

THE BROOKINGS INSTITUTION
AN ANALYSIS OF THE IRAQ STUDY GROUP REPORT

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PROCEEDINGS

MR. PASCUAL: Good morning. I'd like to welcome you all today to the Brookings Institution. My name is Carlos Pascual. I'm the Vice President and Director of the Foreign Policy Studies Program here.

This is an event which is being jointly sponsored by the foreign policy program at Brookings generally and specifically as well by the Saban Center on Middle East studies at the Brookings Institution.

Today we want to focus attention on issues related to Iraq and to do that in particular in the context of the Iraq Study Group Report, which has just come out. And we feel that both the issue of Iraq is one that requires extensive public analysis and debate, and we think the report requires extensive analysis and debate. And that's the process that we're hoping to kick off today.

I will give a few introductory comments and try to set the context and provide the framework for the discussion. And then I'll be joined by three extraordinary colleagues here at Brookings, who I'll introduce in a little bit of greater detail in a minute.

The report itself does several things, but the first sentence really sets the tone. It says, "It is a grave and deteriorating situation." And it's important that that kind of honesty is set as the foundation for the report. It talks about the internal chaos which is threatening people's lives. It uses the term

humanitarian catastrophe. And as we know from other accounts, there are now on a monthly basis about 3500 Iraqis who are losing their lives and it's costing the lives of about 100 US Military every month.

The report underscores how militias are dominating the security environment. And we'll get into more details about what that means and the significance. It says that staying the course is not an option and that the concept of victory, at least if victory is defined as putting Iraq on the path to being a stable democracy is something which is not within reach.

The report itself divides its recommendations into two groups. The first calls for a new and enhanced diplomatic and political effort in Iraq and the region. And to achieve this, it calls for what it calls a "diplomatic offensive" by the United States and the Iraqi Government to build an international consensus for stability in Iraq and the region. It calls for a conference of national reconciliation in Baghdad. And it says that for that to succeed, it has to have the active participation of countries with a stake in Iraq's future, including Iraq's neighbors. In particular, that obviously has to mean Iran, Syria, and Turkey.

The second set of recommendations goes into the question of the US mission there and calls for a change in the mission of US forces in Iraq to accelerate the Iraqi Government assuming responsibility for the security parts of the mission and increasing US forces that are embedded with Iraqi units and a

repositioning of US combat forces to focus on force protection presumably for those units that are embedded.

And by the first quarter of 2008, it sets—I don't want to say targeted, I don't want to say deadline—it sets a general goal that one should aspire to or that could be possible, it says, for all combat forces that are not necessary for force protection to be out.

One thing the report does not do, it doesn't address or raise four words. Two of them are civil war and two of them are failed state. And I think it's important to put these issues on the table. On the question of civil war, what we have learned from recent history is that civil wars are settled through political solutions.

We've learned this in Northern Ireland and Bosnia and Kosovo and Congo and the Sudan. It's not that force is irrelevant. It's not that the use of force cannot actually support or push for a political settlement. But force alone is not adequate to establish a sustainable peace. And that is indeed what underscores the importance of having some form of political and diplomatic initiative.

And we've seen painfully in Iraq and in other areas, that as long as there are terrorists and insurgents and guerillas who are willing to accept as an interim outcome violence and chaos and instability, then they can continue to

sustain that for almost an indefinite period of time. It also reinforces why it is important to bring the regional actors. Because if we ask the question "who has sway over militias and insurgents," inevitably we have to go back to some of those regional actors to engage them.

The question of failed state is also important to consider, because today we have an Iraq that cannot protect its people, deliver services, collect revenue, create an environment for economic activity, or establish the rule of law. It's in Iraq where sectarian militias increasingly control or have an influence on the police forces, the security forces, and the government itself. Yet at the same time, fundamental premise of the report is that more responsibility should be turned over to the Iraqi Government.

One needs to look at this very carefully. Because on the one hand, we know that Iraq's future must be determined by Iraqis. But we also have to be realistic about expectations and what will happen if additional responsibility is placed on Iraqis at this time and in particular, if additional responsibility for security is placed on a security force that is dominated by sectarian groups. These are some of the questions that we want to come back to in the discussion.

We'll start the discussion today by looking at the broader context of the report and the regional context. And helping us to do that is Bruce Riedel. Bruce just recently joined the Brookings Institution after 30 years in government.

He has served in senior positions such as the Senior Director at the National Security Advisor and Special Assistant to the President in both the Clinton Administration and the first year of the Bush Administration on the Middle East and South Asia. He's worked as a senior advisor in NATO. He's had senior positions throughout the state department, the Department of Defense, and throughout the intelligence community.

Following Bruce will be Ken Pollack, and Ken will then move from that broader context to look at the internal dynamics and to lead us from an analysis of those dynamics to what some of the possibilities could be to try to bring about stability and then what plan B would be if that fails.

And then Michael O'Hanlon will follow up from there. And I should say Ken is a senior fellow here at the Brookings Institution. He's the Director for research at the Saban Center and has a long history government and the intelligence community and as a military analyst.

And then finally, Michael O'Hanlon, also a senior fellow here at the Brookings Institution, one of the most renown scholars and analysts that we have on defense and securities issues and widely published, will then come back to some of the specific security questions and the implications for US Forces as well as what his perspective of a plan B might be.

So from that kind of context, let me go directly then to Bruce Riedel and ask Bruce to give us an overview of the report and the regional implications.

MR. REIDEL: Thank you, Carlos. This is a grim read. I don't think anyone in America who has gone through this document comes away with a sense of much hopefulness. It's a realistic appraisal of the situation by very serious people and they don't pull many punches. It must be a bitter pill for the President to have received yesterday morning.

By implication, not so much by direct words, but by implication, it's also a damning indictment of this Administration's policies over the last five years, not just in Iraq, but in the Middle East and indeed as far as South Asia and Afghanistan and to the terrorism issues. I think the scathing nature of it is part of the shock therapy that Jim Baker is hoping to administer both here and in Iraq.

Virtually every element of the US Government comes out of this report looking like it hasn't done its job very well in Iraq. The diplomacy, Baker alludes to, has been anemic. The intelligence community's reporting has been inadequate. And the US Military has been unable to train the Iraqi Military, despite trying for three years.

I think Secretary Baker is also quite candid in telling us there are no magic solutions here. Indeed, there aren't a lot of new solutions in here. It's

putting them together in new ways that is most interesting.

Let me focus on two things: first, what I think is right in this report, because I think there's an awful lot in here that should get bipartisan support; and then talk about the regional situation and how realistic I think some of its programs are.

The first thing that's right about this report is — it's comprehensive. It sees the Iraq problem in its regional character, rather than trying to deal with it in isolation. For the last four years, this administration has dealt with Iraq as if it didn't have any role in the Middle East. It's also very right in saying that there was an interrelationship between the Iraq problem and the Arab-Israeli problem. I think Prime Minister Blair will be repeating those words when he gets into the Oval Office later this morning. I suspect he's been saying it for the last four years.

