounting definitely on them to seek a solution. My message has been really not to underestimate this change in Iran, but we have to wait and see because the proof of the pudding is in eating, as they say. But it is a positive change, the way I see it.

Follow-up: Alterman

Mr. Minister, if I could pick up on one part of Barbara's question. She also asked if Iraq sees any role in helping to facilitate a change in the world's relations with Iran.

A: Zebari:

I believe Iraq could serve as a bridge between the United States, the UN Security Council members, and Iran—and we have played that role in the past. As indicated in my speech, the hosting of the nuclear talks in Baghdad last year was an indication that we have an interest here to help, to facilitate, but not to be a bridge that, let's say, falls under pressure from both sides, but to communicate fairly and honestly, and we will continue to do that because we have a vested interest in it.

Q: Henri Barkey, Lehigh University

Mr. Minister, in the Kurdish areas of Syria, you have now a fight between the Kurds and al Qaeda and the president of the KIG has said that he might use [Iraqi Kurds] to protect the Kurdish people. What is the position of the Iraqi government to an attempt by a segment of Iraq to send forces across the border into Syria? Would that be part of your policy, and also, what do you think should happen to the Syrian Kurds?

A: Zebari:

Thank you Henri, good to see you. This is a good question again. In fact, there has been some fighting between al Nusra and some other extremist groups with the Kurds and the PYD [Democratic Union Party] party there, which is in charge there. There have been some massacres reported of the killing of hundreds of civilians based on ethnicity. This has raised alarms throughout the Kurdish community, throughout the region, but also in the KRG, to do something to defend or protect the Kurds in Syria. But these decisions really need to be coordinated and we have had discussion within our government in Baghdad. The Iraqi government and Prime Minister Maliki are fully aware of the tension in Syria and the danger of the al Nusra, al Qaeda nexus that is forming across the border in Syria. I believe, what President

Barsad has said is that he will ask the newly formed Kurdish national committees to investigate the situation before making any decisions. So it's not sending Peshmerga troops across the Tigris or the Syrian border to fight a war there, it's still early, we are not there. There have been discussions between the Syrian opposition recently to resolve this conflict but any decisions will be made in coordination with the government of Iraq and will not be made unilaterally by the KRG.

Q: Chris Eischen, CBS

I wonder if you could address specifically the threat from al Qaeda in Iraq—I believe the numbers have gone from about five to ten suicide bombings a month to about thirty a month, that's a big escalation. What do you attribute that escalation to and what is your government doing about it?

A: Zebari

Thank you. That is why we are here, basically, to seek more help and support because really the al Qaeda network and its affiliates are a real serious challenge to the stability of Iraq and of the region. Also, we see an emergence between al Qaeda in Iraq and al Nusra in Syria, and other affiliate groups, they are flourishing in this kind of circumstances. The United States has a vast experience in combating al Qaeda in Iraq through the use of its technology, intelligence on al Qaeda and on their networks, on fighting them, and in its counterterrorism techniques. We need to benefit from this expertise and to forge a better relationship with U.S. security forces to enhance our abilities and capabilities in terms of weapons, equipment, and technology. Because it's not going to stop al Qaeda there, as such. We have had our own failures as the Iraqi government, we have admitted them, we could do a better job. But really the challenge is beyond our capabilities.

Q: Mark Kimmitt, retired U.S Department of Defense

I'd like to follow up on this issue of counterterrorism. You've identified it as probably the key issue inside of Iraq right now, it's what's brought you to Washington D.C., yet you have preemptively taken off any option for U.S. military support—what you referred to as boots on the ground which would necessitate a SOFA. Is that an Iraqi decision, not to ask for American troop support to provide that expertise, or is that an American political decision placed upon you, or a combination of both?

