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Still Losing? The June 2007 Edition of “Measuring Stability in Iraq”

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The latest Department of Defense report on “Measuring Stability in Iraq” attempts to put a bad situation in a favorable light. It does not disguise many of the problems involved, but it does attempt to defend the strategy presented by President Bush in January 2007 in ways that sometimes present serious problems. More broadly, it reveals that the President’s strategy is not working in any critical dimension.

Fighting the Wrong War in a Nation of Civil Wars

Part of the problem is that the US is trying to fight the wrong “war.” The US does need to fight a serious counterinsurgency campaign, but this seems to be focused far too narrowly on both Al Qa’ida, which is only one Sunni Islamist extremist movement, and on the most radical elements of the Sadr militia. The US does not have an effective strategy or the operational capability to deal with the broader problem of armed nation-building, or with a widening pattern of civil conflicts.

Iraq’s Civil Wars

As Secretary Gates has noted, these include a complex mix of civil conflicts, rather than a conventional civil war:

- Sunni Islamist extremist groups, of which Al Qa’ida is the most visible. These groups openly seek to provoke a civil war between Arab Sunni and Shi’ite as part of a broader struggle for Iraq and Islam.
- Sunni versus Sunni struggles, including Sunni tribal elements in Anbar and elsewhere fighting against dominance by Al Qa’ida and other Islamist groups, but which do not have any clear alignment with the national government.
- Iraqi Sunnis versus Iraqi Shi’ites, a growing sectarian struggle mixing violence and other forms of sectarian cleansing and displacement. The growth of Shi’ite militias and death squads, their reprisals against Sunni extremist attacks, and the polarization of the government and security forces in ways that have boosted Shi’ite militia power have made these worse. So has the lack of any strong, cohesive Sunni political force with a broad popular following.
- A Kurdish struggle for autonomy and control of the north, displacing Iraqi Arabs, Turcomans, and other minorities, and seeking control of Kirkuk, Iraq’s northern oil resources, and the territory along the ethnic fault line in the north extending westward towards Mosul. Increased violence by displaced Sunni insurgents – including Al Qaeda - against Iraqi Kurdish civilians and politicians, concentrated in Mosul.
- Shi’ite versus Shi’ite power struggles in the south with a sometimes violent power struggle between the Supreme Iraqi Islamic Council (SIIC, formerly SCIRI), and the Office of the Martyr

Sadr (OMS), and clashes between their militias. Clashes between the OMS and the governing Fadilah Party in Basrah increasing intra-Shi'a violence in the south. This struggle is complicated by local efforts to "cleanse" Sunnis and other minorities, struggles for control of shrines, and differences over the possible creation of Shi'ite regional political structures.

- Within these struggles is a nascent political struggle over the role of religion in society, the nature of the rule of law, and the nature of human rights. This already is an additional source of sporadic violence and "cleansing," largely in forms that have pushed much of Iraq's professional class out of the country and intimidated or displaced its secular core from power.
- Crime and local violence add another dimension, fueled by desperation. They overlap and interact with the other forms of civil conflict, corrupt the government and security forces, and help block aid and development efforts.

Iraq may not be in a civil war in any classic sense, but it is clearly in a state of *civil wars*. Public opinion polls by ABC/USAToday, BBC/ARD and ORB show that the vast majority of Iraqis do not regard the central government as effective, and see Coalition forces and Iraqi militias as being as much a threat as the Sunni Islamist extremists.

Moreover, the economic and social impacts of war, sanctions, and/or political repression over the 33 year period from 1970 to 2003, coupled with four years of failed efforts at nation-building by the US and Coalition have left Iraqis without economic development or sound infrastructure, as well as without physical security.

Not Counterinsurgency but Armed Nation-Building

It has long been clear that no amount of military action or tactical victory could substitute for political success and conciliation, effective governance, economic progress and development, and a rule of law. Victory in Iraq requires success in armed nation-building – a process that can extend over a decade or more – not simply the defeat of the most violent elements in an insurgency. In fact, efforts to bring local security in a narrow area like Baghdad have almost certainly done more harm than good. They have focused too many resources on one limited task and created a "center of gravity" that cannot have major importance without a far more effective national government and progress towards national conciliation.