Secondly, it's right about the stakes. We really have a few. They don't say we're in a civil war. I can understand why. But they come very close to saying we're in a civil war. But more importantly than that, this report lays out that if this civil war cannot be contained, the vacuum that it will create will be a regional war, a much broader war, which would have an impact throughout the region and indeed globally. Secretary of Defense to be, Bob Gates, made that same point in his hearing earlier his week.

They're also right in understanding the critical importance of the War in Iraq with the war against Al-Qaeda and its terrorist sympathizers. Al-Qaeda did not have a presence in Iraq before we went in, but it has flourished in the vacuum of Anbar Province. It is responsible for most of the most horrific incidents of violence in the country. I think that they quite rightly point out that if this goes to complete failure, Al-Qaeda will be one of the major beneficiaries of it. And of course, all of this has an implication for the world energy market and the future of oil prices.

Thirdly, I think they're also quite right to clarify or call for a clarification of US intentions towards Iraq. Recommendations No. 22 and No. 23 are actually quite important. It calls on the President to say publicly that the United States wants no permanent military base in Iraq and that the United States had no designs on Iraq's oil interest. These are long overdue.

We should have said these things four years ago. Had we said them, it would have at least given us the advantage in declaring what our vision of Iraq was. Having failed to say them for four years, our enemies, Al-Qaeda and others, have pointed out that that is what we really do want, control of their oil and permanent military bases.

If that's what's right in this report and there are other things as well, but I think those are the three keys, let's look at the prospects for success.

The key, as the report lays out right from the beginning, is that the government of Iraq has to take on the burden of national reconciliation in bringing together a political solution. As Carlos indicated, a key to a resolution of the civil war on a peaceful basis.

Ken will say more about this, but I think the bottom line is that it's hard to imagine this government of Iraq rising to the challenge. The report says if it does not, then we will have to take another course. It doesn't lay out what that other course is. My guess is we're going to be at that point sooner, rather than later.

It's simply a matter that the Shia and Kurdish and Sunni political leaders of Iraq don't have a great deal of loyalty to the notion of an Iraq nation. That loyalty was broken apart during the Saddam regime and it has not been put back together. In fact, the democratic process has in some ways fueled the sectarian and ethnic divisions of the country.

Although they pay lip service to the Iraqi nation, in fact, most Iraqi political leaders are more interested in enhancing the strengths and power of their own militia of their own ethnic group. And at the same time, the terrorist elements, Al-Qaeda in Iraq and others, hammer relentlessly at this very divide. We have to give the devil his due. Al-Qaeda in Iraq recognized from day one of the occupation that the fault line of Iraqi politics was the Sunni Shia divide, and

they have gone after that with bomb after bomb to break it apart.

The report also calls for an international Iraq support group.

Again, I think this is a wise thing to do, and it's critical to any success in trying to avoid a civil war in Iraq becoming a wider regional war. Again, this is something that we should have done three and a half years ago. We did do it in other places like Afghanistan and in the Balkans. The question I think historians will ask is why we didn't choose to do it in Iraq.

But while I think it's a good idea, there's also much to wonder about whether and how far it will be successful. Each of Iraq's neighbors has a different agenda and a different vision of its future. Those agendas do not match up nicely. And it's not likely that they're going to be able to agree on how they want the future of Iraq developed.

The report rightly notes that Iran is the country that has the most leverage, the longest border, the longest history, and probably the most intelligence officers in Iraq than anybody else. Iran today is a country supremely self-confident of its future. It has a very dangerous mixture of cold calculation, history is moving in its direction, and a messianic belief that the end of time may be coming and it will inherit the globe. It's a very dangerous combination. It is not one that is likely to lead to productive negotiations.

I applaud the report for calling upon us to reach out to the Iranians,

but I think we have to be realistic that the chances of them being much of a help is slim. In addition, by calling in the neighbors, we're going to have more problems internally. Sunnis are not going to be eager to have Iranians at a table deciding their future. Kurds are going to be unhappy to see Turks getting a voice in the future of Iraq. And the Shia are not going to want to see any of the Sunni neighbors getting a big role.

I think that the report is right to focus on the centrality of the Arab-Israeli issues to building an atmosphere in which this diplomacy can work. I think it is right to call upon the President to intervene directly at his level in a major diplomatic attempt to move the process forward. I think it is right to identify that we need progress on both the Israeli-Palestinian and Israeli-Syrian fronts.

But as I know and others in this room know very well, the devil is in the details. These are very vague formulas. Calling upon Israel to give up the Golan Heights in return for Syria giving up support for Hizbollah, Hamas and promising never to intervene in Lebanon is a good formula. It'll be hard to see how far you can get down that road.

It's noteworthy that the only government so far that has enthusiastically endorsed the Iraq study group is the government of Syria, which came out late last night saying we're all for it. We'll take everything you're

prepared to give us. The government of Israel's response I think has been notably less enthusiastic.

Let me just say one word about another issue. The report is quite wise to point out the importance of not throwing the baby out with the bath water. Whatever we do in Iraq, we must redouble our efforts to make Afghanistan a success. Afghanistan after all, is where Al-Qaeda was born and where it plotted the 911 plot.

There is a terrible danger that in seeing the deteriorating situation in Iraq, we will choose also to assume that the situation in Afghanistan is hopeless as well. It could get there. And if we continue to neglect it, it will get there. We need now to redouble our efforts with our NATO partners to do more in Afghanistan.

My personal bottom line, I think the report makes a lot of good points. It would have been a very valuable work plan for the Administration to draw from three and a half years ago. We need now not just this work plan but to seriously think about plan B.

What if the Iraqi political establishment does not rise to the challenge and we find ourselves in a situation in a few months where it's clear they're not going to be able to produce the national reconciliation they need? At that point, we're going to need a plan B to move on to the next stage.

And with that, I'll turn it over to Ken.

MR. PASCUAL: Bruce, thanks. Before going over to Ken, let me hold you for a second and focus on one question. The report and you both emphasize the importance and the relevance of regional actors to what happens internally within Iraq.

MR. REIDEL: Right.

MR. PASCUAL: And presumably one needs the engagement of those regional actors as well to have some sway over actors internally within Iraq, although exactly the linkages and the relationships are getting murkier all the time as the situation with Iraq becomes even more complex.

MR. REIDEL: Right.

MR. PASCUAL: In part to engage those regional actors, one of the reasons why it's important to have a broader regional dialogue on the issues is in fact – is that they will have that interest as well. And they need to see that there is some prospect for some of their regional concerns being addressed as part of a process of engaging on internal issues within Iraq.

