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# **The Tenuous Case for Strategic Patience in Iraq**

*A Trip Report*

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## **The Tenuous Case for Strategic Patience in Iraq**

### **Anthony H. Cordesman**

Everyone sees Iraq differently, and my perceptions of a recent trip to Iraq are different from that of two of my traveling companions and those of several other think tank travelers to the country. From my perspective, the US does not have good options in Iraq and cannot dictate its future, only influence it. It is Iraqis that will shape Iraq's ability or inability to rise above its current sectarian and ethnic conflicts, to redefine Iraq's politics and methods of governance, establish some level of stability and security, and move towards a path of economic recovery and development.

The US can influence this process, and can still do a great deal of good. It may be able to push the Iraqis in the right direction and at a pace where the odds of success are significantly higher than they would be without a sustained US presence and intervention. The US cannot, however, prevent the pace of Iraqi progress from having major delays and reversals. US troop levels almost certainly can be reduced sharply over time on an Iraqi capabilities-based level, but many aspects will play out over a period that may well take a decade.

US policy will also have to steadily adapt and evolve over time. It will have to react to events, rather than shape them, and do so in a climate in which the odds of success in any given area are often less than even. Like it or not, the US can only achieve even moderate success by a sustained search for the least bad option, and will have to face years in which it must operate in a climate in which it also will have to search for the least bad uncertainty.

### **The Strategic Realities that Should Keep the US Tied to Iraq**

These are unpleasant realities for a nation that prefers all of its solutions to be simple and short. The reality is, however, that even if the US does withdraw from Iraq, it cannot disengage from it. The US will have to be deeply involved in trying to influence events in Iraq indefinitely into the future, regardless of whether it does so from the inside or the outside. It will face major risks and military problems regardless of the approach it takes, and it will face continuing strategic, political, and moral challenges.

#### ***The Strategic Challenges in Iraq***

Iraq has at least 11% of the world's oil reserves, and its ability to not only continue to export, but also to increase its exports, is a major factor affecting the global economy. Iraq is a critical aspect of stability in a region with more than 60% of the world's proven conventional oil reserves and some 40% if its gas reserves. It plays a major role in the

struggle for the future of the Islamic and Arab world, and against Islamist extremism and terrorism.

Iraq is also a major player in the stability of the Gulf region at the political and military level. It is a major potential counterbalance to Iranian influence and opportunism, if Iraq succeeds in reemerging as a major regional state. It would be a sharply destabilizing factor in the region if its Shi'ite population or the entire country came under Iranian influence or dominance, and the resulting Iranian pressure on Jordan, Syria, and Lebanon would pose a serious additional threat to the Arab-Israeli peace process.

One way or another, the Arab Sunni states would also back Arab Sunnis in Iraq, and Iran would back the Shi'ites. No one can predict how violent this would make things in Iraq, or how much it would increase tensions in the Gulf and around it.

Similarly, no one can predict how serious continued Iraqi religious struggles between Sunni and Shi'ite will be or how much they will impact on the region. Talk of a "Shi'ite Crescent" seems exaggerated; as does the idea that a US withdrawal would create a sharply greater Neo-Salafi Sunni threat to the US from movements like Al Qa'ida. Iraq is only one center of Al Qa'ida operations and a highly nationalist one. There are many other centers of operations, and the key one in terms of Bin Laden is Afghanistan-Pakistan.

These worst-case outcomes in Iraq are, however, still theoretical. However, it seems almost certain that the failure of sectarian conciliation (or at least peaceful coexistence) in Iraq would lead to far more polarized sectarian struggles between Sunni and Shi'ite in the region and the Islamic world.

The Kurdish issue in Iraq is also a Turkish issue, with Syrian and Iranian spillover. It has already seriously hurt US and Turkish relations, and prolonged Kurdish-Turkish tensions or fighting would have a major further destabilizing impact in the region. So would many possible futures for a land-locked and isolated Iraqi "Kurdistan." The US could be confronted with either abandoning an enclave of no strategic interest to the US or having to defend it. Iraq's neighbors would almost have to play the Kurdish game in some form to protect their own interests, and the Iraqi-Arab efforts to weaken or end the Kurdish enclave could create a whole new source of ethnic violence and tension.

### ***The Political Challenges in Iraq***

America's performance in Iraq has become a critical factor in how the world judges the US. Like it or not, the US is rightly seen as having gone to war for the wrong reasons, as having consistently mismanaged the "peace" that followed and been largely responsible for the suffering of some 27 million Iraqis. Strategically, ideologically, and morally, the US cannot avoid being linked to the future of Iraq, regardless of whether it maintains a military presence.

It is important to note in this regard that while Americans are still concerned with finding ways to define “victory” in Iraq, virtually the entire world already perceives the US as having decisively lost. Every international opinion poll that measures international popular reactions to the US performance in the war – Oxford Analytica, Pew, ABC/BBC/ARD/USA Today, Gallup, etc. – sees the US as responsible for a war it cannot justify and which has caused immense Iraqi suffering. Virtually every internal poll of Iraqi opinion with any credibility -- Oxford Analytica, ABC/BBC/ARD/USA Today, ORB, etc. – has produced similar results.

The US probably cannot entirely reverse these attitudes in Iraq, the region, allied states, and increasingly in America. It may well, however, be able to greatly ameliorate them over time. It seems likely that the US will ultimately be judged far more by how it leaves Iraq, and what it leaves behind, than how it entered Iraq. The global political image of the US – and its ability to use both “hard” and “soft” power in other areas in the future, depends on what the US does now even more than on what it has done in the past.

### *The Moral and Ethical Challenges in Iraq*

The US will have to continue to try to influence the process of sectarian and ethnic partition in Iraq. It is absurd, however, to talk about this process as if it was some form of success. The term "soft partition" only applies to the extent it has not produced another Darfur, or the conspicuous kind of sectarian and ethnic violence that occurred in Bosnia or Kosovo – where the percentage of the total population affected now seems likely to actually be lower than in Iraq.

The US intervention in Iraq has driven more than two million Iraqis out of the country, including much of its most educated and professional citizens. It has displaced over two million more Iraqis inside Iraq, many of which have lost their homes and their businesses and jobs. Estimates of the total percent of underemployment and unemployment exceed 50% in virtually all of the country.

The number of Iraqi civilian dead now total at least 100,000, and no one knows how many have been wounded. Basic services, infrastructure, and security do not exist in many areas, and sectarian and ethnic cleansing continue in much of the country, including the area around Baghdad and virtually every area with mixed Sunni and Shi'ite populations. Various estimates put the number of Iraqis that have suffered severe hardship as a result of the war and its aftermath at close to 8 million and rising -- although such estimates are really “guesstimates” at best.

Partition has not yet meant a full-scale a blood bath, and May never mean one in the future. Iraq's insurgency and civil conflicts have, however, already done immense damage to virtually every ordinary Iraqi, and there are essentially no provinces where the problem will not produce further hardship and violence, even in a best-case scenario. Iraq may not be Darfur, but to talk about what is happening as something that does not

involve immense suffering, that does not involve immense future risk, and for which the US does not have direct moral and ethical responsibility is absurd.

## **The Practical Problems in Rapid Force Cuts and Precipitous Withdrawal**

These factors all act as strong arguments for what US officials like Ambassador Crocker, and Iraqi leaders like President Talibani, called “strategic patience” in a recent visit to Iraq. There are also important mechanical and practical considerations.