Senior US commanders have repeatedly made these points but Iraq's political leadership has so far failed to react at anything like the pace and depth required to have an impact on the nation's civil conflicts. To the extent that the Coalition has the resources it needs to win, these have been progressively concentrated around the counterinsurgency effort against Al Qa'ida, leaving the other elements of nation-building and civil conflict without the resources needed to succeed. Both the Administration and Congress have sought impossible time scales for success in different ways, without admitting that the US has made critical political and economic mistakes which have greatly exacerbated Iraq's problems, tensions and conflicts.

The Trends Emerging from the June 2007 Edition of “Measuring Stability in Iraq”

The US is often the first to call for transparency and integrity in the reporting of other governments. It has never provided transparency or integrity in its reporting on the war in Iraq. It has downplayed the growth of the insurgency and other civil conflicts. It exaggerated progress in the development of Iraqi forces, and has reported meaningless macroeconomic figures claiming “progress” in the face of steadily deteriorating economic conditions for most Iraqis outside the Kurdish security zone, and does so in the face of almost incredible incompetence by USAID and the Corps of Engineers.

A Critical Lack of US Official Transparency and Integrity

Perhaps most significantly, the US government has never openly discussed or analyzed its failures in not planning for stability operations or conflict termination, in creating an electoral process that polarized Iraqi politics around inexperienced sectarian and ethnic leaders and parties, and in creating a constitution that helped divide the nation without resolving any of the key issues it attempted to address. The same is true of US actions that blocked local and regional elections, allowed de-Ba’athification to remove many of the nation’s most competent secular and nationalist leaders and professionals from power, and failed to act on plans to disband the militias before transferring power from the CPA.

The US took years to create an effective effort to develop Iraqi military forces, and still lacks convincing plans for the development of national police and criminal justice institutions. It has not developed either effective strategies for aid and economic development, effective ways of carrying out its aid efforts, and has not been able to eliminate constant internal feuding over how to run the aid effort and coordinate Department of Defense programs with those of the Department of State and other agencies.

This does not mean that the June 2007 Edition of “Measuring Stability in Iraq” does not have more transparency and integrity than most of the earlier reporting on developments in Iraq. It does mean that it omits many key problem areas or underplays them. It also “spins” real progress or potential progress in many areas, implying that what will really take years of continued and risky effort is already moving towards success. In particular, it fails to properly address the trends and scale of Iraq’s civil conflicts and the nature of its problems in economics and governance, and still reports almost meaningless metrics on the development of Iraqi Security forces.

It seems likely that, in retrospect, this lack of transparency and integrity will come back to haunt the US. More honesty, objective self-criticism, serious effort to develop credible strategies and operational plans might well have prevented all of Iraq’s current civil conflicts and problems from reaching anything like their current scale. In fact, if the US loses in Iraq – as seems all too possible – its primary enemy will not have been Al Qa’ida, but the US government.

What Is In The June 2007 Report

There are enough indicators in the June 2007 report, however, to make it all too clear that the US is not making anything like the overall progress it needs to implement the President's strategy. Moreover, it is all too clear that the most important issue is not the "Plan A" of the Bush Administration, or any "Plan B" from Congress, but the sheer lack of any meaningful Iraqi political development of a "Plan I" for political conciliation. As in Vietnam, the US can win virtually every tactical encounter. As in Vietnam, this is irrelevant without political unity, effective governance, and a nationalist ideology with more real world impact than its extremist, sectarian, and ethnic competition.