But as you point out, getting a regional deal, regional package, regional set of arrangements, in the near term is – let's just say, based on history, not extraordinarily likely.

MR. REIDEL: Right, right.

MR. PASCUAL: Okay. So, this either suggests one of two things. One is that the participation of regional actors is going to have absolutely no impact and go nowhere because you can't work out the regional deal — or can you do two things in parallel? Can you engage the regional actors in a constructive way on issues that are relevant to the internal dynamics of Iraq while maintaining in parallel with that a dialogue on broader regional issues that allows you to have some flexibility of how you move in and out between the internal Iraq issues and the broader regional question?

MR. REIDEL: I think that would be the optimal solution here. I think, again, the devil is in the details. It makes sense to bring together the neighbors in a group to talk about the future of Iraq, not only because they can influence the internal situation, the extent to which, we can debate how much they can influence.

But I think where Secretary Baker is going much more on this is to the next step. And that is to make sure that civil war doesn't become regional war. And the purpose of his dialogue with the Syrians, Iranians, Turks, and others is more to keep them out of Iraq than to get them to be all that helpful inside Iraq. And I think he's right to be worried about that. I see the hand of someone who's looked at the Middle East for a long time here.

The problem with trying to move on the regional front, at the same

time on regional issues, particularly the Arab-Israeli issue, is that some of the key parties to that aren't going to be getting anything really out of the dialogue on Iraq, particularly, the government of Israel. The government of Israel doesn't want to see Iraq evolve into civil war. It doesn't want to see a regional war for sure. But it doesn't benefit directly in any way from buying off Syrian participation to be a good player in Iraq.

I think that the reaction of the old government is entirely predictable. They're asking in essence what's in this for us, how do we benefit. Sure, they benefit in terms of a region that's more stable and gets back to a more healthy development in the future, but that's a pretty vague benefit at this point when they're being asked on the other hand to do something that at least since 2000, no Israeli government has been prepared to do, which is to enter into a serious peace process with the government of Syria.

MR. PASCUAL: So in part the complexity of the diplomatic challenge is you need the regional actors to participate both for internal issues and also to deal with potential consequences of the civil war, the spillovers of the civil war to reduce the internal intervention and to get cooperation on something Ken will talk about further on containment.

MR. REIDEL: Right.

MR. PASCUAL: But there is this danger that if you have the

regional dialogue, that it can be reinforcing but it also can be debilitating, depending on how some of the actors want to play that and use it for their self-interests.

MR. REIDEL: Secretary Baker has set up a diplomatic problem for a statesman of titanic proportions. One does have to wonder who he has in mind to carry that out. The best statesman is going to have a tough time pulling off the ambitious proposals that he's put on the table. That's not an argument against being ambitious. But it is an argument of making sure you have the right person for the job.

MR. PASCUAL: That's very helpful clarification. So let's move on to the next small and easy task of the internal dynamics of Iraq. And I think Bruce has set this up, Ken, quite well on raising the question is the Iraqi government capable. Do we in fact actually even have to wait to find out whether or not the Iraqi government can stand up to some of the things that are called for it to be able to do here?

In fact, we know what the answers really are on some of these issues. And given at a minimum the weaknesses that we already know about and the capabilities of the Iraqi state, and the dynamics on the ground, how is it that one can most effectively approach the task of at least one, trying to get stability; and then secondly, if you can't achieve that, what do you do next?

MR. POLLACK: Thank you, Carlos. Good morning to all of you. It's wonderful to be back on the staff again, especially with my esteemed colleagues.

I think that to understand the internal dynamics, to understand what is possible for the United States, how the Baker-Hamilton recommendations fit into that and then to also get into this question of all right, where do we go from here, I think you do have to start with some basic analysis of what happened in Iraq and where we are. Because it is an incredibly complicated situation. And you need to understand at least some of it in simplified form, its complexity, to understand what has to happen.

In 2003, in April 2003, the United States toppled Saddam Hussein and in so doing, we creating simultaneously a security vacuum and a failed state. We have never dealt with those two problems. Those are the foundational problems of Iraq. They are what is destroying Iraq. And if we're not able to solve those problems, nothing else we do matters in terms of the future of Iraq.

That failed state, that security vacuum then went on to produce secondary problems. It gave rise to a terrorism problem, which then metastasized into a full blown insurgency. Simultaneously, it allowed the development and the takeover of most of Iraq by militias.

And I think it's always important to keep in mind that most of the

city insurgent groups are the functional equivalent of the Shia militias. The only difference is that the Shias run the government and the Sunnis don't. If the situation were reversed, so would the nomenclature. We would have Shia insurgent groups and Sunni militias. But they are functionally equivalent, by and large.

Those militias, I want you to think about in terms of another analogy. Those militias are effectively warlords, okay. They are warlords who wear clerical robes rather than uniforms, but they are warlords. And I think it is useful to frame it in those terms because it is analogous to a great many other situations that we've seen around the world. That is how they are functioning. That is the functional problem that we have in Iraq. And the combination of the insurgency and the terrorism and the warlords, the militias has produced, as Carlos has pointed out, a civil war in Iraq.

And the only way to think about stabilizing the country is come up with a very complicated plan that will deal with every single one of those issues, okay. That's why we're in the problem that we're in in Iraq. That's why we're in the nest that we are in in Iraq, because now, a solution to the problem of Iraq would have to encompass dealing with every single one of those problems simultaneously. Okay. And as you're already grasping, that's not going to be easy.

Whenever I get asked by a reporter what's the seven second sound bite version of what we need to do in Iraq, for a while there, I use to just sputter and gasp and say, if you're asking me for that, you can't possibly understand. I finally figured out the answer. The answer is we need a top-down, bottom-up, inside-out approach. That work for everyone? And that, I think, really does reduce it to its absurd level of what we need to happen.

When you look at Baker-Hamilton, I think that Baker-Hamilton has done a good job with the top-down and the inside-out. Where it really hasn't done nearly as well is with the bottom-up. And think about it this way. We know a lot about failed states. We know a lot about warlordism. We know a lot about insurgencies. We know a lot about terrorism. We know typically what it takes to deal with each of these problems.

To deal with a failed state, to deal with warlordism, you need a bottom-up approach. That's how you fill the security vacuum. That's how you reduce the power of the warlords and militias, by providing security across the country so that people don't have to fear the militias and the warlords and be reliant on them for their own security. By creating secure areas where other organizations, whether they are the government or NGOs or elements of civil society, can start to rebuild an economy and a political system, that's how it works. And it takes a long time to do it. That's where the bottom-up comes in.

Civil war requires the top-down, okay. The solution to civil wars is to get the parties who are fighting to sit down at a table, you bang their heads together, and you get them to make compromises to get the civil war to end. And as Bruce has very eloquently pointed out, all of this requires the inside-out. All of this requires regional assistance. Because the region is party to all of these different problems. They are helping in some ways; they are hurting in other ways. There's a lot more that they could do both to hurt and to help. And therefore, the region has to be part of the solution to all of this.