### ***The Limits on Speed of Withdrawal***

The US has some 160,000 military personnel in Iraq and a matching or greater number of civilians and contractors. It has between 140,000 and 200,000 metric tons of valuable equipment and supplies, and some 15,000-20,000 military vehicles and major weapons. It is dispersed in many of Iraq's cities and now in many forward operating bases.

This does not mean that the US cannot leave quickly. It can rush out quickly by destroying or abandoning much of its supplies and equipment, and simply removing its personnel and contractors (and some unknown amount of Iraqis who bet their lives and families on a continued US effort). The more equipment and facilities (and Iraqis) it destroys or abandons, the quicker it can move. Under these conditions, the US could rush out in as little as a few weeks and no more than a few months.

A secure withdrawal that removed all US stocks and equipment and phased out US bases, however, would take some 9-12 months or longer [estimates of this vary but if it was 10,000 military plus 10,000 civilians and all equipment each month in Kuwait, that would likely take 16 months minimum; 2 years is what many military experts think would be a rapid, but deliberate pace]. It would involve transferring or destroying facilities and stocks that could fuel a civil war, and reaching some decision about the fate of over \$20 billion dollars in aid projects. (It also would involve some decision about the immense new US embassy being constructed in Baghdad, which would become the most expensive white elephant in the history of diplomacy and an extraordinary monument to human folly even by the demanding standards of the Middle East.)

### ***Reducing Troop Levels Does Not Necessarily Reduce Casualties and Can Make Staying Ineffective***

It is also important to understand that reducing troop levels does not reduce risk or casualties unless it is conducted as part of a military plan. Leaving fewer troops exposed in either forward bases or compounds that can be targeted from the outside can easily raise casualties. The idea that the US can somehow simply stand aside and deal with Al Qa'ida or the Sadr militia by relying largely on air power and Special Forces is equally

absurd. The US could not target, it could not cover the country, it could not secure its bases, and it would lack the force numbers to act decisively without relying on Iraqi forces. Such concepts are little more than childish in practical military terms.

## **The Case for Strategic Patience**

None of these factors are reasons for making open-ended commitments to remaining in Iraq or for "staying the course." There is no point in pursuing failed strategies or failed policies. Iraq is a gamble, and one where even the best-managed future US policies may still fail. It is a grim reality that the mistakes and blunders that have dominated US policy in Iraq throughout the US intervention have interacted with Iraqi failures to make any continued US effort one filled with serious risks.

There are reasons, however, for carefully considering the cost of precipitous US withdrawal, for examining the full range of alternatives, and for demanding that any plan for US action in Iraq go far beyond the issue of US presence and troop levels and set policy goals both for future US action in Iraq and the region.

Moreover, many US and Iraqi officials and officers did make case for "strategic patience" in spite of these mistakes and blunders. In a recent visit to Iraq, however, both senior Iraqi officers and officials, and senior US officers and officials, made the case for keeping US forces at significant levels, for giving Iraqi political leaders more time, and for a strategy that would carefully phase down the US presence in reaction to actual political and military success.

### ***An Emphasis on More Realistic Plans and Reducing Troop Levels As Conditions Make This Possible***

No one implied that this meant maintaining the current troop levels and costs of the war. The US team in Iraq made it clear that it was examining options for phasing down US forces, and for planning longer-term US commitments that would extend well into the next Administration with much lower troop levels and budgets.

US officials and officers also made it clear they were looking at an FY2009 submission that would lay out clearer plans requiring Congressional approval of longer-term war funding in the budget submission that must be made early next year. This would allow the Congress to look beyond the present partisan divide, and provide the basis for a Congressional and national debate on "strategic patience" and how best to deal with future US policy and actions.

### ***Looking Beyond Partisanship and Artificial Deadlines***

The possibility of debating and agreeing on a more workable plan for US operations in Iraq may well be enough of a case for strategic patience through at least early 2008. The idea that General Petraeus can give a military progress report in September that should shape US policy ignores the fact that the fate of Iraq is scarcely dominated by US military action. US policy must look at the political and economic situation, and all of Iraq's civil conflicts, and must not just focus on Al Qa'ida and the worst elements of the Sadr militia.

For all the reasons described above, the US has a vital national interest in changing the nature of the debate in the US from the current options of either staying the course or rushing out with little regard for the consequences. The domestic US security structure has so far failed to present meaningful options, and seems incapable to doing so. The US team in Iraq, however, is much more experienced, and there is a new degree of realism and competence that clearly can never come from within a failed Bush Administration.

### ***Luck and the Tribes Partly Compensate for a Failed the Surge Strategy***

There are other reasons for patience. While all the half truths and spin of the past have built up a valid distrust of virtually anything the Administration says about Iraq, real military progress is taking place and the US team in Baghdad is actively seeking matching political and economic progress.

Declassified intelligence data generated by MNF-West confirms in far more detail what a walk on the ground reveals in both Anbar and Northern Iraq. Substantial numbers of tribal leaders have turned against Al Qa'ida for its repressive efforts to enforce its view of Islamic custom, forced marriages, kidnappings and extortions, and killings of local and tribal leaders. Key tribal leaders, and the main tribal confederation in the area have started to fight Al Qa'ida, have turned to US forces for help, and seem willing to strike a bargain with the Shi'ite-dominated central government *if* the government will give them money, a reasonable degree of de facto Sunni autonomy, and incorporate their fighters into auxiliary police forces, the regular police, and Iraqi Army. Sunnis in other areas are considering similar deals, although such Sunni support of the US and central government is uncertain and dependent on far more action from the central government than has occurred to date.

Al Qa'ida is far from defeated, it still has major support from some tribes, and significant Al Qa'ida operating areas exist in the Al Qaim, Hysaybah, Rawah, Anah, Haditha Triad, Sakran, Upper Lake Thar Thar, Hit, Baghdadi, Kubaysah, Ramadi, Karmah, Fallujah, and Zaidon areas. Many other Sunni Islamist extremist groups are still operating in parts of Iraq and have suffered only limited losses.

The data on the drops in attacks are complex, and it must be stressed that they do not count clashes or violence at lower levels between the tribes and Al Qa'ida or some forms of intra-Sunni Islamist feuding and fighting. The drop in US casualties is not yet a clear

or decisive trend, and could only be cemented by ensuring the loyalty of the coalition of new Sunni tribal “allies,” removing the Al Qaeda and insurgent threat in other areas, and ensuring that the Jaysh Al Mahdi (JAM) and Shi’ite militias do not turn on US forces.