A: Zebari:

Really we are not short of boots on the ground, we have nearly one million thanks to the U.S. in helping to raise and train these. So it's not the number of boots on the ground or American soldiers in Iraq, and no this is not the request from my government, to reintroduce U.S. troops in Iraq in any numbers. But as you know, we have security cooperation with the United States within the security office attached to the embassy in Baghdad and within the Strategic

Framework Agreement there is room to support and to enhance Iraqi democracy and support all the efforts. When we drafted it actually, we were conscious that in the future we may need further assistance and help. So there are many ways, you as a military commander you know that, there are many ways the military could provide help, short of sending troops into Iraq. So it's not the request of my government and I don't think there is any appetite or willingness here also to send troops abroad or to engage in another conflict.

Q: Josh Rogin, Newsweek and the Daily Beast

Thank you for your time today. As you know, as we discussed, increased security cooperation is one of the main request by the Iraqi government and for new U.S. arm sales to Iraq. Lawmakers here in Washington are concerned about those sales for two reasons. They believe that Iraq is still allowing Iran to use Iraqi airspace to promote the flow of arms to the Assad regime. Also they are concerned that the Iraqi government may use U.S. weapons towards political ends to marginalize the political opposition as we've seen in the past. What assurances can you give us on both of these fronts? What specific steps are you taking to stop the arms flow from Iran over Iraqi airspace to Assad? And what assurances can you give us that, as we approach new elections, that U.S. weapons won't be used for domestic political purposes? Thank you.

A: Zebari:

Definitely my government will abide by all the rules and regulations that the U.S. Congress will impose on arm sales. Not only to Iraq but to many other countries in the world. So we will abide by that, definitely, for these weapons not to be used for domestic use or improperly. But to be used for the defense of the country.

Now on the flight issue —of Iran using Iraqi airspace— let me give you the reality. Sometimes we are speaking theoretically about the situation, as if Iraq has dozens of fighters or aircrafts. For your information, Iraq doesn't have a single fighter plane up until now. It has a couple of helicopters, some training let's say planes, but it doesn't have a single aircraft to protect its airspace. Iraq up until now doesn't have an integrated self-defense to protect its skies. We have requested and we are waiting for the delivery. So, that is the situation when we talk about Iraq's capabilities and deterrence capabilities to prevent others from using its airspace and so on. We have made demarches to the Iranians. We don't want and we don't support you or any othera to use our airspace because it runs against our policy of taking an independent, neutral position here, not to militarize the conflict in any way. And we have done a number of inspections. These inspections could not be endorsed by some circles here in the United States. That this could choose only those who carry legitimate materials or equipment. But we have raised the possibility here, really, we will continue to live up to our commitments here. But there are Security Council resolutions banning these from leaving Iran. Under Chapter VII, whether its weapons, imports, exports... we don't have the capabilities of enforcing this. Though politically we have made these demarches. So the question is who's going to reinforce that? Is it the Security Council or who? We've taken note actually of the U.S. administration's serious

concerns about these flights. I can tell you now, they have gone down. They may have not stopped, but believe me, we have no way of making sure that what kinds of weapons and equipment... By the way it's not only Iran that is providing Syria by arms and ammunitions. Russia, other sources, it's very clear from the Tartus port on the Mediterranean. It's seen daily by U.S. satellite and imagery how much weaponry is going into Syria. So here we don't want to see, to take or to view Iraq as a whipping boy for failing to hold others to their commitments. But we will live up to our commitment, I think we will do more to live up to our commitment to stop or to prevent any further illegitimate flights. Again, there is an international law case here, for this agreements, and the arrangements between countries and so on. But we have taken note of the administration's position.

Q: Phoebe Marr, Independent Scholar on Iraq

I'd like to add my word of welcome and please come visit us more often. I do have a question; I'd like to get back to oil. One of the things that's inhibiting investment, as you know, is the lack of a hydrocarbon law. How close is Iraq really to achieving a hydrocarbon law, and please give us some sense of all these pipeline proposals we hear about to take place —the independent one from Kurdistan to Turkey, the new one from Baghdad to Turkey, potentially though Jordan. What are we to make of those and how realistic are any of them?