And as I said, I think Baker-Hamilton did a very nice job with the regional setting. I think Bruce has outlined some other issues out there. I also think that they've done a pretty nice job with the top-down. I think with the focus on what the Iraqi government needs to do in terms of national reconciliation, on broadly what the compromises ought to look like, they're spelled out pretty nicely in Baker-Hamilton.

That said, there are things that I think most people understood beforehand. It's very much, as Bruce pointed out about the Syrian track of the Arab-Israeli dispute, we kind of know what the broad outlines look like. The problem is in working out the details. And that is very much the case in Iraq.

But what I would point out, and this really does start to get at the internal dynamics, is that the internal dynamics and the failure of the bottom-up

approach are contributing to the failure of the top-down approach. And they are contributing to it in this way. Because the militias control the streets and because of the dysfunctional political system that we created in Iraq, we put the militias in charge of the governments. And the militias have absolutely no incentive to make the deals that are necessary on national reconciliation.

You know, one of the things that concerns me about Baker-Hamilton is that one of the assumptions that seems to lie behind some of the recommendations is the notion that our presence in some ways is an impediment to the Iraqis doing what is necessary. And you hear this a lot in the American political discourse. And it may or may not be true, but if it is true, it is a second order consideration. Because the first order consideration is that the Iraqi government can't do most of what we want them to do, and the people in charge of the Iraqi government don't want to do the other things that we need them to do.

The Iraqi militia leaders don't seem to necessarily want civil war. Some of them do, but most of them don't seem to necessarily want civil war, but they are not going to do anything that harms their interest in the name of preventing civil war. And that's why we've got civil war. And that's why civil war is getting worse, because they have absolutely no interest in making the kind of compromises that can hurt their position.

And the bottom-up approach is necessary for a great many reasons,

but it's worth starting with that point. One of the important things about the bottom-up approach is it is the only way to break the power of the militias, okay. Breaking the power of the militias doesn't require Nouri al-Maliki going to Muqtada al-Sadr and somehow persuading him to disarm Jeshum Makti(?). That will never happen.

The only way that it is going to happen is if the United States, working with the Iraqis but taking the lead, goes in and starts taking the streets back from the militias. That's what the bottom-up approach is about. And again, we have seen this work, and we have seen this fail. And when it works, it works because some country, some force has been willing to go and establish security on the streets to make it so that the people don't need to rely on the militias and to make it so that the militias can't intimidate the people.

Yesterday while Baker-Hamilton were rolling out their report, I was over at Georgetown at a conference on these kinds of operations. And speaker after speaker after speaker all said the point that Carlos made, which is security is not sufficient to bring about an end to these kind of wars, but it is absolutely essential, and it is the first consideration. Until you can start providing security for the Iraq people, nothing else can happen.

Now if all you do is provide security for the Iraqi people, that's not going to work either because the situation will quickly erode. There must be a

very big civilian and economic component, political economic component that goes with it. Baker and Hamilton touch on some of this. Again, Bruce made the point that the report is vague. It is ambiguous at times. It is contradictory.

We put out a bunch of copies of our Switch in Time Report, which came out in February, because we actually go into a lot of the details of how some of the things that Baker-Hamilton say well, this what you need to do and then simply leave it at that. We actually provide the details of what that might look like.

So for example, they talk about the need for an oil revenue sharing plan based on population. They're absolutely right. They then say nothing about what that means or what it would look like. Switch in Time has got that. They talk a lot about the need to increase and improve the training of the Iraqi Armed Forces. They're absolutely right, but they don't say much about that. Again, we've got a great description.

And that brings me to the next point, which kind of for me is in some ways the interstices of all this, which is while I think that the Baker-Hamilton Commission is absolutely right that the Iraqi Army still is making progress, but still leaves a lot to be desired, and we do need to make a much bigger effort to increase our advisory role with them, that cannot come at the expense of the US combat troop presence in Iraq, not for some time. The Iraqi

Armed Forces are not ready and will not be ready for years to assume that burden themselves.

And if Iraqi – I'm sorry. If American combat troops are leaving Iraq, the violence will grow; the Iraqi security forces will breakdown. And what's more, all of those embedded American personnel will suddenly find themselves targets.

And those few remaining brigades we leave behind as rapid reaction forces, they're going to find themselves like the fire brigade at a pyromaniac's convention. They're going to be deploying out of their bases on an hourly basis to rescue Iraqi units in trouble, to rescue American advisory personnel in trouble.

They are right. Baker-Hamilton is absolutely right. This is the direction we need to head in, but we are far from being ready to be there. It is going to take years before the Iraqi Armed Forces are ready to simply be held together by American advisors and American trainers.

All right. What does this mean that we need? Well, I think I've outlined at least the basics. I'm just going to hit on a few more points. Again, there's a lot more details in our Switch in Time Report. But in terms of bottom-up, it does start with security. It's about making the streets safe. And then it has to be coupled with a large scale effort to revive Iraq's economy at local levels, to

rebuild an Iraqi political system at local levels.

Devolving power away from Baghdad I think is an implicit corollary but unstated unfortunately in a lot of what Baker-Hamilton are saying. The Iraqi government itself is broken. And while there are things that we need to demand that they do, there are things that they simply cannot now. And until they're ready to, we're going to need to find other Iraqi institutions that can do it. And what we've found is that typically Iraq's local institutions are stunted or prevented from doing a lot of this stuff by the central government. That needs to change.

As a final point on this in terms of what this means in terms of the bottom-up approach, I think it is important to remember what I'm saying. We need both the top-down and the bottom-up. I've talked a lot about the bottom-up because I think it's absent from the report, and it is absolutely critical. In many ways, it's the first place to start in thinking about how would you try to go about stabilizing Iraq. But that's only half of it.

While it's certainly the case that there's a lot that we need to do and in many ways, we need to create the conditions in which the Iraqis can start to make these hard choices. At the end of the day, Baker-Hamilton is absolutely right that the Iraqis do need to make these hard choices, and they are going to have to make some very difficult compromises.

So this is not to say that this is all on the backs of the United States. Unfortunately, it is a joint effort. But there is some sequencing involved. And the first issue, the first problem is that we do need to deal with the problems of the failed state, of the militias, and of the insurgency. And only once we've done that are we likely to start unlocking the political logjam that is right now dominating Baghdad and preventing any of the top level or top-down compromises that need to happen.

Now, Carlos has also asked me to talk a little bit about what if this can't work. And I think that's an increasingly important issue. Because the fact of the matter is that even if you were to do everything that Baker-Hamilton recommend and everything that we recommend, all of the additions and revisions that we would add to it, it's still a long shot that all of this would work.