Failures in Conciliation and Governance

In broad terms, the June report shows "little progress" towards achieving political conciliation (p.3). Despite US political pressure to effect change, DOD reported that Iraqi reconciliation "remains a serious unfulfilled objective" (p.iv). The report does identify the following key problems that still hinder positive political development:

- No substantive progress in political conciliation, and particularly real world, practical progress that would motivate Iraqis to change their behavior, reduce the level of civil conflict, and ease the strain on US and Iraqi forces. A resolution on an oil/hydrocarbon law has been blocked by Kurds in parliament, the Constitution still does not address fundamental concerns of power and revenue sharing, and progress on a de-Baathification policy remains stalled. A law guiding provincial elections was crafted but remains in the formative stages.
- No serious progress in creating an effective central government, and effective, elected regional and local governments. The central government still cannot function effectively in many key ministries, provides few or no services or presence in much of the country, and has yet to demonstrate that it can spend its budget effectively on economic development and aid.
- Local elections remain an unscheduled subject of debate. In 2006, the government used only 22% of its capital investment budget (in ways on which there is no reporting).
- Institutional weakness in criminal courts, diminishing prospects for an effective rule of law or judicial system or political accountability. Problems of low conviction rates and intimidation of judges were addressed but have yet to be resolved.
- Lack of legitimacy and decreased power of Prime Minister Maliki's government. As governance devolves to the local or militia level, and as rival parliamentary factions assert power, Maliki grows increasingly isolated and ineffective in implementing national reconciliation.
- Systemic corruption across many ministries reinforcing sectarian rather than national politics.

US aid programs are now better focused and improving in many areas affecting good governance, but they remain small in scale relative to the problems involved, are largely in their preliminary stages, and will take years to implement *if* Iraq can move towards conciliation. It is also critical to understand that passing laws is only a first step towards progress, and will have limited or no impact until Iraqi factions and the Iraqi people see

that passing laws means practical action. This is particularly true because of the broad perception that the government is Shi'ite and factionally dominated, as well as corrupt. It is further reinforced by the lack of an effective central government presence in the field, the lack of proper services, the lack of progress in creating effective and legitimate local government, and the lack of a meaningful criminal justice system.

One of the most dangerous aspects of US perceptions of "benchmarks" is that so many perceptions are tied to action in passing laws. Conciliation requires actual sharing of power, money, land and future resources. It requires tangible action to build meaningful trust and the details and honesty of implementation will be critical. This is going to take more time than many Americans seem to understand or be willing to accept.

Failures in Security

The US focus on securing Baghdad and Al Qa'ida has always had serious problems. So far, it is unclear that this aspect of the surge has done anything other than disperse violence to other areas without offering success in Baghdad. The more critical question is what happens if the US does succeed in Baghdad. Any such victory is of limited tactical value at best without major progress in conciliation and in dealing with the conflicts outside the city.

- Security in Baghdad is making slow, and potentially tenuous, progress. Lt. Gen. Odierno said on June 17 that "40 percent is really very safe on a routine bases," adding that about 30 percent lacked control and another 30% regularly had a "high level of violence." According to a post-operation report put out by commanders in Baghdad, at the end of May, 156 neighborhoods in Baghdad were under the "disrupt" category, meaning that it was possible to keep insurgents off balance until full military presence was established. These areas include Sadr City. 155 neighborhoods at that time fell into the "clear" category," in which the military raided buildings and homes, block by block, to look for weapons and fighters. 128 neighborhoods fell into the "control" phase," meaning that U.S. and Iraqi forces were able to keep insurgents out and protect the population. Only eighteen neighborhoods fell into the "retain" phase, which relied heavily on Iraqi security forces to ensure that the area remained secure.
- Baghdad has not emerged as a meaningful "center of gravity" where even much broader success would guarantee reductions in the overall national pattern of civil conflict. Saying Coalition-reported murders in Baghdad "dropped 51% as militia activity was disrupted by security operations" ignores the fact that the militias have simply stood aside while Coalition and ISF forces have struck at Sunni extremist groups, and the militias can easily exploit such victories once the Coalition is not present.
- There were signs that the troop surge may have caused a shift in insurgent strategy, without decreasing insurgent activity. The increased presence of security forces in Baghdad made large-scale attacks in public places more difficult to carry out. In late May and early June, a drop in car bombings and mass-casualty explosions in civilian areas coincided with a rise in attacks targeting bridges and security facilities. The number of Iraqi civilians killed in mass-casualty bombings fell from 634 in April to 325 in May, according to the Brookings Institute, while high-profile attacks, specifically targeting bridges, became more prevalent. Attacks on police stations, checkpoints and neighborhood combat outposts also occurred more frequently during this time period. U.S. military spokesman Lt. Col. Christopher Garver said, "The car bombs you see in Baghdad now are at police checkpoints as opposed to the intended targets like markets... where there are a lot of people congregating."