Attacks in one region are not a measure of national violence, and there are no decisive trends in Iraqi civilian casualties – even in the erratic and uncertain counts issued by the US military and the Iraqi authorities. The number of unidentified bodies in Baghdad rose from 321 in January 2007 to a peak of 453 in June, was 407 in July, and is averaging well over 400 – higher than before the surge began and during January-April. The number of unidentified bodies outside the Baghdad area has fluctuated sharply over time, and is very uncertain. It seems to be dropping after peaking at 172 in May, but the count of 64 in July was still roughly 160% of the count of 39 in January.<sup>i</sup>

Mass bombing deaths have not been controlled and car bombings and suicide bombings have not been checked. The totals were 143 in January, 396 in February, 479 in March, 392 in April, 269 in May, 134 in June, and 378 in July. Overall deaths are down from the peak in January but the count is so erratic as to have limited value and the overall trend is still high. They were 3,190 in January, 2,128 in February, 1,388 in March, 1,664 in April, 2,222 in May, 1,577 in June, and 1,539 in July.<sup>ii</sup>

These figures also ignore growing Shi’ite instability in the south, and particularly in the southeast, and a growing threat from Iran. While Syria has not increased the flow of foreign volunteers or support for the Sunni insurgency, Iran has steadily improved the flow of and nature of the arms it is sending. Iran also arms and advises a mix of Iraqi Shi’ite factions and militias, playing them off against each other, and has increased the number of its operatives in Iraq. Like the war in Afghanistan, Iraq is not entirely an internal conflict, and British weakness and failure in the south has both encouraged Shi’ite extremism and partially opened the door to Iran. Moreover, the fatal illness of Hakim, and repeated killings or assassination attempts on senior advisors and staff to Sistani further complicate the growing problems in this “second front.”

The Sunni tribal “awakening” is a major shift in the strategic situation in the main front, but active tribal and Sunni resistance to Al Qaeda covers only part of Anbar and is concentrated largely in the river towns and cities, with some activity in Waleed and Rutbah. Moreover, Anbar and the north are exceptional in that there is good coordination between the Iraqi Army and the police, and only minimal elements of the ISF that cooperate with the JAM and Shi’ite militias.

Nevertheless,

- The total weekly incident totals for MNF-West, which includes most of Anbar, averaged over 400 from July 2006 to April 2007. By the last week in July, it had dropped to 257 per week over the preceding 26 weeks, 157 over the preceding 8 weeks, and totaled only 98 incidents in the third week of July.

- The number of civilian Iraqi tips or HUMINT on key targets like arms caches in MNF-West had been virtually negligible from January 2006 to January 2007. They have since averaged some 40 per month. More significantly, the number of arms caches discovered had dropped from around 50 per month in January 2006 to less than 10 in the summer and fall. It rose to early 40 in February 2007 and has since averaged over 40 per month.
- The number of monthly attacks in Fallujah averaged over 100 from March-to-August 2006, and roughly 200 from September 2006 to January 2007. It dropped to below 90 from February to May, to less than 30 in June, and was continuing to drop during a visit in late July.
- The number of monthly attacks in Ramadi averaged well over 300 from August 2005 to June 2006, and averaged over 500 from July 2006 to February 2007, and roughly 200 from September 2006 to January 2007. It dropped to below 450 in March and then fell sharply to below 100 in May, to less than 50 in June, and was continuing to drop during a visit in late July.
- The number of monthly attacks in Rutbah had begun to surge from nearly zero to 10-20 in late 2006, and peaked at 40 in December 2006. They have been well under 10 per month since February and are dropping.
- The number of monthly attacks in Hit averaged over 70 from February to August 2006, peaked at 160 in September 2006, and averaged over 100 through January 2007. They dropped to less than 20 in February, and have been less than 10 since that time, dropping steadily through late July.
- The number of monthly attacks in the Haditha Triad averaged over 30 from March-August 2006, and averaged over 200 from September 2006 to November. They have since dropped to less than 30 per month.

These MNF-West intelligence data do not reveal some certain path of success. The drop in violence is tied largely to cooperation with the US. The same fighters that were killing Americans could be killing them again in a matter of weeks or months if the central government does not act, and Sunni tribal loyalty oaths to the government are now worth about as much as central government help to the Sunnis – which is to say that some could prove to be little more than worthless if the central government does not act.

There is a real opportunity that did not exist at the start of the year. What is critical to understand, however, is that while the surge strategy has had value in some areas, much of this progress has *not* the function of the surge strategy, US planning, or action by the Maliki government. In fact, the “new” strategy President Bush announced in January 2007 has failed in many aspects of its original plan.

The increase in forces (5 Brigades ~ 20,000 U.S. troops plus 30,000 additional Iraqi troops in Baghdad) did enable the MNF-I to make some gains against AQI and sectarian

violence. So did US military planning that developed and implemented a counterinsurgency doctrine, and a strategy based on that doctrine, that emphasized the primacy of population security and the political line of operations. These measures did help to enable the Sunni tribal “awakening” and its spread. This would not have been possible without the tribes’ new hope of success that resulted from the arrival of additional forces. More importantly, it would not have been possible without the change in employment of US forces to deploy and remain in neighborhoods and rural areas versus the previous strategy of operating only from large bases.

The IA did deploy all of the 30,000 soldiers that it had agreed to. While the initial units were not at full strength, they soon fully deployed and continued to deploy units at excess of 100% strength. The non-Kurdish Army units, however, have had mixed loyalties and some have had ties to the JAM and Shi’ite militias. With some exception, the police have failed to act as a national force and provide enough paramilitary capability to “hold” in the areas where the US and IA have won. The fact that the Iraqi Army and police forces would fail to provide anything like the reliable support required was all too predictable.

The fact remains, however, that the increase in US forces alone could not have dealt with the rising Al Qa’ida threat outside Baghdad and in the Baghdad ring. Without the unplanned uprising by the Sunni tribes, the US simply did not have enough forces to carry out the present level of operations if it had had to rely solely on the real-world capability of the official Iraqi Security forces.

It has taken the mix of forces the US and Iraq deployed over six months to establish a limited kind of security over half of Baghdad. This security has so far been local and has not stopped sectarian cleansing. The US has sharply reduced cleansing in the areas where it effectively sits over the ethnic fault lines, partly due to US military efforts and partly due to the fact the US has put up T-walls partitioning the city

The Sadr militia continues to take advantage of the US and ISF campaign against Al Qa’ida to push Sunnis out of northwestern Baghdad. Some elements of Iraqi Army and police forces, except the Kurdish units, are clearly in collusion with sectarian cleansing, although the US watches those units and their commanders closely, and attempts to minimize any unlawful behavior. Many, including some US officers in the field, feel the Prime Minister’s office, Ministry of Defense (MoD) and Ministry of Interior (MoI) are still colluding actively or passively in this ethnic cleansing, as well as in similar efforts in Diyala and various pockets throughout the country.

The political and economic dimensions of the surge strategy have also failed to materialize at anything like the rate planned in Washington before the President announced his new strategy in January. Iraq has not made anything like the political progress required, and the effort to expand and revitalize the US aid effort to help the Iraqi central government improve its dismal standards of governance and economic recovery efforts have already slipped some six months and are far too dependent on the US military.

Ambassador Crocker has noted that only about 30% of the State Department's Arabists have been willing to take posts in Iraq with any risk, the PRTs and EPRTs are badly undermanned and largely still ineffective, even in the provinces where they can actually operate and move with some degree of freedom. It is clear that it will be months -- if ever -- before the US military get anything approaching the level of civilian partners that they need.

*But*, it is sometimes better to be lucky than to have the right strategy. The US military has made critical changes in tactics that are both paying off and interacting with something the US never planned upon. Deploying US forces aggressively into both Baghdad and the Sunni areas coincided with a major Sunni tribal uprising against the abuse of Al Qa'ida.

Sheer luck has created a major synergy between Sunni willingness to attack Al Qa'ida and other abusive, hard-line Sunni Islamist elements and far more effective US efforts at counterinsurgency. This is having a major impact throughout Anbar and potentially will expand into Baghdad, Diyala, Salah ah Din, the Northwest, and some areas in the Baghdad "ring."