And that's another one of the lessons of civil wars, which is that civil wars have a momentum all of their own. And what you find when you look at the history of civil wars is that they typically pass a point of no return at which it's simply not possible to save the situation. And the worst thing about it is you never know that point of no return until long after the fact.

So I can't tell you right now in all honesty that Iraq hasn't passed that point of no return. And for all those reasons, I think we need to start thinking about plan B. And you know, it's worth saying Baker-Hamilton is basically

saying look, all of the plan Bs are so awful, we need to take one more shot at a plan A. And I think that that is a reasonable way to think about things.

And that's what Baker-Hamilton are trying to do. They're trying to say we've got to take one more shot at plan A; here's our idea of how you take a shot at plan A. But plan A may not work, and plan B, as I'm saying – none of the options are good. I would put it this way. Especially if plan A works, I don't think there are any solutions for Iraq. There are just choices between bad alternatives. And we're going to have to decide which of those bad alternatives we want.

Bruce has made a number of points about simply why walking away from Iraq probably isn't a great option, and I strongly agree with that. We could have a regional war in Iraq. We could also have a civil war in Iraq spreading. It's one of the unfortunate realities from history is that civil wars spread. Civil war in one country can cause civil war in another. From Jordan to Lebanon to Congo to Afghanistan, we have seen this happen. And that's not something I think that we necessarily want to see in a place as important to us and to the world as the Persian Gulf.

And what that suggests, as Carlos already implied, is that what we ought to be looking for in Iraq if plan A doesn't work is not to simply walk away from the problem but to figure out how we contain civil war in Iraq. And this is

something that I've been working on very diligently with my good friend Dan Byman for the last year, and I've got to tell you that the answers are not good ones.

There have been a lot of countries over time that have tried to contain civil wars. None of them have succeeded. There are some who have tried and achieved some degree of limited success, but typically that limited success has come at an exorbitant price. Pakistan is a perfect example of that. Pakistan kind of sort of won in Afghanistan with the Taliban. The price they paid was to turn their own country into a basket case. That's not a great result for them. It's not something we should be looking to replicate.

I won't go into too many of the details; I'll simply sketch out what a containment strategy for Iraq might start to look at. We've already done a little bit of work on this, and we're going to have a major paper that will come out next month that'll talk about that. And we'll have another press briefing to talk more about that.

But when we think about containing Iraq, I think that what we need to think about in terms of how you prevent civil war from spreading and how you prevent civil war in Iraq from turning into regional war, as Bruce was warning, is to do some of the following: economic support to the natives. One of the things that we found is that the more socioeconomic development was rising

among the neighboring countries, the less likely the neighboring populations were to want to get involved in the civil war to begin with.

This is a wonderful option with a country like Jordan, which really could benefit from our economic assistance. It's not as useful with Saudi Arabia or Kuwait, which it's really hard to imagine the United States Congress appropriating billions of dollars in aid to.

Another issue out there are the Kurds. Secession breeds secessionism. One country or one group secedes and if they achieve any degree of success, it can often start a chain reaction. We saw this in Yugoslavia starting with the Slovenians just setting off a chain reaction all through the other Yugoslav communities. And we've seen it elsewhere in the world, in the Caucasus, for example. And that means we have to keep the Kurds from seceding. But the Kurds are going to have a lot of incentive to secede unless we provide them with some very significant assistance.

And I think that we ought to be looking at doing that, economic assistance, political assistance, diplomatic assistance, and military assistance. We're going to need to help them with the problems they're going to have with refugees, with their own Kurdish population elsewhere in Iraq, and with keeping the Turks and the Iranians out of Kurdistan once all out civil war descends on Iraq.

Another one that we've looked at is the possibility of establishing safe havens and buffer zones along Iraq's borders. Refugees are a huge issue in civil wars, not just because of the humanitarian obligation but also because refugees create strategic problems. They are one of the principal ways that civil war spreads from one country to the next. Again, Jordan, Lebanon, Congo, potentially Afghanistan, all demonstrated this.

And so you've got to find a way to deal with the refugees, keep them inside the country, feed them, care for them, prevent them from becoming recruiting grounds for militias and terrorists, prevent them from becoming targets for groups inside the civil war. And that means taking a very active role in not only housing, caring for them, but also protecting them and disarming them.

And simultaneously, you also want to control the borders as best you can to prevent terrorists moving back and forth, to prevent militias moving back and forth, and also to prevent the neighbors from invading, the point that Bruce referred to before. It is something you see time and again in these kinds of civil wars.

The neighbors get nervous about what's going on, they try to influence the situation first with proxies, first with intelligence agents, and then that fails as it almost inevitably does, they invade, the way that Syria did in Lebanon, the way that Israel did in Lebanon, the way that Rwanda did in Congo

causing the civil war there, time and time again all throughout history. And so you want to try to buffer those borders to prevent the invading armies as well.

And then finally, we're going to need to deal with Iran. Bruce touched on this, but the simple fact of the matter is Iran's influence in Iraq is very significant and it is growing. And the more that our position weakens and the more that civil war grows, the more dependent Iraq's Shia militias become on the Iranians, which simply makes their own influence and their ability to influence things in Iraq greater and greater.

And to some extent, we are just going to have to learn to tolerate that if we fail to stabilize Iraq and it does descend into civil war. But one way to handle it is to lay down some red lines for the Iranians and to say to them we're going to turn our – we're going to avert our eyes to some of the things you're doing, but there are going to be other things that you're going to want to do that are simply going to be beyond the pale. You can't annex territory. You can't deploy mainline Iranian formations into Iraq. You can't go in and attack the Kurds, other things like that.

Otherwise, I'm afraid we're going to have to simply accept that this is a bad option, but it may just be the least bad option that we have. And one of the ways that it is a bad option is that the Iranians are doubtless going to enjoy

greater influence in Iraq, at least for the short term.

MR. PASCUAL: Ken, thank you, again, underscoring from what was already an extraordinarily complex region, helping to clarify the complexity of the internal situation.

Let me ask you to dig a little bit deeper into one particular dilemma here. You've very clearly highlighted the importance of having both the top-down and the bottom-up approach, and we'll take the inside-out as granted for a point that we'll just accept for a second.

The top-down is the new part. And in fact, that hasn't been tried. And it's ironically one of the few things that really hasn't been tried thus far in Iraq. The bottom-up, many would argue has been tried, not well.

If, again, this was March, April of 2003 when it was void that we were dealing with, it's easier to figure out how to fill that void with something constructive. But as you've clearly laid out, what you've got is chaos, where the militias, as you said, are controlling the street and they have infiltrated the government.

And many would argue that what the US Military has been trying to do is in fact at a minimum trying to create security. There was a new approach that was announced for Baghdad in October. There was an infusion of additional troops into Baghdad to be able to do that.

