



SHAPING A “CONDITIONS- BASED” STRATEGY AND PLAN FOR STAYING IN IRAQ

April 17, 2008

Anthony H. Cordesman
Arleigh A. Burke Chair in Strategy
acordesman@gmail.com

The progress report that Ambassador Crocker and General Petraeus have just delivered has had a polarizing effect. Republicans and those who believe the war is winnable could find enough evidence to support their position, and see Iran as a rising threat, and many reasons to stay. Democrats, and those who argue for withdrawal, could see new internal risks and conflicts, and many reasons to leave.

The Failure to Define a Path for the Future

Unfortunately, a progress report is a progress report; it is not plan or case for future action. Further, neither the President's speech or any of the testimony by senior officials, laid out a path for future US involvement in Iraq. "Conditions-based" became an excuse for an undefined and open-ended commitment. The Administration effectively wasted what may be its last opportunity to provide a plan and case for sustained US involvement in the war, and failed to define the conditions for staying or leaving. The end result was even more partisanship, and a more polarized Presidential campaign.

This situation is further complicated by two other failures to lead. One is the broader failure to provide an overall strategy, plan, and program for the Iraq War, Afghan War, or Global War on Terrorism (GWOT). Both the Administration and the Congress failed to deal with the fact that the US is fighting two "long" wars of roughly equivalent importance, and that must both be funded and fought with adequate forces and deployments.

This situation is made worse by the fact that the Afghan War is left in near limbo by the Administration. There is no progress reporting similar to the Department of Defense quarterly report on Iraq, or the State Department Weekly Status report. There is no serious reporting on Afghan force development, and no real reporting at all on the overall progress of the aid effort similar to the reports provided by the Special Inspector General on Iraq Reconstruction (SIGIR). Moreover, what testimony does occur does not appraise the effectiveness of the overall NATO/ISAF/UN/Afghan Compact efforts, or the fact that the Afghan War is directly coupled to the Taliban, Islamist extremist, and Al Qa'ida effort in Pakistan.

The second failure is a similar lack of any clear budget and spending plan for the Iraq War, Afghan War, or GWOT. The Bush Administration has never explained the impact of the Congress's failure to fully fund the FY2008 supplemental, and its restrictions on the funding it did approve. It failed to present a meaningful budget request for FY2009, deferring any justification of its current budget request to a place-holding \$70 billion supplemental that may well have to be more than doubled, and which would have to be voted on towards the end of this year –potentially after a new President is elected.

This follows nearly seven years of war in which the Administration has left it up to Congressional agencies like the CRS, CBO, and GAO to guesstimate the cost of the fighting, and where the Department of Defense and Department of State have neither

costed nor justified their overall wartime budget requests in realistic detail. Furthermore, for the sixth consecutive year, there is no outyear funding for any of the wars the US is fighting in the Future Year Defense Plan or FYDP. This combination of no plan, no program, and no budget for the Iraq War, Afghan War, or GWOT makes it almost impossible to understand what the Administration is doing in any detail, and provides an open invitation to exaggerate the past and future costs of the war and the burden it places on federal spending and the economy.

In short, it is hard to see how the Administration could do a worse job of explaining and justifying its strategy, plans, programs, and budgets for war; of winning Congressional and public support for a sustained effort; or persuading all Presidential candidates that there is a viable foundation to build upon.

If You Break It, You Owe It: A Moral and Ethical Responsibility to Iraqis as Well as Ourselves

The fact remains, however, that much of the Iraqi failure is the fault of the US. We clearly need to recognize the cost and sacrifice this fighting has imposed on the US troops and civilians who have served in Iraq. We also, however, need to honestly address our own failures and responsibility, and the problems Iraq faces.

We are talking about the fate of 28 million Iraqis, as well as real strategic interests like our position in the Gulf (with some 60% of the world's proven oil reserves and 40% of its gas), containing Iran, and maintaining our position in Gulf bases which are the key to our airlift to Afghanistan. It may be politically expedient to ignore the Iraqis at a time when we are so focused on our own concerns and interests, but it is also morally and ethically dishonest to do so.