- The report provides little real data on the effectiveness of the Iraqi Army forces deployed to Baghdad other than the fact they deployed, the impact of creating joint security stations, or the role of the retrained National Police Brigades. Reference is made to only two effective National Police battalions. The report notes that the JAM remains in control of Sadr City, and elements have left the city rather than been disbanded. The fact that “AQI maintained the ability to conduct infrequent, high-profile, mass casualty attacks in Baghdad” also indicates that the Baghdad security plan has fallen short of target goals.
- Coalition forces have had to re-clear areas that ISF forces have failed to “hold.” Lt. Col. Scott Bleichwehl, a spokesman for the U.S military in Baghdad, said, “One of our planning assumptions was that the Iraqi security forces would be able to hold [territory] in all areas, and we are finding that is not always the case... We are having to go back in and re-clear some areas.” Iraqi security forces also were slower than expected in making progress in some cases. Most Iraqi battalions came to Baghdad without full manpower. In addition, their effectiveness was compromised by a program that rotates units out of Baghdad and back to their home regions every ninety days.
- The rise of local Sunni opposition to Al Qa’ida in Al Anbar is helpful, but does not mean such tribal groups will work with or support the national government on a sustained basis. The tribal cooperation network that the report mentions is currently unstable at best. Diyala, Ninewa, and “ring” cities around Baghdad are all growing problems, as is intra-Shi’ite violence and sectarian displacement. The deterioration of the security situation in Mosul, and around it, is also a source of major concern. AQI also is now active in four provinces that effectively divide the country in half – Baghdad, Salah ad -Din, Anbar, and Diyala.
- Statistics that say attacks in Anbar have dropped 34% since December (35 per day to 26 per day), and are at a two-year low in Ramadi, largely reflect the shift in violence to Diyala and in the pattern of attacks to fewer, very large, high-profile bombings. The graphs on page 23 of the report show a slight rise in average weekly attacks since Operation FAQ (Fard Al Qanoon, or “Enforcing the Law”) began in Baghdad, and in attacks targeting Iraqi civilians, Iraqi Security Forces, and Coalition forces. The same is true of the table on trends in total average daily casualties on page 24. These patterns have all grown worse in the weeks following the end of the reporting period. (May 4 2007).
- The report is ambiguous about the security situation in Kurdish areas, the role of the PKK and Ansar al-Sunnah, and avoids any discussion of Kurdish-Arab tensions in the area around Kirkuk and along the “ethnic fault line” between Kurds and Arabs. It also does not address Kurdish displacement due to the increased sectarian violence.
- The report mentions growing intra-Shii’ite tensions, particularly between the Supreme Iraqi Islamic Council (SIIC, formerly SCIRI), and the Office of the Martyr Sadr (OMS), and clashes between their militias, but does not talk about displacements in Shi’ite areas or the impact of British withdrawals and limits on the role of British forces.
- The decline in sectarian murders and incidents between December 2006 and the spring of 2007 *seems* statistically significant, but the trend may be reversing, and it is far from clear that it ever approached a meaningful national statistic. One report in the L.A. Times says that the number of bodies found in Baghdad dipped in April but then rose again in May. The numbers reported were 542 in March, 440 in April, and 743 in May. The report said that the monthly rate of suicide bombings was nearly double that in January. It also does not include displacements, kidnappings, threats, and intimidation – which are the major factors driving sectarian and ethnic violence in much of the country. Net gains in security were not achieved, as “the aggregate level of violence in Iraq remained relatively unchanged” and “similar to the previous reporting period.” (p.19)