Is it possible to do what you're saying is necessary here, to secure the streets? Can you do that through military means or do you need in fact the political solution at the same time? Are these two things that have to be worked in tandem, recognizing that one is – the military force is going to give greater credibility and viability to a political option, but if you don't get that political solution, in the end you're still not going to succeed in creating security on the ground?

MR. POLLACK: The answer to your first question is I don't know. And the answer to your second question is absolutely. You're absolutely right. If this is – if we'd done the bottom-up right beginning in April 2003, I don't think we'd be having any of this conversation. Because there was a way to handle Iraq much better than we did, and maybe, you know, Iraq probably would never have been (off mike). The nation building is extraordinarily difficult, but going into Iraq we knew a lot about how to do this much better than we actually did.

At this late date, I don't know whether it's possible to still do the bottom-up approach. That's the problem. That was the point of my remark about civil wars taking on a dynamic of their own, and we may be past the point of no return. When we put out our Switch in Time Report in February, which really lays out all of this stuff, both the top-down, the bottom-up, and the inside-out in

great detail, I still felt that there was a very reasonable chance that it could work, at least 50/50 if we did it right.

At this point in time, 10 months later, I'm not certain that it still has a high likelihood. I might only give it 10, 15, maybe 20 percent chance of succeeding because of how far things have deteriorated. But if what you're trying to do is to stabilize Iraq, then it is essential. There is no way to stabilize Iraq without having both the bottom-up and the top-down and the inside-out.

And that's why I also think that we really do need to start thinking long and hard about a plan B, because there are huge problems now with the bottom-up, huge problems with the bottom-down, and huge problems with the inside-out. And you've got to have all of those.

And you're also absolutely right that, again, if you're going to try to commit to stabilizing Iraq, if you want to make, as Baker-Hamilton is suggesting, one last try at plan A, you've got to do all of them simultaneously. And the ideal would be that you do some on the securities side and you do it much better than we've done it before.

And as you're pointing out, the Baghdad Security Plan was a beautiful plan when it was first drafted in April. What actually got implemented in August was an absolute disaster. You know, the plan needed 125,000 American and first-rate Iraqi troops. And instead, what they got was 30,000

American and first-rate Iraqi troops and 40,000 Iraqi Police, who aren't even a neutral factor there, they're a minus in the situation.

And you're right, we did add a few more – we added a brigade and a couple of battalions. We're now up to 15,000 American troops, who, you know, are doing a brilliant job guarding areas of Baghdad, you know, about the size of Dupont Circle, okay. And what's amazing is that in those areas where the American troops paired up with Iraqi troops are, they're actually enjoying success.

The problem is that's all they're deploying. It's not even an oil stain; it's a bunch of little oil dots on a map. And the ideal is that if you had a much bigger commitment to Baghdad and if you were using the right forces and the right tactics and the right support, I mean — and we should never forget, there must be a civilian political economic component to go along with the military – then what you could do is to start loosening up the political logjam at the top, which then might make possible more things at the bottom, which then might make possible more things at the top.

MR. PASCUAL: That's very helpful. And I think by implication, one of the things that comes out of that is that if it's this difficult for American forces to be able to play that kind of security role, whether one necessarily supports or agrees or wants to embark on the bottom-up approach and make the

investment in it, it has an implication that if you take that – the US force component out of the equation, then what you end up having is a chaotic environment or even more than we've got right now.

Mike, let me come back to you and explore the implications for the United States and US Forces in particular. One of the things that you and Nina Camp have done on the Iraq Index is to overtime create certain indicators of progress. You've really tracked the training of Iraqi forces and police in a more extensive way than I think anybody else has. It would be useful to get your perspective on that. Ken has put out there already that he feels that they don't have the capacity to actually take out the kind of role that's visage for them.

If there are going to be more American trainers embedded for them, how realistic is that? What are the potential consequences of it? Yesterday in a discussion, I heard you say that the recommendations on US troops are very carefully conditioned. And if you can help us better understand what the conditionality is that is necessary to make it possible to have the kind of draw down that is recommended here. And the flip side of that would then be if you don't achieve that conditionality and you still try the draw down, what should we expect?

And then, Mike, you've also done a lot of work on a different perspective on a plan B, and you've made available an op-ed, which is outside

that lays out some of the ideas and in fact, Ken and I have an op-ed which is outside that talks about some of these issues of failed states and civil war. There's a Switch in Time book as well Ken has mentioned.

So there are several pieces out there, but you have had some very interesting and creative thoughts on what might be necessary in a plan B approach and partition. So if you can try to tackle some of those questions for us.

MR. O'HANLON: Thank you, Carlos. Although, before getting to them and I will in a second, I have an administration memo that has just come into my possession that I want to share with you all. And it's from Barney, the White House dog.

And we've heard of the Hadley Memo and we've heard of the Rumsfeld Memo, and I'm reading here directly, "Mr. President, having found the report last night and now having had a chance to digest it, I have to say that you no longer have my support in the war, and therefore, the Bob Woodward condition for your willingness to sustain this effort now has to be called into question." I start semi-facetiously. Barney, I think is still contemplating whether to write that memo; although I bet even he is wavering.

With Jim Baker making this kind of a radical statement and Donald Rumsfeld having written a memo that I still think is the week's biggest news, we are in a situation where the President is going to have an increasingly

hard time maintaining anything close to a brave face “things are going okay in Iraq” or can be made to go okay with modest changes in policy. But

I’m not sure that the – let me say one more word broadly framing the Baker-Hamilton Commission. I had a small role in this. I was one of the many dozens of specialists who had occasional input. There were some people who were of full-time staff, but very small. I just had three quick observations on the kinds of commissions historically that have had the biggest impact.

There were some like the Social Security Commission in the eighties that essentially create political consensus or cover for an idea that we all know essentially what has to be done. We all know that you have to modify benefits and change the actuarial condition of the system. And you all sort of know, but you know, it’s hard for democrats to agree to any reduction in benefits, for republicans to agree to any increase in payroll taxes, and so you need a commission to provide political cover for both. That’s where the solution is already known. This is not that kind of a situation.

There’s also a model like the Hart-Rudman Commission, where the country is not paying attention sufficiently to a kind of problem that could otherwise come back to haunt it, and in the case of terrorism of course, which did come back to haunt it shortly after the publication of that report. And again, this is not that situation. Because we’re all obsessed with Iraq practically everyday of

our lives. I think this is true with most of the country, not just inside the beltway. And so, this again is not going to be the model that this report could follow.

The third model of an often successful approach to commissions is where you have such a crack staff and this is not the situation as you can see – but where you have such a crack staff and you put them so much to hard work that you create essentially a full-time research endeavor. And then they have access to information such that they can come up with ideas and come up with insights that others have not, even if we all already recognize the problem.