Iraqis lived with their sectarian and ethnic differences in relative peace before the Ba'ath, Saddam, and the US-led invasion. Sunni and Shi'ite Arab tensions and clashes occurred before the Ba'ath, but only at very low levels and in spite of the fact that the Turks and British deliberately favored the Sunnis as part of divide and rule tactics. The Kurds came under constant pressure, but there were a series of moves that could have provided for autonomy in the pre-Ba'ath era. It took massive repression and Iranian interference (which then had covert US and British support) to put down the new round of fighting that started in the early 1970s

It is also true that we did not break Iraq, Saddam did. Iraqis have lived with war and tyranny since Saddam Hussein carried out a bloody purge of the Ba'ath Party and Iraq's other political parties in 1979. That is a period of nearly 30 years. Every Iraqi under 50 has lived through the turmoil of 8 years of war with Iran, an effective bankruptcy and dependence on foreign war loans that took place in 1984, the resulting collapse of much of Iraq's educational system and economy, and then with the consequences of Saddam's invasion of Kuwait in 1990 and the Gulf War in 1991.

Between 1991 and 2003, the Gulf war was followed by a half decade of sanctions and shortages, and then by a failed and corrupt UN oil for food program between 1996 and 2003. The country was divided by Kurdish isolation in the north and by the regime's low-level civil war against the Shi'ites in the south and steadily growing discrimination against them. Iraq's political process was frozen around an authoritarian state rule, and the kleptocracy around Saddam. Iraq's population grew from some 16-17 million people at the beginning of the Iran-Iraq War to 26-27 million by 2003. Nearly 40% of Iraq's population had known nothing but Saddam, war, economic crisis, and the steady deterioration of education, the economy, and government services. Corruption and membership in the Ba'ath became the only way that much of Iraq's middle class could survive.

Since then, Iraq has seen a US-led invasion in 2003, and five years of occupation by US and allied forces. Every young man and woman in Iraq, nearly 10% of a very young population, has come to adulthood at a time when the US has dominated Iraq's efforts at nation-building, political development, economic development, the creation of Iraq's security forces, and the counterinsurgency campaign.

We took a broken Iraq and made it worse. We went to war without any plan to provide stability operations, or replace Saddam with a viable approach to governance, security, and development. We empowered Shi'ite exiles in ways that disenfranchised much of Iraq's best-educated and most secular population or drove them out of the country. We had no aid plan when we invaded, and then effectively spent what SIGIR reports is over \$30 billion in Iraqi funds – as well as misspent over \$40 billion of our own money – on rushed and improvised aid efforts that did at least as much to benefit foreign contractors as Iraqis, and almost nothing to create sustainable jobs.

We helped disband the Iraqi forces, denied the rise of an insurgency when it began, and then spent at least three of the last five years failing to properly plan, fund, and staff efforts to create effective Iraqi security forces. We rushed into a constitutional process under conditions almost designed to provoke sectarian and ethnic conflict, and then made things far worse by delaying meaningful local and provincial elections and creating a "closed" system for national elections that made no allowance for true representative government and forced Iraqis to vote for entire lists of unfamiliar candidates dominated by Shi'ite and Kurdish parties.

Half a generation of today's Iraqis have lived with insecurity, and with unemployment and underemployment levels affecting more than 50% of the population. It is certainly true that Iraqis need to take responsibility for their actions, but we need to take responsibility for ours. Regardless of the reasons we went to war, or what Americans may individually think of the war, we cannot afford to forget how much our own actions and failures have impacted an entire nation, and one to which we now have a major moral and ethical obligation. To paraphrase Colin Powell, "if you break it, you own it."

The Need for Leadership

There is both a strategic and a moral case for staying in Iraq as long as Iraq moves forward at realistic rates of progress, as long as Iraq does not plunge into serious communal conflict, and as long as Iraq has a government that wants and benefits from US support and is not linked to Iran.

That said, my sympathy lies with the senators and congressmen who tried for hours to get some hint of a clear plan or strategy for the future, and got nothing but “conditions based” statements of uncertainty. They should have had more than a progress report. They should have been told how the US plans to help Iraq assume the burden of its own security, governance, and development. They should have heard clear plans for the US to steadily reduce the size of its forces, their role in combat, and the cost of its presence, and they should have been given at least nominal timelines for phasing out the US role and presence.