- The approval of a militia demobilization, disarmament, and reintegration (DDR) program may produce results in the future, but has not produced results to date. A DDR policy has only been verbally agreed to by Prime Minister Maliki and is not close to being executed.
- Slow progress is being made in creating a meaningful court system and some elements of a rule of law, but the efforts remain sharply inadequate and the national government and legal system have limited impact in much of the country.
- A major rise is taking place in detentions – which often serve as a breeding ground for new opponents to government. Detentions are now roughly 20% higher per month than before the surge, and facilities are overcrowded, inadequate, and unregulated. The number of Iraqi detainees nationwide escalated from 7,000 to 37,641 by March 2007. It is not possible to process this scale of detainees on a timely and efficient basis.
- The data on polls showing a temporary rise in Iraqi popular confidence in the government's ability to improve security (p. 25) are meaningless since the trend reversed the following month, reflected only a 2% improvement between December and April, and did not change the fact that no improvement took place in any combat or high risk province (p. 27). The polls also do not reflect local trends, and the polarization of different types of violence and perceptions by sect, ethnic group, and governorate – a problem that the maps on page 26 show is absolutely critical. As usual, the nature of the poll and full data on the poll are not reported, a major credibility problem since the report has cherry picked favorable results or interpretations out of context from past polls. (*US government reporting has no more right to fail to report in credible and well-defined terms than any other reporting.*)

Failures in Transferring Security and Developing Iraqi Forces

The US is making real progress in developing effective Iraqi Army forces, and reforming the National Police. The report, however, continues to grossly exaggerate the nature and scale of that progress:

The data on the transfer of security responsibility disguises the fact such transfers often do not bring security or give control to the central government. British cuts in Maysan Province were driven by local Shi'ite factions, and the other provinces under "Provincial Iraqi Control" are all Shi'ite provinces in the south where the ISF and central government have uncertain authority. The transfer of authority in the three Kurdish-dominated provinces will effectively raise more problems in terms of Kurdish separatism and tension with Iraqi Arabs. (p. 29)

- The fact that the US and other Coalition forces have transferred or closed 61 Forward Operating Bases (FOBs) out of 122 is not a measure of ISF competence, but rather US force cuts and shifts.
- The data on trained and equipped manpower (p. 30) remain a fundamentally dishonest measure of capability. There is no indication of how many such personnel remain in service, or are active in units. It is unclear that more than 65% of the 152,300 men in the MoD forces are actually present on a given day (p. 40), or that the figure is higher than 40-70% for the 194,200 men in the MoI forces (p. 31). Many of those present are not active – particularly in the MoI forces. The fact that estimates of 20% attrition per year in trained and equipped manpower are being reviewed is scarcely reassuring. (p. 31)
- Saying that the army has 100% of its critical equipment needs, and the police have 89%, ignores the fact that the equipment TO&Es are too light to really allow independent operations. Critical problems exist in equipment maintenance and availability in many units, and no reliable system for equipment accountability exists in many units. The report also concedes that combat loss and

attrition may have removed a “significant portion” of equipment from the MOI, but does not address the role of corruption in equipment attrition or the inability to determine how much equipment has gone to hostile factions.

- There is no meaningful readiness data for the 101 Iraqi Army battalions in service (the total force now has 10 divisions, 36 brigades, and 112 battalions), and saying that 95 of these 101 battalions “have the lead in counterinsurgency operations in their areas of responsibility” is little short of absurd (p. 30-31). Almost all such truly combat active units are still heavily dependent on US embeds, Coalition partner units, outside supply, and outside artillery, armor, or air support in an emergency. Many have serious officer, NCO, and sectarian or ethnic problems. These problems were openly addressed in unclassified reporting down to the battalion level early in the postwar period, but have never been addressed since. The US has also abandoned its previous detailed readiness reporting in four different unclassified categories, and the report ignores the Transitional Readiness Assessments which the Department refuses to de-classify or even share with Congress.