The growth of anti-Al Qa'ida Sunni tribal and local resistance is compensating for the fact the ISF are not strong enough, effective enough, or loyal enough to allow the surge strategy to work. It allows the US to work with a combination of the ISF forces that are effective and Sunni tribes to make major progress outside Baghdad and to still deploy enough US forces in Baghdad to make progress.

Sunnis that were shooting Coalition and ISF forces six months ago now want to work with the central government if the central government will work with them. They will sign loyalty oaths, join the regular police, and join the army if the government will give them money, status, and a share of power. The problem is that this shift is tenuous and depends on reasonably rapid central government action to give the Sunnis what they want. (US officers put the limit of tribal and Sunni patience at 130-180 days). The fact remains, however, that luck has paid off so far and could pay off even more in the future.

The fact also remains that US intelligence in Iraq sees Al Qa'ida and its affiliates at roughly 15% of the total strength of the various elements that have made up the insurgency in the past -- although decisively the worst element in terms of suicide and car bombings and Sunni efforts designed to produce a sectarian civil war. These other elements of the Sunni insurgency have suffered far less from US, ISF, and tribal military action, and even Al Qa'ida continues to show considerable resilience in rebuilding its leadership and key cadres. The present military successes will clearly fail if the Sunni insurgents can -- in Mao's terms -- recover the ability to "swim" in the sea of popular Sunni support.

### ***Some Elements of Hope on the Shi'ite Side In spite of a Serious and Growing JAM Threat***

The Sadr militia and other Shi'ite extremist movements have also begun to emerge as a more serious threat in many of the disputed areas in Iraq than Al Qa'ida and Sunni Islamist threats. For all Sadr's somewhat erratic calls for nationalism, the Sadr militias in the field are clearly committed to ongoing efforts at sectarian cleansing as well as to dominating the politics and wealth of Shi'ite areas.

Jaysh Al Mahdi (JAM) and other hard-line Shi'ite groups and militias have had steadily rising Iranian support. This has not yet included the advanced anti-tank guided missiles that Iran sent to the Hezbollah for use against Israeli forces, and which could defeat any US armored vehicle and largely deny the MRAP of much of its value (current versions cannot protect against EFPs in any case). It also does not include advanced MANPADS and SHORADS -- which forced the IAF to fly virtually every low-to-medium altitude missions over Lebanon with flares and full counter-SAM suppression. It has meant better rocket launchers, better rockets, more EFPs and IED components, more mortars, and other weapons. It has also meant some direct Iranian financing of elements of the JAM and other militias, more Iranian training and advisory presence (evidently including a presence in some EFP cells) and may have meant direct Iranian support of hostile operations against US, UK, and IAF forces.

At the same time, like Al Qa'ida, the hard-line elements of JAM and similar militia and local security groups are largely self-financing. They operate by driving Sunnis out of their homes and then selling rental contracts for them. They sell stolen automobiles, control Benzene station operations and steal fuel, raise money through extortion and kidnappings, run protection rackets, and control local generators and construction projects. They dominate some elements of the Facilities Protection Force and are still embedded in the National Police and some elements of the Shi'ite elements of the regular police. The fine line between religious ideology, open thugery, and organized crime is just as blurred among Shi'ite extremists as among Sunni extremists -- although no one reported that JAM had joined Al Qa'ida in attacks on tribal leaders and in forced marriages.

Yet, there are indications that SCIRI and other more moderate Shi'ite leaders are getting equally concerned about the Sadr militia, the weakness of the Prime Minister, and the role of Iran. The reports that the Sadr movement is somehow losing influence are flatly false, but there does seem to be growing realism among many other influential Shi'ites. Furthermore, the thug-like character of many elements of the JAM and similar militias, and their ideological extremism, do create a serious popular backlash.

These reactions have their limits. A visit to Iraq reveals far less confidence in Maliki at every level than is apparent from the outside. No one seems to trust Maliki outside his immediate coterie, and many Iraqis and US officers and officials in the field feel he has tacitly or actively supported sectarian cleansing in Baghdad and the south. This distrust was a major factor in the resignation of six Sunni ministers of the Iraqi Accordance Front

from the Cabinet in early August, and relations between Maliki and the Sunni Vice President, Tariq al Hashemi, range from very bad to terrible.

Maliki's real or reported weakness – and ties to a narrow coterie of party supporters within Al Dawaa – has led to an increasing degree of isolation, fears of US efforts to work with the Sunnis and Sunni tribes, and reliance on inexperienced party members who have little political experience and cannot govern. It is pushing other Shi'ites – such as those in the Fadhiya Party (the main party in Basra) and those in SCIRI, as well as the Kurds, to try to find ways to counter a threat that they now see as being as serious as Al Qaeda. Such efforts are faltering and have not yet taken active military form except for a few Iraqi Army units, but they seem real. Political progress does seem to be taking place, although not the kind the US planned upon, or at anything like the rate the US would like.

The case that Ambassador Crocker and General Petraeus make for "strategic patience," and one that President Talibani and Vice President Mahdi make in very similar form, is that Sunni, Shi'ite, and Kurdish leaders are *slowly* coming together in ways that *may* develop the ability to evolve a form of central government that would keep Iraq united but devolve enough power and money at the provincial and local level to secure the Shi'ite majority, offer the Kurds what they want most, and give the Sunnis a deal they could possibly accept.

Everyone agrees that the resulting "deal" -- if one can be made and made operational -- will take months of painful further negotiation. Making it work in a comprehensive form will take years to negotiate and implement in full detail. It will have to be flexible enough to cover the very different needs and politics of Sunnis at the national, provincial, local, and tribal levels. Like the Shi'ites and the Kurds, sectarian and ethnic identity are only one factor shaping insurgency and stability, and Iraq is going to have to slowly find a new balance of complex interests at many different levels that go far beyond the most obvious forces driving today's civil conflicts at the national level.

But, there is the hope that while progress will never meet the benchmarks that the Congress now focuses upon, short term progress could include some mix of provincial elections, an oil deal on revenues and resources, a compromise on federalism, some form of re-Ba'athification, and some kind of compromise on the future control and structure of the Iraqi security forces. This kind of progress would give every major faction with any interest in moderation and compromise enough reason to keep working together, as well as a reason to avoid reliance on force and extremism.

It must be stressed that nothing about the process will be neat or pretty, or conform to US ideals about political reform. Any such solution will evolve in a morass of feuding, conflicting political signals, staged walkouts, and occasional nasty clashes -- some violent. It cannot come in a neat package or come quickly. It will mean agonizing further negotiations, squabbles, and delays.

Success of any kind will require US force reductions to be loosely tied to the pace of Iraqi action, and not some predictable schedule. It will mean that many original US goals

in trying to transform Iraq would have failed. A workable compromise cannot reverse many of the impacts of sectarian and ethnic cleansing.

Such a compromise must also effectively devolve substantial amounts of power to Provincial governments to allow the creation of Sunni, Shi'ite, and Kurd controlled sectarian and ethnic partition or enclaves. The resulting local and provincial power structures will sometimes be corrupt, nepotistic, and repressive.

Governance and services will be fractured and center more on activity at the local and provincial level than from Baghdad. This, however, may well not be a negative. The structure of the central government is so horribly inefficient, and its ministries so vulnerable to power brokering, corruption, and ethnic and sectarian manipulation that meaningful reform is impossible. Transparency, efficiency, and effectiveness will be limited at the local and provincial level, but almost certainly higher than at the central level.