There should have been a much franker picture of how far Iraq has come and how far it has to go, and of what the US currently is asking of both Iraqis and Americans. It is all too clear that any realistic form of success or victory will require the US to phase out its presence carefully and slowly and that this will probably take at least through the next presidential term. It is far more realistic to talk about what can be done between 2008 and 2012 than to talk about any form of quick departure. We should not be wandering into the void without a clear plan for the future, and with open ended and undefined commitments. Five years into a war, we should have clear and well-defined goals and priorities for the coming years -- although these clearly will have to change according to conditions.

There should be a US strategy, plan, and five-year program budget for the Iraq War, just as there should be one for Afghanistan. This plan should not consist of rigid milestones, and it should be based as soon as possible on Iraqi plans rather than US ones. In fact, the most discouraging single aspect of the Crocker-Petraeus testimony is the fact that the US cannot point to any coherent Iraqi plans for political accommodation, effective governance, creating independent Iraqi security forces, and economic development five years after the US-led invasion. We should not have to lead at this point; we should be helping an ally implement its own goals and plans at a pace that it feels is practical and that it can actually achieve.

Shifting to Iraqi-Based Plans and Goals

In reality, the present Iraqi government simply is not ready. It has tenuous legitimacy, and little practical competence. The Iraqi central government is led by a compromise prime minister from a minority party and even its leading Shi'ite coalition is a fragmented mess that would probably never have emerged if Iraqis had had the opportunity to vote for open lists and candidates they knew and who represented them at a local and regional level. The shock of 35 years of Ba'ath tyranny, and the long series of mistakes the US made after the invasion, has also left Iraq with a weak and uncoordinated central government with limited planning and administrative capabilities.

Accordingly, the US should visibly and constantly press the present Iraqi government hard for clear plans that will satisfy the conditions the US places on its presence in Iraq.

Political Accommodation and Elections

These Iraqi plans should include a comprehensive plan for moving towards political accommodation with specific proposals for legislation and implementation. The Iraqi government cannot guarantee to meet any given deadlines for key legislation or for making effective use of the Iraqi budget. It can set goals, it can debate how political accommodation could work, and above all, the central government can set forth a clear plan and framework to hold legitimate local and provincial elections in 2008 and national elections in 2009, and for resolving the issue of Iraqi federalism and Kurdish autonomy.

Iraqi plans to rapidly fix the quality of governance by the central government are not feasible and cannot have true legitimacy without much stronger local and provincial governments to compensate for the weaknesses of the central government, and without local representation for key cities, factions, and regions.

There needs to be UN-supervised elections with open lists and candidates with direct responsibility to the Iraqis that elect them. It should be clear that Sadrist and other militias will not be allowed to play a role, but also that Al Dawa and the Islamic Supreme Council in Iraq will not be allowed to exploit their control over the central government, budget, and Iraqi security forces to rig the elections. It should be clear that Iraq's Arab Sunnis will be able to choose from local candidates, and not see their options limited by today's half-formed Sunni national parties. It should be clear that Kurdish democracy does not impose standards that limit the ability of other Iraqis to run and vote.

The US should not insist on exact deadlines for either election, but the October 2008 date should not slip beyond the early spring of 2009. Holding open national elections reasonably close to schedule should be a make or break condition for the US remaining in Iraq.

Money, Kurdish Autonomy, and Federation

Rushing into votes on federation and Kurdish autonomy are a different story. Iraq would have been far better off with a constitution that limited any special regional status to the issue of Kurdish autonomy, but that particular die is cast.

What Iraq cannot afford to do is to rush into any definition of a Kurdish region that does not take account of real-world ethnic boundaries, where no clear effort is made to define what a Kurdish dominated area can and cannot do given the needs of minorities, and without a UN-supervised referendum or agreement that produces credible and transparent results.

This should, in fact, be another make or break condition for the US remaining in Iraq. It should be made clear that the US will only stay if Kurdish rights are protected, and

equally clear that the US will not support the Iraqi Kurds if they seek independence or to expand their control beyond what are clear Kurdish areas.