The data on total Army force readiness, which includes strategic infrastructure battalions shows 89 battalions in the lead with Coalition enablers or fully independent, with no breakdown of which are of actual quality, combat experience, or readiness. A total of 27 more units are said to be capable of fighting side by side with Coalition Forces with no breakout of which units actually have fought or their readiness. A total of 43 battalions are said to be unready, with no indication of what units are involved. There is no explanation of why these data on page 41 differ from those on pages 30-31.

- The sectarian and ethnic divisions in the military are not addressed, nor are the risks of splits within the forces if civil conflicts divide the country. Efforts to strengthen the role of Sunnis and create more balanced and truly national forces are not addressed in any meaningful way and seem to have failed. This failure to address sectarian, ethnic, tribal, and local differences applies to the entire analysis of the ISF, and is particularly disturbing when the real-world meaning of transfer of responsibility is to create sectarian and ethnic power centers with little or uncertain allegiance to the central government.
- Real progress does seem to be taking place in the reform of the National Police but saying that 27 National Police battalions are operational, and seven can lead operations with Coalition support, but “none is assigned the lead in a specific AOR” is a polite way of saying these units still have uncertain reliability and are still a potential source of Shi’ite death squads and abuses. There is no clear plan or schedule for creating a fully effective National Police force.
- The data on police readiness says nothing about capability assessments or the result of PTT monitoring efforts and does not provide a meaningful assessment of progress to date even for the surge effort in Baghdad. (p. 33)
- There are no data on how many police are in service who are not Coalition-trained or equipped, or the areas where the police are or are not effective and/or loyal to the central government. The report does note that, militia infiltration remains a significant problem, so does collusion with criminal gangs. “Even when the police are not affiliated with a militia or organized crime, there is often mistrust between the police and judiciary, each viewing the other as corrupt.” (p. 34)
- There is no discussion of any overall plan for police development, for dealing with the problems created by local police and security forces, for dealing with the problems created by ethnic and sectarian ties and links to militias, for problems with ties to criminal elements, or for tying police activity to an effective court and criminal justice system. The need to define the paramilitary functions of various police elements is never addressed, nor is their critical function in following a “win” by Coalition and Iraqi Army forces with the ability to “hold” secure areas. The so-called “year of the police” in 2006 seems to have been followed by the year of no plans or well-defined goals.

- The progress reporting on creating a major Directorate of Border Enforcement and Directorate of Ports Entry only discusses force size and the number of forts. There is no assessment of the effectiveness of such forces, although they now total over 29,660 and operate some 420 forts and facilities (p. 35). The report does not address reports that the border forts are extremely poorly equipped. These problems are particularly troubling because of the long history of ineffective efforts to create border controls throughout the Middle East, endemic smuggling, corrupt and inactive border and custom officials, and forces that end in having ties to local militias or insurgents – or which can be bribed or intimidated by them. There seems to be a serious risk that this effort will have little or no meaning, particularly in dealing with Shi'ite infiltration and arms smuggling from Iran.
- There seems to be no progress in actually reforming the 98,000 men in the various elements of the Facilities Protection Service: “Without a new law or clear directive from the Prime Minister, most Ministries remain resistant to this initiative...Because the FPS is not part of the Coalition’s programmed train and equip requirements, metrics such as numbers of personnel or equipping status are not included in the overall data (p. 36). Acute problems with spending on ineffective or ghost forces, corruption, ties to insurgents and militias, and a resulting lack of meaningful protection of critical facilities are not addressed. There are consistent allegations that many elements of the FPS are corrupt or extensions of the various militias.
- The reporting largely dodges around the severe sectarian and ethnic problems and divisions within the government affecting the creation of the National Information and Investigation Agency. (p. 36)
- The June 2007 report makes no mention of allegations that Iraq’s intelligence service has split into an official American/CIA-funded Iraqi National Intelligence Service, and an unofficial pro-Shiite intelligence agency run through the office of the Minister of State for National Security.
- The major problems in creating Iraqi intelligence capabilities, distrust of the CIA funded and advised force, and the need to create a viable military, police, and civil mix of intelligence and IS&R capabilities to replace the advanced programs and capabilities now provided by the US and Coalition forces is never addressed
- The sections on Ministry Capacity Development (pp. 31-33 and 37-39) essentially repeat past statements without any indication of serious progress in addressing the problems involved. The activities listed seem useful, but their effectiveness and timing remain almost completely unclear.
- If there is a plan to create Iraqi military forces capable of actually defending the country once the US and its Coalition allies leave, no mention is made anywhere in the report. A planned increase in the Army from 10 to 12 divisions seems designed solely to improve counterinsurgency and internal security capabilities (p. 40). The report does say that developing Navy readiness will take until 2010 (p. 42). There are no estimates of when the air force will make its existing aircraft operational, or acquire combat aircraft. (pp. 42-43)