A successful answer to the national money game would effectively give each major faction a suitable share of oil wealth and other revenues at both the national and provincial levels, but again, the results will not be pretty. Far too much of the US embassy effort focuses on having Iraqis spend their budget, and far too little on what such spending means.

Spending money in Iraq is not a measure of merit or of benefits to the people. Any compromise that suits Iraq's present leaders will serve special interests at least as often as the Iraqi people, and involve massive levels of inefficiency and corruption. The saving grace is that there would be far less violence and most money would probably stay in Iraq and have added benefits to the people over the present system.

A workable compromise, or process of compromise, also means facing the fact that some aspects of the current US plans for Iraqi force development can never be implemented. The regular police would be largely local and composed of forces that matched the sectarian and ethnic composition of the area with limited central government control.

The US is already paying some tribal elements 70% of the salary of the regular police and seeking to recruit them into local police units that would at least initially do little more than legalize local forces by giving them some police training, police uniforms and some outside discipline, and requiring a loyalty oath. It will be years before the loyalty of such forces goes beyond the local, tribal, and/or sectarian/ethnic level – if ever. Cross-deployment and mixed manning will probably have to come after the US has largely left or gone.

The nature of the army would require fewer changes, but it would mean accepting the fact that many army units still have some sectarian and ethnic ties. It would also mean far more realism about what can be achieved in developing each element of the IA, and how soon progress can occur. The hope, however is that the core of a truly national forces

could still be created, albeit with mix of local divisions and brigades with suitable match of sect and ethnicity.

## **The Risks in the Current Situation**

Can the Iraqi political structure and the US pull this off? The odds are at best even. If the US is to be successful, it must accept the fact this level of risk exists and cannot be eliminated for at least several years. It is important that US decisions be based on honest and objective assessments of the full range of problems that still exist and not Panglossian fantasies about progress that has not really occurred. The situation in Iraq still has many pitfalls, and these can still force the US out of Iraq in failure.

The key risks and problems the US faces can be summarized as follows:

***--Prime Minister Maliki may sometimes tell us what we want to hear, but he is at best weak and ineffective and may well be far more committed to sectarian Shi'ite positions than he has publicly stated.*** The almost universal criticism of Maliki's office during a recent trip to Iraq showed that it is seen as too closely tied to the sectarian cleansing effort in Baghdad and south Baghdad, as involved in freeing JAM and Shiite detainees, as refusing to work with the Sunni tribes out of fear they will gain power and as refusing to bring Sunni fighters into local security forces and the police for the same reason. US commanders in NW Baghdad and in the southern ring, and both Sunni and Shi'ite officers in the IA were equally critical of the PM's office as were Iraqi officers. There are reasons Sunnis and Kurds, senior US officers and officials, and high-ranking Kurdish officials do not trust the Prime Minister.

***--The Kurds are hanging together, but have scarcely solved their problems with the Turcomans, the Arabs, Turkey, Iran, and Syria.*** The elements of an Iraqi Arab-Kurd deal seem to offer a peaceful solution, but nothing exists on paper. The terms of any referendum are unknown, and ethnic pressure and cleansing are still serious local issues in the north.

***--The Sunni political leaders inside and outside the central government have limited popular credibility, and sometimes almost none with the same Sunni tribes that have turned on Al Qa'ida.*** They are often as jealous and paranoid about the Shi'ites and Kurds as the Shi'ites and Kurds are about them. It is not clear how much of the revolving door approach the Sunnis take to being in government and revising the constitution is tactical maneuvering and how much is serious, but it is clear that there is no strong Sunni partner to make a deal with. Moreover, the main Sunni element in the government – the Iraqi Accordance Front – has only limited proven legitimacy in terms of any ability to ensure that Sunnis in most areas in Iraq will follow its lead. Sunnis remain fragmented, divided into very different regional clusters with different priorities and interests.

***--The Shi'ites increasingly are turning on each other at the national, provincial, and local level.*** SCIRI -- new name or not -- does not have strong active leadership and it is unclear what will happen to Hakim and his son. Al Dawa is steadily weaker, and

maneuvering to find support from both SCIRI and Sadr, with suspicious ties to the Sadr Militia (JAM) and sectarian cleansing. The struggle for each major shrine city has become messy and local in the south, and the British defeat in the four provinces in the southeast -- particularly Basra -- has created the equivalent of rival Shi'ite mafias whose religious pretensions in no way means they are not the equivalent of the kind of rival gangs that dominated many American cities during prohibition. Young street thugs wander much of the area, stealing and bullying in the name of God.

***--The Sunnis harbor major concerns about the Government of Iraq in Anbar and elsewhere in the north.*** In addition, US commanders and aid workers in the area, make it clear that they also have concerns about the speed at which the GoI bureaucracy moves forward in dealing with the tribes that are prepared for reconciliation. The tribes want resources and a defined role in the government. This prospect comes with a limited period for the central government to act before the Sunnis and tribes come to feel they cannot deal with the government and can only rely on the Coalition. Accordingly, this major window of opportunity for reconciliation and inclusion could shut in a few months. Moreover, many of the Diyala Sunnis and tribes (and elsewhere) seem to be waiting to see how the communication and relationship between the GoI and the Sunnis and tribes in Anbar progresses before they fully commit. They are concerned that they will not be able to communicate any more effectively with Maliki and the GoI than the Sunnis in Anbar. Lacking GoI cooperation, Iraqi Sunni tribes and Provincial Security Forces may turn to the major Sunni states for funding and support, effectively severing their ties to the central government and Coalition forces.

***--Governance is a challenge at multiple levels.*** The GoI and some provincial governments have failed to venture outside their protected areas. In addition, the culture, the lack of trust in a banking system and fear of the accusation of corruption have led to cumbersome accounting and acquisition procedures that can produce problematic misallocation and misuse of money, or in the case of the MOD, gridlock in the letting of contracts. Information flow is vertical, slow and often failed in a system where information is power. Efforts to automate on a large scale have reached resistance resulting in a ledger-oriented system where at times only ministers or governors can make decisions. As elsewhere in the region, sectarian and ethnic dominance, corruption, nepotism, lack of qualified personnel, and a fear of decision making are not uncommon problems. Progress is taking place, but very slowly and still limited by the fact that many relationships are not clear because of problems in the constitution, delays in the Provincial Powers Act, and gaps and flaws in basic procedures. It must be stressed that expenditure of an annual budget in this system is a weak measure of merit -- since few can relate those expenditures back to the initial requirements or account for an end product.

***--Both ministries of defense and interior are years away from becoming efficient and effective, and the advisory effort is seriously understaffed and increasingly marginalized.*** Much of what is interpreted as sectarianism is sheer incompetence of the

ministerial bureaucracy. No doubt that many elements of sectarian behavior exist, more in the interior than defense. Equally without doubt is this: the size and complexity of the interior ministry contributes to the difficulty in reform. Even after seven National Police brigade and 17 battalion commanders, a score of other generals, and over 2000 Ministry of Interior employees have been fired, forcibly retired, relieved, or arrested, sectarianism remains. Incompetence, a culture of diffusing and hiding responsibility, as well as sectarian agendas all combine to make the mere running of the security ministries very, very difficult.