The best solution to federation in the rest of Iraq would be no federation at all. Iraqi political accommodation – and sectarian and ethnic compromises, mixed areas, and zones – will be far better off if they are not enshrined in some form of formal federal structure. As is the case with the Kurds, however, that the US should make it clear that it will not stay if any vote is not legitimate, is abused by the current parties in the central government, or expands Shi'ite power at the expense of Sunnis.

When it comes down to the other elements of Iraqi political accommodation, the State Department summarized progress, as of early April 2008, as follows:

- *Provincial Elections*: The CoR is currently reviewing the law, which will set the legal basis and structure of provincial elections.
- *Hydrocarbons Package*: The level of control allocated to the central government in the July 2007 draft version of the Framework Law (currently in CoR Committee) is the key point of disagreement; there may be more progress on the Revenue Management Law, currently with the Shura Council, in the coming months.
- *Amnesty Law PASSED*: CoR approved the law on February 13; the law was signed by the Presidency Council February 26 and was implemented March 2.
- *Pensions Amendment PASSED*: Published in the Official Gazette December 2007.
- *De-Ba'athification PASSED*: Approved by default by the Presidency Council February 2008. Reform Published in the Official Gazette in mid-February.
- *Provincial Powers PASSED*: CoR approved the law on February 13; the law was vetoed by the Presidency Council February 26. The veto was rescinded on March 19.

This progress may be slow, but it also may well be as fast as the settling of existential issues between various Iraqi factions can permit. In any case, the key issue is that an acceptable set of practices be put in place within the next 12-24 months. There is far too much Congressional emphasis today on formal legislation. Passing laws is only part of the story; creating facts on the ground is what counts. Both the US and Iraq need oil laws which not only fairly share the money and reserves, but move Iraq towards renovating its fields, expanding refinery and product production, and putting Iraq on the path to steadily increased export income.

The mix of laws affecting the return of former Ba'athists, retirement and pensions, and resettlement and refugees has to end in actual implementation that most Iraqis can live with, and which will bring Iraq's professional class back to functioning jobs and secure homes. This will be a messy and often unfair process at best, and US influence will be sharply limited. The US should, however, focus on the results and not the laws per se.

Iraqi Forces

There should be a clear Iraqi plan for developing Iraqi forces that goes beyond increasing force quantity and focuses on honest and realistic measures of force quality and specific goals and timeframes for phasing out dependence on US forces. The open-ended expansion of Iraqi forces without clear Iraqi plans to replace US and allied forces should end. The Iraqi government should develop goals it becomes vested in and takes responsibility for implementing and funding. It should clearly tie force development to goals for US force reductions and a shift from combat roles to enabling, training and advice, and strategic overwatch.

Iraqi self-financing, and an Iraqi conditions-based schedule for phasing out any combat role by US forces by 2012, would provide time, continuity, and access to US aid and support. It would also reflect the political realities in both Iraq and the US. There are limits to how long the Congress and American public will support a major troop presence even with success in political accommodation, security, governance, and development. There is already a strong desire on the part of most Iraqis to see the US leave as soon as a reasonable degree of security can be established. If Iraq sets broad, conditions-based goals for taking over security, it will serve the interests of both nations

Iraqi Money

It may take years to make Iraqi revenue collection, budget allocation, and spending efficient and to reduce corruption to more acceptable levels. However, Iraq already faces a future where US and other aid will be cut to a minimum, and where it needs to take over the cost of most development no later than 2009.

There should at least be an Iraq five-year plan and budget, for funding Iraqi forces and funding Iraqi development and one that sets clear goals for large phasing out dependence on US and other foreign aid for both development and security during the course of the coming year. Having Iraq take real fiscal responsibility is the only way to give Iraq the incentive to become competent in using its own money.

Once again, this should be a condition for the US to stay. The US will still need to fund some aid and advisory efforts for at least several years to come, and making the Iraqi budget process work at acceptable levels may take until 2010. It should, however, be clear to Iraq – and to the Congress and American people – that the cost of the US presence will drop sharply in a few years.