Failures in Economic Security, Development, and Aid

The report talks about largely meaningless national economic growth statistics, and cutting inflation from unbearable to unacceptable. The detailed text, however, reflects the

steady deterioration of economic conditions and employment in most of the country, including Baghdad.

- The broad economic growth and reduction in inflation described in the report are essentially meaningless in moving the country towards stability. The Central Statistical Organization's estimate of 17.6% unemployment plus 38.1% underemployment grossly understates the problem because this national average includes more stable areas like the Kurdish zones. Unemployment and sharply underemployment probably now average a combined total of over 60% in troubled and combat areas -- which now include much of the country.
- US aid resources are now 95% obligated and the authority for the Department of State's Iraq Reconstruction Management Office (IRMO), and Department of the Army Project and Contracting Office (PCO) expired on May 10th. Some \$38 billion in US and Iraqi funds has been spent in ways where public opinion polls show over 90% of Iraqis see no activity or no benefits. No major US economic aid funds will be available, and the Iraqi government has not demonstrated the ability to act effectively on its own.
- The inability to recruit effective US aid personnel in ways that have forced nearly 90% of the new personnel supporting the US aid effort called for in President Bush's strategy to come from the Department of the Defense. So far only 100 such personnel seem to have come from any source in the effort to raise the PRT manning from 290 to over 600 -- for a nation of 27 million people.
- The lack of progress in the oil sector – the one major source of Iraqi government revenue. The government spent only 3% of its oil sector investment budget in 2006. Crude oil production only averaged 1.97 MMBD in January-April 2007, and exports averaged 1.4 MMBD versus a government goal of 1.65 MMBD.
- The lack of meaningful progress in improving key services such as electricity, water, education, and healthcare for most Iraqis, especially in combat and troubled areas. Electricity still averages 14.5 hours a day nationally, and 8.4 hours in Baghdad, in spite of the expenditure of some \$4 billion in aid funds. Improvements in national water and sewer *capacity* do not mean improvements in actual services to most Iraqis.
- Continuing debt problems resulting from the actions of the Saddam Hussein government. Some \$72 billion of \$135-140 billion in debt is held by non-Paris Club members, and even the Paris Club has so far pledged only \$30 billion of relief.

Failures in International Diplomacy and Dealing with the Impact of Regional Tensions

Good intentions about dialogue with Iran, and having Iraq's neighbors play a major role in bringing stability have proved futile. This goes far beyond the issue of debt relief. The report cannot disguise the fact the "neighbors conference" accomplished exactly nothing, and regional diplomacy has failed to achieve significant results that aid Iraq in security and stability.

In practice, only Syria is reported to have made some progress in reducing support for external threats. The Iranian threat is reported to have increased significantly, and it is clear that the Iranian government is becoming progressively more hard-line, opportunistic, and repressive. Kurdish-Turkish tensions are described as a growing problem, and the report ignores sharply growing Sunni Arab resentment of US actions

that are felt to support Iraqi Arab Shi'ites at the expense of Arab Sunnis and to favor the Kurds at the expense of Arabs. The flow of private money to Sunni factions from nations like the UAE is ignored.