**--Logistics and maintenance also remain problematic at best.** The Iraqi Army is slowly developing a skeletal logistics capability. The Iraqi police forces are not. In part, the police rely on local supplies and maintenance-problematic in a war zone; in part, coalition forces “transitioned” maintenance and logistics to the Ministry of Interior control before they had an actual capability.

**--The Iraqi army has some truly national units, but others have ties to sectarian cleansing in the areas where there is serious fighting or sectarian pressure.** US advisors and commanders in the field make it clear that the Army has some units that can plan and conduct their own operations and others that are non-sectarian and ethnic and truly severe the national interest. There was a broad consensus that the Army is far less actively involved in sectarian cleansing than the National Police or regular police. However, senior and other Iraqi army officers and units either support or tolerate sectarian cleansing in Northwest Baghdad and south of Baghdad, particularly to the east of the river in the areas near the arch of Cestiphon.

Sectarian problems are critical in NW Baghdad where the Sunni insurgents, largely Al Qa’ida, were losing to the JAM even before the US surge hit them hard. The rating systems provided in the unclassified Department of Defense quarterly reports ignore the much more sophisticated system US commanders use for rating differences in readiness as well as the ones used to rate the sectarian and ethnic alignment of some Iraqi Army, National Police, and regular police units -- which US commanders clearly see as critical problems and use in their classified assessments of units. US commanders in the field have had to rate each unit down to the battalion level by both its combat capability (using a different system than the one in unclassified reports) and each unit's level of ties to the JAM, Al Qa’ida, or other Sunni units.

**--There are Army units that work well in supporting US forces, as well as some police units. They are not, however, really ready to assume full responsibility for operations and no clear plans or time lines exist to give them this responsibility.** Even the best units -- the few that can really plan and conduct their own operations independently -- need back up from US enablers in terms of armor, artillery, air support, intelligence, and emergency reinforcements. As yet, no plans have been made public to remove this dependence. They get erratic support, supply, and recruiting support from the MoD, which often favors Shi'ite with limited qualification. The logistic mission is proving far harder to perform than US experts originally estimated, and current plans are not convincing. There is also a clear need to decentralized many aspects of the IA, and this

need has not yet led to effective plans even at the advisory level. If there are plans to go further in the future and develop Iraqi forces that can defend the nation against foreign enemies, no one seemed to know of them. It must be stressed that very real progress is taking place, and there are very real opportunities, but an effective effort will clearly take until 2009 or several years beyond.

***--Reform of the national police has failed.*** Even some "reblued" units – like those with missions south of Baghdad -- are seen as tolerating or aiding the JAM when they are not under tight US control and as part of the problem in the southern ring area. The general approach seems to be to write them off by incorporating them into the Army over time, but this depends on political decisions that have not been taken yet. They also present a major problem because they now have no budget and regular supply chain from either the MoD or MoI. This means the US forces have to supply the better battalion elements with at least some of their needs. This failure is a marked contrast to the IA units that are developing a limited amount of self-sufficiency or "life support," although this is extremely patchy and uncertain.

***--The regular police remain a mess at the national level, and there are no prospects of creating a truly national police force --except for some specialized elements -- or one that can both perform regular police duties and deal effectively with militias and insurgents.*** US advisors made it clear that the year of the police never happened, and won't happen. Key cadres are becoming effective at the national level in a number of investigative and other capacities. Trainers will try to create larger truly national elements, But, there seems to be a growing consensus that that the real task is now to create a mix of provincial and local police forces that can provide local security to people with the same sect and ethnicity, that have some training, have some screening to remove criminals and extremists, and have ties to local leaders to partially guarantee their loyalty. The whole police effort is up in the air since no formal changes have yet taken place to what everyone in the field seems to agree is a failed, over-centralized structure.

***--The lack of local courts and a criminal justice system adds to the problem created by an ineffective police and increasingly effective organized crime with clear ties to local political leaders in many areas.*** There is no meaningful rule of law at the provincial and local levels, and it will be several years before current advisory efforts can create them -- if the courts and justice system can be protected and integrated into increasingly sectarian and ethnically divided police efforts and governance. The US mission did make yet another attempt to organized an effective effort to aid Iraq in developing a rule of law in June 2007, and individual aid efforts have had considerable success in limited areas at the national level – but the current aid effort is far too limited to cover the country, and it is probably too late to expand, even if qualified personnel could be recruited and protected.

***--The US has made major improvements in its detainee efforts, but that detainees have risen to over 18,000 and are projected to hit 30,000 (by the US command) by the end of the year, and 50,000 by the end of 2008.***The process of review and release is still ineffective. Shi'ite detainees are often freed while Sunnis are warehoused. Camps are still de facto training centers for hardliners, and the whole Iraqi side of the process is intensely

alienating along sectarian lines. TF 134 has made significant improvements in the US screening and treatment of detainees, although it is very late in the game. It is only now, that the US detention system is developing a systematic method of segregating and training detainees and developing a coherent non-sectarian release program that contributes to the perception and reality of fairness

***--The aid process is still a mess, with no effective leadership in Washington, although the recent appointment of Ambassador Reese as an aid coordinator and creation of a Joint Economic Action Plan (four years after the fall of Saddam) offers some real hope.*** As the SIGIR has reported in detail, the mid to longer term aid program is running out of money without follow on plans or ability to transfer many projects to Iraqi hands. Worse, the SIGIR reports make it brutally clear that neither the top level leadership of USAID, nor of the Corps of Engineers, has been able to provide honest reporting, meaningful measures of effectiveness, fully staff efforts in Iraq, develop meaningful overall aid plans and priorities, control corruption, coordinate the different elements of the JUS aid effort in Iraq, and ensure the successful transfer of major projects to Iraq. From the start, the national direction of the US aid effort in Washington has been a disgrace to the public service and done the US cause and Iraqi people serious harm.

***--There is as yet little or no coordination between the short and longer-term aid efforts, and little coordination within the PRT, EPRT, CERP or Iraqi effort.*** When things work – and they often do at the local or project level -- they work in spite of a lack of any meaningful planning and management in Washington, or as yet in Iraq. They work because there are some very good people and teams in the field, but many experienced people and linguistics are leaving, and successful efforts are largely local and compartmented. There is no master plan to tie things together and Iraqi efforts are being judged by whether they spend their 2006 and 2007 budgets without regard to what they are really spending the money on.

***--The EPRT concept does seem promising but only a few are staffed.*** It is far too early to judge their effectiveness, and there is no coordination between them.

***--The same is true of the PRTs, some of which can't really operate in the province they are assigned to, all of which take different approaches to the problem in their areas, and are faced with massive problems -- under and unemployment in excess of 50% and inflation -- they are too small to really address.*** All have major problems in getting any action out of the central government and face morass of local, provincial, and tribal politics. The good news is that they are now being integrated with the military and are getting military support and protection, but it again is too early to judge what is really happening.

***--Far too many Americans and Iraqis still talk about Iraq as a wealthy nation when its oil revenues provide only limited per capita income or surplus above the current operating needs of governments and fall far short of near and mid term needs for reconstruction and development.*** Iraq essentially went bankrupt in 1982, as a result of the Iran-Iraq War, and had to become reliant on foreign aid and loans that covered its

warfighting needs and not development. It began to create a major “development backlog” which decades of war, sanctions, and occupation still continue. Much of its government and services are sized more around a population of 16-17 million than 26-27 million. Iraq also is even less competitive now than in the early 1980s. The global economy has moved far beyond the level of efficiency in Iraq’s industry, day-to-day financial sector, agriculture, education, and government.