And the model there is Lee Hamilton's last commission, the 9/11 Commission, where you actually a large full-time staff that did archival research on intelligence. Well, I actually think the 9/11 Commission was somewhat overrated for its contribution, but nonetheless, it was a very serious piece of work and done with painstaking effort. Again, this is not that kind of model because the Baker-Hamilton Commission, from what I saw at least, was primarily a year long seminar.

The good news is you had very smart people listening to the presentations. Baker-Hamilton, Bill Perry, Lawrence Eagleburger after Bob Gates stepped down, a very, very strong group. The bad news is it was a seminar. It was a seminar airing ideas that everybody who presented had already publicly stated or published for – without almost any exception whatsoever that I can think

of.

There were some more quiet testimonies from individual commanders who couldn't go as public, for example. But most of what you heard was Peter Galbraith talking about partition and Joe Biden talking about what he said on Meet the Press yesterday. And thankfully, a Switch in Time, I think got a hearing. And so there were very good people presenting but there was not really new research being done by those of us on the staff.

So, what you see here is a bunch of smart people surveying the literature and spending a year really focused on this question. And I don't say that so much as a criticism; it's still a good contribution. But let's bear in mind what it is, not new research. It's not unveiling the importance of a problem we hadn't already appreciated as a problem, and it's not providing political consensus for a problem that we already essentially know how to solve if only the politicians would stop arguing.

The reason the politicians are arguing about this issue is the reason politicians should argue. It's because we don't know what to do. And so, in that sense, this commission should be seen as what new ideas are there, not how much consensus can it create. That's my judgment about just putting this into some kind of a perspective.

So a lot of the hoopla about how this commission should now be

creating a bipartisan plan that we can all agree to, I think it's majorly overstated. And the reason, to come to Carlos's question, starting with the central recommendation, I have to say I don't yet understand what the central recommendation is.

I read the press leaks last week. I read the press leaks over the weekend. I've now read the different parts of the report that pertain to the conditionality of our presence in Iraq, and I do like the fact that this commission is saying our willingness to sustain effort in Iraq should be partly dependent on the Iraqis making good decisions on those issues where they can actually, theoretically at least, make good decision, sharing oil, rehabilitating former low level Baaths, trying to fire some of the top militia leaders from Government, considering the idea of an amnesty for certain insurgents. These are the sorts of things where whatever their limited capacity on the street, they do at least have the theoretical capability to do some of these things.

So I like the idea of conditionality. It's not been a sufficiently important concept in our debate. Republicans tend to want to stay the course or Mr. Bush wants to stay the course no matter what. Nancy Pelosi wants to get out no matter what. We should use our leverage to try to get the Iraqis to make the kind of political decisions in compromises that are the only hope here. So I like that. But I still can't quite understand what the report recommends about this.

The language is very vague and very condition. And yes, they sort of want all of our combat forces out by 2008, but not really because you have to have all these backup brigades for all these special purposes, and on top of that, we should consider staying longer if the Iraqis make good decisions. So, I like the general theme, but I'm not yet clear enough on what they're actually recommending.

So, that's a way of simply saying this is a report that's going to have a few good ideas, but the idea that somehow we have ended the debate doesn't even begin to stand up. And this report cannot be the sole basis for going forward, even in the short term, much less in the event we need a plan B.

But let me say a couple of more things about specific point I like. And then I'll move to the plan B and be done. On the issue of embedding more Americans as trainers, I don't have any great way to assess this.

Carlos, you're kind to give Nina and myself the praise on the Iraq Index, but I don't feel I've gathered any great insight into how well the training is working from what information is available, perhaps the most important reason of all being that there's a distinction here between technical proficiency and political dependability.

And Steve Biddle was probably the first to write about this prominently and Ken's also argued this point that we have to recognize that no

matter how good the Iraqis may become in terms of having more equipment and having Dave Petraeus and General Dempsey train them and other very serious American generals. The bottom line is we don't know who they really answer to in the end. And it appears they answer to their own sectarian interests at least as often as they answer to the country's interest or to what we're trying to do.

So, I could go into more detail, but I really think the central point here that we just don't know how dependable these forces are. In theory, there are 100,000 plus of them that are in one of the top two levels of readiness. That's the number that goes back to this summer. I think it's a number that's fairly well grounded in the way American military forces to their assessment of their own capabilities modified somewhat for the circumstances of Iraq, but I think there are probably 100,000 plus Iraqi police and army, mostly in the army, who are reasonably well-trained and equipped at this point, not well enough but moving in the right direction.

I have no idea how to assess the importance of that. And I really don't know if they are fundamentally dependable or not. And my guess is probably not. So that's just the main point I want to make. Whether embedding American trainers in greater numbers is going to make a difference, I'm dubious because politics are not something that we tend to put these advisors in place to address. They are there to help with technical proficiency.

If that were our only real issue, we'd be well on the way towards at least a somewhat better outcome. Because I think the training program is meeting certain technical standards of giving these people better equipment and better training. But what it's not able to do is to create unified cohesive Iraqi armed forces devoted to the idea of an integrated Iraqi state.

So, my bottom line is just very simple, that all the numbers I can throw at you don't really, in my mind, matter that much compared to the fact that as long as the political situation is so bad, the Iraqi armed forces are probably not able to be a force for stability. We shouldn't think of them as such. And the numbers therefore, don't really mean too much.

Let me start – finish with just a couple of words on plan B. And Ed, Joseph, and I did write this short article forthcoming in the American interest that Carlos referred to and we take the Senator Biden, Leslie Geld notion of soft partition and try to go a step further with the idea, not because we like it, not because Iraqis like it, they don't. President Bush was right to say to George Stephanopoulos in October Iraqis don't want partition, even a soft partition that would preserve a federal Iraqi state. The public opinion polls are clear. The Iraqis like the idea of a multiethnic country.

The problem is that the country is being partitioned right now before our eyes. Roberta Cohen and others here with the IDP Project have done

excellent work tracking the number of Iraqis who are being internally displaced, and the number is verging on 100,000 per month, 100,000 more per month. Iraq is beginning to go into the kind of process that tore Bosnia apart in the early 1990s. And I don't know if it's reversible. As Ken pointed out, we're getting to a point where the chances of success here are probably less and less.

The level of fear is such that – just to put this in personal terms, if you were a Sunni living in a Shia majority neighborhood, 10 years ago maybe you don't even think of it in those terms. You thought about which of you was most likely to be arrested by Saddam for something they had done wrong or you thought of which of you was in which tribe, because sometimes you made reference to your rural ancestry. You went out and maybe kept in touch with cousins out there. Maybe the Shia were even of the same tribe, and you probably thought of it in those terms.