Relying on a Process to Be Completed by the End of the Next Administration, Not Benchmarks and Fixed Deadlines

Creating such plans will almost certainly take the Iraqi government time, and they probably will not be complete until the next Administration takes office. They will then constantly have to be changed and updated, and there will be a long series of problems and delays along the way. “Conditions-based” planning is very different, however, from no plan at all, and if the US is to persist in Iraq, Iraq must give it the reasons to do so and show it is moving towards true sovereignty and independence.

The Need for a Conditions-Based US Strategy and Plan

However, the US should not wait on the present Iraqi government. It needs to define its own strategy, plans, and budgets, and use them to step up the pressure on the Iraqi central government.

The US has every reason to set its own goals for political accommodation, and setting what should be conditions-based criteria for staying in Iraq. As has been suggested earlier, the US should make it clear that it will only stay in Iraq if there are fair and open provincial and local elections by the early spring of 2009, and fair and “open list” national elections in 2009. The US should make it clear to all Iraqis that the US will not favor the current central government in the national elections, or Dawa and the Islamic Supreme Council in Iraq in the provincial and local elections, and it will not stay or support governments that are not based on UN-supervised elections and legitimate representation.

The US should also make it clear what its goals and priorities are in several critical aspects of Iraqi political accommodation and security. There are many areas where it is impossible to establish “benchmarks,” and the US can only seek to influence what must be Iraqi decisions. That does not, however, mean the US cannot set goals, defuse misunderstandings and conspiracy theories in Iraq and the region, and make it clear to the world what it is trying to do:

- *Political legitimacy and representative government in the south:* There is a clear need to end gang rule and violence in Basra, but the US needs to be extremely careful about military and security developments that serve the interests of Dawa and ISCI, and tie the Iraqi Army and police to intra-Shi'ite power struggles. It may well take years to shape a viable political structure in the south, and create a new balance of power within the Shi'ite dominated areas. The US should make it clear that this is an area where it will support real local and provincial representation, not the present elites. The US should also make it clear that it is willing to work with local and provincial officials, provide limited aid and advice, and help Shi'ites find a stable path to political and economic development. Even the fairest elections do not achieve real-world legitimacy; it takes truly representative and effective governance, local development efforts, and security that is not factional or dominated from the outside.
- *Helping Kurd, Arab, and Minorities Find a Working Path to Stable Accommodation:* No formal agreement or referendum can ensure a stable and fair outcome in dealing with these critical ethnic issues. The US should make it clear that it will work towards a fair settlement, not favor any side, and again provide help in moving forward.
- *Stabilizing the Greater Baghdad and Mixed Areas:* The US has brought a limited degree of security to Baghdad, but largely through US-shaped compartmentation of the city into Shi'ite and Sunni areas. Other mixed areas present serious problems, including Ninewa and Diyala. The US needs to shift from a focus on Al Qa'ida to one that analyzes problems and progress in mixed areas, sets clear goals, and offers US assistance and advice. Iraqi decisions will determine the influence, but the US should make at least several years of sustained effort to influence the outcome.
- *Seeking a fair share of Sunni wealth and power, and stability and security in Sunni Areas:* The US is already playing a critical role in helping the Sunnis develop effective local and provincial

government in Sunni areas, and encouraging development and governance. The US is also pressuring the central government to actually fund activity, support employment, give Sunnis a larger role in both local security and the national forces, and a fairer share of influence and power in the central government. Again, US goals in this area should not be unstated or ambiguous, and at least several years of further US effort to influence the outcome of Iraqi decisions will be of critical importance.