Looking Towards the Future

The danger in this critique is to assume that the limits to the present US strategy and operational plan mean that the US cannot take more effective steps to deal with the evolving situation in Iraq, or that progress cannot be made on a more realistic level over time. The June 2007 report may "spin" a level of success that does not exist, and understate many problems and challenges, but a detailed reading also highlights many efforts that can have considerable impact over time if Iraqi political conciliation takes place, if the US is more realistic about the time-scale and resources needed for effective action, and if the Congress and American people are given more reason to trust the reporting, strategy, plans, and program execution required from the US government.

The most critical single dimension – and the one where effective US action will be crippled or impossible without more rapid success -- is obviously Iraqi progress in conciliation and governance. Without conciliation, US military victories have no strategic or grand meaning, and the difference between Baghdad and Washington time-scales cannot extend into years.

At the same time, the US needs to be far more tolerant of the problems the Iraqi government faces in making rapid progress and far more conscious of its own blame in creating today's problems. As Secretary Powell once warned, "If you break it, you own it." The US did much of the breaking. At present, the US Administration and Congress are accelerating the clock for very different partisan reasons in ways that are putting impossible demands on both the Iraqi government and US country team in Iraq.

On the other hand, the Iraqi government and political process often seem to be ignoring the clock entirely. US "time" may be too fast, but Iraqi government "time" risks being fatally slow. The government's failure to act to date is compounded by the fact that legislative and executive action in passing laws and decrees will not bring conciliation. This can only come when Iraqis see such laws and decrees as being effective and having real meaning.

If conciliation does move forward, the US will need a long-term strategy, operational plan, and budget tailored to Iraq's real-world needs. It will need to treat the conflict in Iraq as what it is: armed nation-building and not a counterinsurgency campaign. In practice, the US government must also provide reporting that has the transparency and integrity to build both bipartisan trust in the Congress and give the next Administration time in which to make its own choices and take effective action.

This is an unpopular and perhaps politically untenable reality of the situation in Iraq. The US cannot bring security and stability within the life of the Bush Administration. It can only create a hollow and crumbling façade or withdraw. One key message that emerges

from both the content and flaws in the June 2007 report is that success will be limited, uncertain, and take time. When it comes to effective US action in each of the major areas listed above, the time-scale is 2010-2015 and not 2008.

This does not mean that the US will need to keep its current troop presence, or anything like it, during most of this period. The fact remains, however, that the real world progress in creating the ISF is simply not going to be great enough to assure that the US can make major force cuts early in 2008, even if Iraqi political conciliation does take place. Moreover, the grindingly slow and so-far ineffective efforts to create civil partners from the State Department and other US government departments and agencies will become even more important the moment any form of conciliation takes place and the security situation eases. The US faces the need for a significant civil and mid-term stability operation to provide help in developing Iraq's governance and economy.

Finally, the June 2007 report may not openly say so, or try to deny the fact, but the US is now losing in Iraq. The pace of this defeat can easily be accelerated over the next six months by continued Iraqi failures at conciliation and growing unwillingness to sustain the war by the US Congress and American people. The facts on the ground can change to the point where the US may be forced into a rushed withdrawal, have to try to ameliorate displacement and separation and/or sectarian and ethnic cleansing, or deal with a level of humanitarian disaster it can now say it will ignore but not be able to ignore if it actually occurs.

The US can influence, but not control, events in Iraq and the region. It must develop contingency plans to reposition itself in Iraq to deal with a variety of contingencies. It must have similar plans to reposition itself in the region, to rebuild trust with its regional friends, and contain the threat from potentially hostile states. Above all, it would be an unforgivable failure on the part of the Bush Administration to only plan for success, and on the part of Congress to simply plan for withdrawal. The US needs to prepare for the fact that if conciliation fails, it cannot predict how much it may have to stay or intervene on humanitarian grounds or out of strategic necessity, or how much it may have to rush out of Iraq. Once again, "Plan I" – Iraqi politics, infighting, and decisions – are going to trump "Plan A" and "Plan B."