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The Evolving National Strategy for Iraq

Testimony to the House Subcommittee on National Security, Emerging Threats, and Committee on Government Reform

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July 11, 2007

The Committee has asked five questions. Each could be the subject of long discussion, and I have provided two additional papers as annexes to my testimony that I ask be included in the record. One to describe the strategy that I would recommend and the second to make clear just how serious the problems are in US government reporting on Iraq.

I know the time of Committee members is limited, however, and I would provide the following summary answers:

To what extent does the November 2005 "National Strategy for Victory in Iraq," and the actions described in the Fact Sheet "Camp David Meetings: Building on Progress in Iraq" address the desirable characteristics for an effective national strategy?

In broad terms, the strategy the US is now pursuing is the only one open to it. Creating a sovereign Iraqi government that unites the country as much as possible is a key political goal. There is no meaningful way for the US to somehow divide up Iraq, force compromises that Iraqi politicians cannot reach, or change the political path an elected Iraqi government is already on.

The US is clearly proactive in supporting this process, and is doing what it can. The risk, however, of civil conflict and of Iraq dividing is still far higher than the US publicly admits. There is a very serious risk of failure. The militias have become as much of a threat as the insurgents, and Sunni factions are only part of the story. The threat of Kurdish-Arab fighting in Kirkuk and other "border areas, ethnic cleansing in Iraqi cities and mixed areas, and Shi'ite extremism in Basra compounds all of these risks.

The US is pursuing the right overall security strategy: Creating Iraqi forces that can assume the security mission as soon as possible, and that serve the nation and not a given sectarian or ethnic faction. The US has, however, understated the risk that Iraqi forces will divide, and the scale of the problems in the Ministry of Interior, the security forces, and the police.

It is not clear that the US has the resources to fully implement its plans for a "year of the police" or the support from the Iraqi government for all of the actions needed to eliminate Shi'ite and Kurdish activists. The US does not seem to have plans to provide adequate equipment for Iraqi forces or to help them transition to the point where they can defend the country against foreign threats versus support a counterinsurgency campaign. The US position on full withdrawal and not seeking permanent or lasting bases remains ambiguous.

It is far from clear that the present strategy will also provide the kind of governance and court systems necessary to support Iraqi forces and police in bringing true security at the local and provincial level.

The greatest single weakness in the aspects of US strategy that the US can directly influence lies in the economic dimension. The US aid and economic development effort has been and is a dismal failure that has wasted at least \$10 billion of US and Iraqi money. It has never been properly planned, has little impact in the poorest and high-threat areas, has failed in many key sectors, and has lacked meaningful audits and measures of effectiveness. Massive amounts of money have been wasted in the wrong areas, on security, on contractor overhead, and on efforts that Iraq cannot sustain on its own.

USAID systematically concealed gross failures, waste, and corruption until the Special Inspector General for Iraq Reconstruction (SIGIR) began to force proper exposure and fiscal controls. It reports project starts and completions, not effectiveness. It reports peak power and not distribution. It relies on contractors and tolerates failure and waste.

At some point, Iraqis are going to need more than politics and security, they are going to need jobs, real economic growth, proper sharing of the national wealth, and a sustainable path for progress. The US currently has no viable strategy for providing this. As a result, it needs to make as quick a transition as possible away from US government and contractor managed aid to Iraqi planning and management, subject to US auditing and review.

What actions are being taken to defuse ethnic and sectarian differences and achieve national reconciliation among Shi'ia, Sunni, and Kurdish groups?

Discussions and negotiations began at the informal level in 2004 and have stepped up significantly since the new government came to office in May and June. Reports of the level of actual progress vary sharply, but the government does seem to have made progress in persuading Sunni parties -- including the more moderate insurgent groups -- to begin to negotiate meaningful compromises. The Kurdish parties have played a consistently constructive role, although they have pushed hard for control of at least local oil resources and ethnic shifts in Kirkuk. The Shi'ite parties -- with the exception of Sadr -- have generally shown more unity than some expected, and more moderation.

The US Embassy and ambassador have played a highly constructive role and have consistently encouraged (if not pushed) the Iraqis to compromise and act. The US command has been supportive, even when this presents at least some problems over issues like amnesty.

The fact is, however, that the group to review the constitution has not yet been fully appointed, there are no breakthroughs to date, all of the hard details at best are in the preliminary negotiation stage, and most of the negotiating factions have only a dim idea of the level of resources that actually exist and how to structure a final settlement in those areas that involve complex resource, financial, territorial, and power sharing issues.

The real negotiating still has to begin, the Iraqi public still have to be persuaded to accept the result, and Iraqis then have to find out whether any successful result will actually work in some 50 or more areas. This is a long road to travel, and the outcome may well not be clear until mid-2007 at the earliest.

What actions are being taken to secure the country, including neutralizing militia groups and securing major centers such as Baghdad, Basra, and Ramadi?

The Iraqi government -- specifically Prime Minister Maliki -- has announced the intention to neutralize the militias, and both the Iraq government and US forces have announced plans to secure some major centers.

To date, however, there is very limited progress other than straight counterinsurgency operations in high-threat areas. The Iraqi government has not yet announced specific plans or taken specific actions to deal with the militias, although Prime Minister Maliki and President Talibani have shown considerable courage in stating they will do so even in areas that are dominated by the militias, such as Basra.

The sweep of Baghdad that began in June seems to have been more symbolic than real. Security in the western Sunni cities is limited to armed force. Mosul is a question mark. Kirkuk and Basra are powder kegs. The lack of major insurgent action in the Shi'ite south conceals serious internal Shi'ite rivalries.

Action may be coming, but words are not a substitute for the real thing. Moreover, securing the country requires a government presence and governance at the local level, functioning courts, and functioning civil police. It is not enough to simply fight the insurgents, control the militias, and deal with the worst aspects of organized crime.

What are the prospects for increasing electricity output and stabilizing oil production and exports?

The question is poorly phrased and lumps very different activities together. The key aspects of infrastructure and routine services are power, fuel distribution, water, sewers, roads, and trash disposal. Education and medical services, and working government offices, are equally essential. The quality of these services is measured by their distribution and not by national peak capacity.

The US has provided no meaningful reporting in any of these categories, and one of the major problems with its strategy is the lack of such measures of effectiveness.

As for oil capacity and exports, there as yet seems to be no convincing overall plan for rehabilitation and growth. The US and Iraqi government are forced to fix what they can when they can, and do so in the face of major security problems and the failure of the protection services designed to reduce them. The good news is that high oil prices disguise the seriousness of these failures. The bad news is that field mismanagement and overproduction are probably seriously reducing ultimate recovery in the fields that are producing, and the US chose to leave gasoline and fuel prices at subsidized levels that have serious distorted the Iraqi market and demand.

What are the prospects for re-engaging other nations and international organizations in efforts to stabilize Iraq?

Many other nations and international organizations are already involved in Iraq. Some -- like Iran, Turkey, and Syria -- are more problems than solutions. Some -- like Britain and Australia -- are key allies. The real problem is the scale of effort, the level of actual funding, the quality of planning and execution, the emphasis on symbolism and showpiece projection, and the lack of coordination.

In the real world, other nations and international organizations can probably be persuaded to do more, but their scale of effort will be far too limited to meet Iraq's needs or replace continuing US aid and support. They will also wait or limit their involvement until Iraq shows it has reached viable political compromises and is far more secure.

There is no meaningful chance that the US can significantly reduce its own efforts by exhorting others, and calls to do so are hollow political rubbish.