- *Limiting Iranian influence and infiltration:* Dialog with Iran will not change the regime or stop it from opportunistic efforts to exploit any power vacuum or division in Iraq. A continued US presence is critical to giving Iraq the time and security to reach political accommodation and create forces capable of some degree of national defense. The US may need to speak more softly, do more to defuse war scares, and offer Iran incentives as well as “sticks.” The fact is, however, that Iran helps make Iraq a major regional problem and will continue to do so wherever it sees a window of opportunity. The US should seek to deter Iranian adventures, and make every effort to persuade the Iraqi government to allow US action against the Al Quds force and other hostile Iranian action, and to use Iraqi security forces for that purpose.
- *Turkey, the PKK, and Iraq’s Kurds:* The US should make it clear to Iraq’s Kurds that US support means taking action against the PKK, and that the US will continue to support limited Turkish military action in Iraq until they actually do so. This is not issue diplomacy and negotiation alone can hope to deal with.
- *Syria:* There is only so much the US can do, and it is already doing most of it. Once again, however, this requires a sustained US effort well into the next administration as well as a sustained US effort and presence.
- *The Arab States:* As Iraq moves forward, and with a new Administration, the US should continue its efforts to persuade Arab states to provide Iraq with aid and political support.

A US Plan for Iraqi Force Development and Conversion to US Strategic Overwatch

The Congress, the US military, and the American people also have every right to go into the coming US election with a far clearer basis for judging what the US is seeking to do in Iraq over the coming years and whether US plans and goals are practical.

In practice, this means having well-defined, *honest*, and public US plans for Iraqi force development and for shifting US military forces out of their combat role to a much lower presence and the role of strategic overwatch. Part of the reason the Congress continues to demand more progress from the Iraqis than is really possible is that the problems and delays in shaping credible force plans, getting proper training facilities and throughput, embedding competent advisors, and providing effective equipment have been constantly understated and the implied timelines for success have been unrealistic.

Furthermore, understating the problems with getting competent Iraqi leaders and force retention, dealing with ethnic and sectarian issues, and coping with the turbulence caused by constant new plans for expanding Iraqi forces without proper regard for the trade-offs between force quantity and force quality have added to the problem. Rushing the creation of a constantly expanding regular military force, which now has 180,000 men actually assigned for an authorized force of 208,000, is short 10-15% of its actual personnel from

day-to-day, is short large numbers of NCOs and junior officers, and missing much of its equipment presents problems that should be obvious.

These problems have been compounded by progress reporting that lumps together Iraqi units capable of actual independent action with units requiring very different levels of support and that grossly understates real-world dependence on US enablers and partner units. They have been further compounded by even more unrealistic reporting on the transfer of security responsibilities by province, when the Iraqi forces are clearly unready to take over the mission.

As both MNSTC-I and the Iraqi Minister of Defense made clear in 2007, Iraqi forces are making very significant progress, but creating an entire new force mix is going to take until at least 2012, and real-world Iraqi replacement of US and allied forces in combat roles requires honest plans and objective reporting on how quickly Iraqi forces can really act on their own. It should be possible to move toward 10 and then 5 US brigade equivalents by 2010-2011, even allowing for all of the uncertainties and “conditions” in Iraq.

The savings would be a major one in dollars, as well as US casualties, and the savings through US force reductions would exceed the savings in US aid to Iraqi forces. The Bush Administration has never provided any public plans for the future, but work by the Congressional Budget Office estimates that

“Under the combat scenario that CBO considered, the United States would maintain a long-term presence of approximately 55,000 military personnel in Iraq, deploying military units and their associated personnel there for specific periods and then returning them to their permanent bases either in the United States or overseas. The scenario also incorporates the assumption that units deployed to Iraq would operate at the same pace and conduct the same types of missions as the forces currently deployed there. In CBO’s estimation, this scenario could have one-time costs of \$4 billion to \$8 billion and annual costs of approximately \$25 billion. (All costs...are expressed as 2008 dollars.)

“Under the non-combat scenario that CBO analyzed, the United States would maintain a long-term presence of approximately 55,000 military personnel in Iraq by indefinitely stationing specific units at established bases there in a manner similar to the current practice of assigning personnel to units based in Korea or Germany. The scenario incorporates the assumption of much less intense military operations than those under the combat scenario. Under this non-combat alternative, units stationed in Iraq would rarely, if ever, be engaged in combat operations. Up-front costs (mainly for construction) under the non-combat scenario would be approximately \$8 billion, with annual costs of \$10 billion or less, CBO estimates. (For the full text, see Congressional Budget Office, “The Possible Costs to the United States of Maintaining a Long-Term Military Presence in Iraq,” September 2007.)”