The Department of Energy puts Iraq’s oil wealth in perspective when it reports that Iraq’s oil exports earned \$55.3 billion in constant 2006 dollars in 1980, but only earned \$24.5 billion in 2006 and are only estimated to earn a maximum of \$22.9 billion in 2007.<sup>iii</sup> Using the CIA population estimate of 27,499,638 for July 2007, and the EIA revenue estimate, this works out to a current per capita oil income of \$833 dollars and this ignores all of the massive problems in distributing oil revenue and using it in productive ways. (It is almost impossible to determine how the CIA estimates Iraq as having a purchasing power parity per capita income of \$2,900 and market per capita income of \$1,479. The real world figures almost have to be substantially lower.<sup>iv</sup>)

Given the fact that Iraq’s population has risen some 63% since 1980, and current oil revenues are only 41% of their 1980 level in constant 2005 dollars, prattling on about Iraq as a wealthy country borders on the absurd even if one could somehow ignore Iraq’s remaining debt and reparations problems, failed state industry sector, and unemployment and underemployment exceeding 50% in much of the country.

Outside investment and oil money can make a major difference over time, but it will be years before the flow can keep up with in the increase in need and expectations. At present, there are severe problems in Iraq’s major oilfields, its pipelines, its lack of refinery capacity, and its export terminals that cannot be solved because of underinvestment, war, and corruption. Some \$2.7 billion in US aid efforts over four years have still left Iraq’s oil industry worse off today than at the time the US invaded, and serious questions exist about how much Iraq is really producing and exporting and the integrity of State Department reporting in this area. The real total for exports does; however, seem to average significantly under 2 million barrels a day.<sup>v</sup>

Iraq has also been grindingly slow to act, and only spent some 3% of the \$4.5 billion in budgets for oil reconstruction projects in 2006. The Kirkuk fields badly need rehabilitation. As the Department of Energy notes,

“Throughout most of the 1990s, Iraq did not generally have access to the latest, state-of-the-art oil industry technology (3D seismic, directional or deep drilling, gas injection, etc.), sufficient spare parts, and investment. Instead, Iraq reportedly utilized sub-standard engineering techniques (i.e., over pumping), obsolete technology, and systems in various states of decay in order to sustain production. In the long run, reversal of all these practices and utilization of the most modern techniques, combined with development of both discovered fields as well as new ones, could result in Iraq’s oil output increasing by several million barrels per day.

In spite of the fact that little damage was done to Iraq’s oil fields during the war itself, looting and sabotage after the war ended was highly destructive, accounting for perhaps 80 percent of total

damage. Starting in mid-May 2003, the U.S. Army Corps of Engineers -- which had the lead in restoring Iraq's oil output to pre-war levels -- began a major effort to ramp up production in the country. On April 22, 2003, the first oil production since the start of the war began at the Rumaila field, with the restart of an important gas/oil separation plant (GOSP). As of November 2005 Iraq's Qarmat Ali water injection facility reportedly was operating at only 70 percent of capacity, holding back production from Rumaila and other southern oil fields.

The GAO notes in its July 2007 report that,<sup>vi</sup>

Poor security, corruption, and funding constraints continue to impede reconstruction of Iraq's oil sector. The deteriorating security environment places workers and infrastructure at risk while protection efforts have been insufficient. Widespread corruption and smuggling reduce oil revenues. Moreover, Iraq's needs are significant and future funding for the oil sector is uncertain as nearly 80 percent of U.S. funds for the oil sector have been spent. Iraq's contribution has been minimal with the government spending less than 3 percent of the \$3.5 billion it approved for oil reconstruction projects in 2006.

Iraq has yet to enact and implement hydrocarbon legislation that defines the distribution of oil revenues and the rights of foreign investors. Until this legislation is enacted and implemented, it will be difficult for Iraq to attract the billions of dollars in foreign investment it needs to modernize the sector. As of July 13, 2007, Iraq's cabinet has approved only one of four separate but interrelated pieces of legislation—a framework that establishes the structure, management, and oversight. Another part is in draft and two others are not yet drafted. Poor security, corruption, and the lack of national unity will likely impede the implementation of this legislation.

The U.S. reconstruction effort was predicated on the assumption that a permissive security environment would exist. However, a deteriorating security environment continues to place workers and infrastructure at risk while protection efforts have been insufficient. Widespread corruption and smuggling continue to reduce oil revenues. According to State Department officials and reports, about 10 percent to 30 percent of refined fuels is diverted to the black-market or smuggled out of Iraq and sold for a profit. Moreover, Iraq's needs are significant and future funding for the oil sector is uncertain as nearly 80 percent of the U.S. funds for the oil sector have been spent. Iraq's contribution to improving its infrastructure has been minimal with the government spending less than 3 percent of the \$3.5 billion it approved for oil reconstruction projects in 2006. Further, the international community has not provided any grants to develop the oil sector, and Iraq has not accessed nearly \$500 million in loans from international contributions to the oil sector. U.S. and international officials stated that international donors have not provided funds for the oil sector because they expected that Iraq and the private sector would provide the needed resources.

At the same time, it is important to point out that the US will have to face many of these risks – or their consequences -- in some form regardless of how fast it withdraws its troops. They will haunt the US throughout the life of the next administration and well beyond. This is why the previous list does not address the steadily escalating Iranian intervention in Iraq, and one clearly designed to target US forces as well as divide the country on sectarian lines. The problem of Iran, and the US need to confront it, will be a fact of life in the Gulf regardless of US policy in Iraq and – if anything – will be much worse if the US leaves a power vacuum in Iraq.

Similarly, the US cannot ignore the Kurdish issue and its impact on Turkey and US-Turkish relations. The US will have to take some kind of policy stand regarding the future security and autonomy of the Kurds, and cannot ignore Turkish pressure on the

Kurds or the dangers posed to Turkey by the PKK. Once again, strategic patience seems to offer the least risk, although scarcely eliminate it.

Finally, very similar considerations are involved in dealing with the Syrian role in Iraq and – far more importantly – the role of friendly Sunni states like Egypt, Jordan, and Saudi Arabia, US support of the Sunni tribes and more active efforts to end sectarian cleansing are a key to defusing outside Sunni Arab anger against the US, and preserving American strategic interests in the region. They present obvious risks, but the risks in not acting will almost certainly be greater.

## **The Tenuous Case for Strategic Patience**

No one can deny that “strategic patience” means relying on a still undefined set of hopes and taking first steps, not implementing a coherent plan or making rapid progress. The timing of strategic patience also cannot be open ended. The present combination of Sunni tribal efforts, US military action, and limits to Sunni insurgency and Shi’ite militia action is too fragile to survive long delay, even if US domestic political demands were not so critical a factor.

Immediate progress is needed to get the COR to pass some of the Benchmark legislation soon after it comes back into session in September, with drafting and negotiating going on during the recess. Much of what would be passed would not be complete, and would take months to turn into practical effort -- if not years. The main near term impact would be to show the US and allow of Iraq's factions that some political progress is taking place, the elements of an acceptable sectarian and ethnic bargain exist, and some political progress is taking place to match the military progress.