A: Zebari:

Thank you Phoebe. It's good to see you here with still the same spirit. The hydrocarbon law is one of the key political challenges for Iraq or for the new Iraq on the basis of the Iraqi constitution that devolved power and wealth among the region and among the people, and only recently the Iraqi Parliament passed legislation to enhance the power of the governorates, of the local authorities, in each governorate in Iran. And it has been a political issue between the KRG and Baghdad, this hydrocarbon law. We had a version that written and agreed to in 2007, that was accepted by both sides, but it didn't materialize. Still it is the key reference point, because of the deteriorations of relations between the KRG and Baghdad there has been a separation of thinking, of planning, of using the oil resources and approaches with Turkey, and Iran also for your information, it's not just Turkey. But really I'm not pessimistic and hopeless for finding a resolution of this because it benefits the country, it benefits everybody and it enhances the Iraqi oil industry. The issue of ownership, the issue of reliability for other oil investors to work in Iraq, it is a very important subject and it is a top issue in all the political meetings. But whether it could be enacted soon, really I don't want to give you any false impression. I believe this issue is one of the existential issues in the new Iraq. It has to be solved with partnership, with participation, with genuine resolutions of the key political issues that are hindering Iraq. I personally believe there is a better atmosphere now, there is better communication, recently by exchanges of visits by Prime Minister Maliki to Erbil and President Barzani to Baghdad, they have agreed to address this issue promptly and to form a serious tactical commission to look at the issue. There is also related to the hydrocarbon law, the revenue sharing in the country as a

whole, they are related. These two issues I think they are doable, but it depends a great deal on the political understanding between the leaders. Yes, the KRG is trying to enhance its position through opening up to Turkey, Turkey's relations with Baghdad are not at the best stage, which is something we are trying to fix. Normalizing relations between Ankara and Baghdad is something that could benefit all, including the KRG.

These pipelines, they are also controversial issues, to be honest with you. I mean, there is no agreement on them and we agreed that very soon there would be a meeting in Baghdad of this commission to address the issue of the pipelines and to see if we can finalize the hydrocarbon law before the end of this year or to be left until next year's elections which seems most likely.

Q: Wallace Hays, Independent Consultant

I wanted to give you an opportunity, a lot of people here feel like there's been a lack of political reconciliation in Iraq and that it has been U.S. policy to support the Erbil Agreement, which has not been implemented in Iraq. And, following up on Mr. Rogen's question, I wanted to give you the opportunity to explain, why should the United States sell arms to Iraq, when in fact many people believe that the lack of political reconciliation is contributing to some of the violence today? Thanks.

A: Zebari:

Thank you. Political reconciliation is the key issue really, for Iraq and the stability of Iraq and I think that all of the key leaders believe that this is the way forward. With the hydrocarbon law, with normalizing relations with Saudi Arabia, with Turkey, I mean all the questions have been pointed questions about the core issue in Iraq. The political reconciliation is moving, it's not stagnant. I mean, look at the representatives of the Sunni community, let's say or from al-Iraqi parliamentary blocs. They are now represented in Parliament, now they are represented in government. They may feel that they are underrepresented or marginalized, this is a fair call, I mean we could do more about that, definitely. But really the lessons that came out of this local election were very, very important. Many people believe they could do with the majoritarian democracy or political majority government, that the one sect or one group could win all over and rule by themselves, it proved they couldn't. They could win but they could not govern. And I think everyone realized and recognized that there has to be an inclusive democracy, a non-sectarian democracy, in Iraq for this country to have any future.

Alterman:

Mr. Minister, I've heard a lot of foreign ministers speak. I don't think any has a more complex agenda and I don't think anyone handles it as well as you've demonstrated you handle it today. I'm also a little bit humbled by the fact that I think you have more friends in Washington than I do, and I live here. So thank you very much for honoring us today, we look forward to welcoming you into our new building.