These costs are a small fraction of the costs the US is now paying, and roughly the same for an entire fiscal year what the US paid per month during the peak spending period in 2007.

A US Plan for Transitioning Development and Governance Expenditures in Iraq

The US is already phasing out much of its development aid and transferring fiscal responsibility to Iraq. Creating more formal plans that make it clear that Iraq must assume full responsibility by 2010 or 2011 would give Iraq ample time in which to act while putting growing pressure on the Iraqi government over time.

The State Department's April 9, 2008, *Weekly Status Report* indicates that Iraqi oil revenues rose from \$31.3 billion in 2006 to \$41 billion in 2007, and are on a path that could exceed \$60 billion in 2008. It also indicates that the US has already disbursed \$19.1 billion out of a total of \$20.3 billion in past IRRI I & II aid. The current US economic aid request for FY2009 is evidently around \$700 million. Phasing that level down to the minimum necessary to maintain US influence and leverage in critical areas does not present a major challenge.

Moreover, for all of the Congressional complaints that Iraq has not paid for its own aid in the past, the most recent SIGIR report on Iraq (January 30, 2008, p. 17) shows that a total of \$50.6 billion worth of Iraqi funds have already been allocated to development. Some \$30.7 billion of this came from the Iraqi capital development budget for 2003-2008. This compares with a total of \$20.9 billion in US IRRF funds, \$3.3 billion in ESF aid funds, and \$ 5.2 billion in other aid funds. (The US funded an additional \$15.4 billion on Iraqi force development and \$2.7 billion in Commander's Emergency Relief Program (CERP) aid used to support US operations and groups like the Sons of Iraq.)

Such plans to phase out US aid expenditures will again have to be conditions-based, but the US should make it clear what its goals are in terms of timing and cost. In fact, a combination of clearly planned, conditions-based cuts in US forces and the savings from largely eliminating aid over a clearly defined period of a few years may be the key to both winning enduring US-domestic support and pushing the Iraqi government into developing and implementing adequate plans of its own.

An Exit Plan

Finally, one key aspect of a US effort to develop a consensus for staying, and for conditions-based success, is for the US to publicly define what would lead to "conditions-based" withdrawal.

The US should make it formally and unambiguously clear to the Iraqi government that the US will not stay if Iraq does not hold fair elections, if it is not more active in bringing Sunnis and more secular Shi'ites into the central government, does not create truly national armed forces, and does not take more active steps to protect minorities and mixed populations and act to halt sectarian and ethnic cleansing. It should be equally clear the US will not stay or intervene in any major Iraqi civil war.

At the same time, it should be clear that the US will not stay if Iraq fails to move towards fiscal responsibility, and to create forces that actually take over from US forces.

It should be made equally clear to both Iraqis and Americans that the US will support the Iraqi government against insurgents, violent extremists, and Iranian efforts to support militias, *but* that the US will not back any given party or side in using force. The US has already pushed the limit in Basra and Sadr City.

The Maliki government and any successor should not be able to push US support beyond attacking the hard-line violent elements of the Mahdi Army and into taking sides in an intra-Shi'ite power struggle. The US should not support the Kurds if they do not seek a fair settlement in defining the nature of Kurdish autonomy and Kurdish controlled territory. The US should make it clear that it will not support any form of "federalism" that fragments the nation, and will not stay in Iraq if central government inaction triggers serious civil-fighting between Sunni and Shi'ite.

At the same time, the US should make it clear that it will aid Iraq in meeting any foreign threats until its forces are ready, that any withdrawal from Iraq will be because it has ceased to have a clear case to stay, and show its Gulf allies that a withdrawal forced on the US by conditions in Iraq will not mean cuts in the US strategic commitments to the Gulf states or that the US will not join them in containing and deterring any threat from Iran.

No one can promise or guarantee victory in Iraq, even within the limited definition of a state stable and secure enough to maintain its own internal security and be able to move towards a mature democracy and development over time. There is, however, no reason to simply abandon Iraq and there are good reasons not to do so as long as a US presence offers a reasonable probability of affordable mid-term success.