The real case for strategic patience, however, is not the high probability of success in most areas, but the reasonable prospect of success in some areas. The previous list of problems is only part of the story, and even key elements remain discouraging. At the same time, the strategic and human costs of not trying are extremely high, and the Sunni tribes really have turned on Al Qa’ida in a number of areas. This has allowed US forces to succeed to some degree in spite of a lack of coherent strategy from Washington, and one that never made real political and military sense.

Some key Iraqi leaders clearly do believe compromise can be worked out, there are really good ISF units scattered among the failures, and there is a window of opportunity to bring Sunnis and Shi’ites together. Strengthening provincial and local governments can ease sectarian and ethnic tensions without breaking up the country, and reduce the strain on a failed and unsalvageable system of central governance in Baghdad. It also allows the effort to create security and stability in Iraq to adapt to what have become very different conditions and needs in many areas of Iraq.

The US team is far more impressive than ever before, and far more experienced from Crocker and Petraeus down to the junior officer and US civilian in the field. The current F-Troop in Washington – and the F-Troop that existed in Iraq during the key initial years of the occupation -- has been replaced by the A-team. This is not only the case at the top,

but in the field. The quality, experience, and training of the USD military, and experienced civilians, is immensely better than at the start of the CPA, and professionalism has replaced the vacuous ideological reliance on hope that crippled much of the initial US effort.

It is just possible that "strategic patience" can work over time. What are the odds of such success? No one can honestly say, but they may well become higher than the 50-50 level *if* Iraq's political leaders do move forward by early 2008, *if* the Sunnis are co-opted by the government and brought into the Iraqi Security Forces, and *if* the US does not rush out for domestic political purposes.

They will also be greatly improved if the US country team is allowed to develop plans and budgets for the coming year and longer-term action. The US national security team in Washington is clearly ineffective and lacking in core competence. Real leadership has to come from the field and the country team, and has to be exercised in a context where the issue is the ability to present workable plans for sustained action – not purely military situation reports or efforts to rush various benchmarks.

Troop reductions are needed, but sensible plans put in a realistic context of what Iraq can do politically and how soon the various divided and still faltering elements of the ISF can move forward. The good news is that both the US team in Iraq, and Iraqi leaders, are working on plans that would phase down the US military presence and do so significantly on a "capabilities-based process" *if* the Iraqis move forward.

It would also be of great benefit if the Congress would allow the country team to propose milestones and variations on the current "benchmarks" based on Iraq's current and real world needs, rather than to legislate them or mandate reporting on the current set.

The country team does, however, have to present better near and mid-term plans for improving US aid in economics and governance, not just better plans for future US force levels. There is also a vital need to focus on both ensuring and expanding oil export revenues, and supporting enhanced security with immediate improvements in services like water, power, and sewers.

The competence vacuum in USAID's top-level leadership in Washington is as unfixable in the near term as that in the National Security Council. As the same time, the embassy team needs to prove it can do better and go from concepts to detailed workable plans. There is also a major need to reprogram scarcely available funds away from largely pointless efforts outside Iraq – for example, like the wasteful white elephant efforts proposed by the IRI. What works in Iraq is what stays in Iraq.

The bad news – and the key factor that makes the case for strategic patience so tenuous – is that the above list of problems is now so long and so critical that some key steps are already badly overdue. Any major Iraqi failure to move forward over the next six months, to come to grips with the realities described above, and to solidly co-opt the Sunni tribes

and put a real end to JAM and other Shi'ite sectarian cleansing will make strategic patience of limited value or pointless.

One senior US reviewer of this report made these points in a telling fashion, and it is worth concluding by saying that the critics of the critic are sometimes better critics than the critic:

...most of the issues that need to be solved are distinctly Iraqi. It is up to them to rise above their sectarian and ethnic conflicts and move forward. We can only empower them and support them in their endeavor. This could be unsettling for an organization that is used to solving or "fixing" problems, but we understand that our success depends on how we influence and support the Iraqis in this process. We agree that strategic patience is required to give the Iraqis a chance for success.

As you point out, there is not universal solution for Iraq. We cannot and should not decide how to partition Iraq - for any of these solutions to work, they must be Iraqi solutions. We can only help them find their own best solution. The US will not define "victory" in Iraq, but our continued support and empowerment is critical to providing the best conditions for the Iraqis to succeed on their own. Any "all-in" or "all-out" strategy immediately demonstrates a lack of understanding of the problem. As you learned during your visit, different areas are and will continue to advance at different rates. We must adapt to these changes and have the patience to let some (not all) problems be solved on the "Iraqi clock."

We fully expect that the mixed sectarian areas and fault lines will be the last to settle. We've maintained a higher troop concentration in these areas for that very reason. I do believe that it is necessary to slowly hand over responsibility to the Iraqis. I believe that it is necessary to increase capability at the local provincial level and hand over a province at a time vice thinning the lines everywhere. We cannot do this too quickly, but it's important that we allow for gradual GOI empowerment. The GOI is a nascent government and a democratic government is arguably the most difficult government structure to build and consolidate power at the national level. Our most difficult challenge at the moment is getting the central GOI to understand that the "grass roots" movements throughout Iraq could work in their favor if they capitalize on them in time.

The surge was designed to create political time and space. I think it has proven effective in doing that, even though the last of the surge BCTs just arrived last month. We didn't create the "awakening" but we did recognize it and capitalize on it. The additional BCTs gave us the opportunity to take advantage of the awakening. We recognized that increasing security in the mixed sectarian areas in and around Baghdad would also help to bolster a weak central GOI - give it a chance to move politically. What we've done over the past several months is the adaptation that you say is required here in Iraq. We were willing to take risks to keep this moving and we didn't expect that all that ails Iraq would be solved within 6 months. We would like more movement towards accommodation from the central government and we will all continue to do all that we can to bring these outside groups and the GOI together. We understand that our recent tactical successes will not add up unless the Iraqis take advantage of them.

There is a clear need for sustained Iraq political action and success over the next six to 12 months, and Iraqis need to understand that American strategic patience must be earned by early action in all the areas described above. Without such action, the central government is going to lose its own people, as well as the Congress and American people. Moreover, cosmetic progress and/or legislation that are not followed by real action will not work.

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<sup>i</sup> Megan Greenwill, "Iraqi Deaths in Major Blasts Rose in July," Washington Post, August 5, 2007, p. A-18

<sup>ii</sup> Megan Greenwill, "Iraqi Deaths in Major Blasts Rose in July," Washington Post, August 5, 2007, p. A-18. Also see Sam Dagher, "In Iraq, Death Tolls Often in Dispute," Christian Science Monitor, August 3, 2007.

<sup>iii</sup> [http://www.eia.doe.gov/emeu/cabs/OPEC\\_Revenues/OPEC.html](http://www.eia.doe.gov/emeu/cabs/OPEC_Revenues/OPEC.html).

<sup>iv</sup> CIA, World Factbook 2007, "Iraq," <https://www.cia.gov/library/publications/the-world-factbook/geos/iz.html>.

<sup>v</sup> See General Accountability Office, "Rebuilding Iraq: Serious Challenges Impair Efforts to Restore Iraq's Oil Sector and Enact Hydrocarbon Legislation GAO-07-1107T, July 18, 2007 ; and "Iraq Oil Sector Feeble, GAO Finds, Washington Post, August 3, 2007, p. 13.

<sup>vi</sup> <http://www.gao.gov/htext/d071107t.html>