Three years ago, you began to get a little bit more worried because you saw some of your fellow Sunni allying with Al-Qaeda, trying to attack anything that smacked of a new government or a new Iraq, trying to tear down the fledgling government, the US Forces, and you knew that as a Sunni, you were probably going to be associated with that at some level by the Shia, but things were still holding together. Today, you probably live in fear of being preemptively attacked and killed by those Shia militias, because the level of

paranoia is so great. And so even if you want to like the people who are your neighbors, you probably don't feel as much that you can or that you can trust them.

And this is what leads to ethnic cleansing in countries, I think. Barry Posen has written about this, the cycle of – essentially a security dilemma being created amongst people who used to be neighbors, but they get so worried about being attacked by the other, they take action first or they flee. And that's what's going on in Iraq.

So what Ed, Joseph, and I said is it's not going to be too much longer before we're better off just trying to manage this process than pretending it's not really happening. And the way you manage it is you essentially again take an idea from Switch in Time and you take a lot of the oil revenue and you require Baghdad to distribute it to the provincial governments. Instead of Baghdad running all the ministries – you know, Iraq is very stovepipe - where the money goes into Baghdad and they run schools and hospitals and clinics all over the country essentially out of Baghdad.

And what you could do is try to run a lot more things out of the provinces. And you could allocate money for provinces from oil revenues based primarily on population. There are a number of pots of money you could envision as Ken laid out in his report and I think it's a very sensible scheme, but a lot of

that money could go through the regions.

And then you of course have police forces, the primarily Sunni patrolling Sunni, Shia patrolling Shia, Kurd patrolling Kurd. You're not going to have any of these things be complete. You're not going to create complete homogeneity in any part of Iraq, and that's why you still have to have protections for minority rights, you still have to have a legal system, you still have to have equal per capita sharing of oil revenue so people don't fight over each and every inch of land in this soft partitioning concept.

But what Ed, Joseph, and I suggested was in addition to having these autonomous zones that largely govern themselves and having Baghdad take a more limited role in providing border security and a small national army, you also help people move. You help Iraqis move from point a to point b so they can feel safe, recognizing that if they're a minority Sunni in a majority Shia region or vice versa, they probably are not going to feel safe much longer if they do even today.

And we suggested a plan for helping them move with the actual process of physical relocation, being protection during that transit, also then having new housing. That would require perhaps some international assistance to create a housing fund, because you're going to have to refurbish some housing and do housing swaps. And then you're also going to need a job creation

program, which I've been pushing for a long time, along with Carlos.

I was delighted to see that in the last week we got Donald Rumsfeld and the Iraq Study Group both to finally agree. Because up until now, I felt pretty lonely with this. Ken, Carlos, and a few military commanders were the only ones who seemed to talk about it besides myself, and now we have even Mr. Rumsfeld saying it may not be such a bad idea.

And that would be a necessary ingredient in this kind of voluntary population relocation because you have to offer people essentially a new job in the place where they wind up as they relocate. And then Baghdad would presumably be partitioned in a soft way, largely along the Tigris River, and I think Biden has not gone far enough in explaining what should happen to Baghdad. We try to do so a little bit more in our short paper.

There are a lot of ways to attack this idea. I'm not even sure it makes sense today, but I think it's the kind of plan B we made need in the course of 2007 or certainly by the end of that year. Because I would summarize and conclude by saying 2007 is really our last chance at the kind of Iraq we're hoping to help the Iraqis build. And if it doesn't happen next year, it's not going to happen at all. Thank you.

MR. PASCUAL: Mike, thanks. I want to keep you on two issues. First, on the indications for the US Military and the deployment of American

troops. As you point out, this is a compromised report. I mean it brings together a mishmash of different recommendations, in particular on the internal recommendations. It really kind of puts together a whole range of different options that have been talked about in one package.

What are the dangers if – of proceeding with the recommendations on the change in force structure, withdrawing American troops, embedding Americans in Iraq units, surrendering more responsibility to Iraq units if you don't in fact get a political settlement, a political solution? What would we see?

Because my fear is that, as often happens with these reports, you get policymakers listening to one piece of them and not another. And so, if they just were to listen to that piece and you in fact, actually don't get the necessary political environment that is intended for it to occur, what would you predict would happen?

MR. O'HANLON: You know, you've raised this very usefully, Carlos, in your op-ed with Ken. I don't have much to add beyond reiterating your concern that of course Americans could become quite vulnerable, and also the idea that we would somehow have achieved our silver bullet formula for success is very unlikely.

I don't have any particular problem with incrementally trying this idea more and more and watching what happens, but I would certainly never

depend on it as the cornerstone of a future policy, partly for the reason you say, that the American trainers would become vulnerable, partly because again, the main issue here is not the technical lack of proficiency of the Iraqi security forces, it's their political undependability and the broader lack of a political strategy within Iraq.

MR. PASCUAL: And then on your plan B on the soft partition concept, one of the issues which has been thought about both politically and literally on the streets by Sunnis and Shiites principally but also of significant implications for the Kurds is this question of sharing of oil revenues. And if one were to have some form of soft partition and you underscored the importance of distributing the oil revenue on a comparable basis across the provinces, but it implies that you need a political agreement to be able to do that.

So, in effect what you're saying is that the – some form of political negotiation still has to occur. This isn't something that you can dictate. You can't just go from there – from where we are today to this plan B. In fact, you need some very significant interim piece that is a political process that gets a consensus on how to make that happen.

MR. O'HANLON: Right. And that raises a very interesting question. What if the Iraqis don't want to have that conversation? I've been – I've admired the newspapers today that actually got reactions from Iraq

immediately to this report. It was a very useful thing to do.

But I can imagine also a debate shaping up in this country as the presidential race really heats up in the summer and fall where democratic or republican presidential candidates start to say this is failing. We will talk with the Iraqis about some kind of plan B, but the alternative is not to keep doing plan A. The alternative is if we don't get a good plan B or the Iraqis don't think of a better one, we're out of there. So this becomes a choice between plan B and plan C, departure, without plan A being on the table any longer.

In other words, I don't think we – I don't think the Iraqis will forever be able to prevent us from – even though we do need them to make this kind of a decision. A partition concept can't work without them. It doesn't mean that they have the right to veto anything we propose and just assume we'll stay the course. I think the days for that are going to be numbered pretty quickly.

MR. PASCUAL: So perhaps, in one way, one might think of this as that plan A, whether it's the plan A along the lines of what Ken has outlined, which has both a top-down, bottom-up approach or in some ways is not completely different that you've outlined in partition. I mean, it still requires a political negotiation. Plan A has to entail some form of a political solution, a political agreement among the main parties to take us from where we are to somewhere different.

And then the question becomes what do you do next. Ken's suggestion is that there's a containment strategy, and that we'll try that, but then the question becomes if you can't contain, where do you go. And where I think both of you are suggesting is that at that stage, we're out.

Anyway, on that grim note, let me turn this over to the audience and take your questions and continue the dialogue from the floor.

Over in the back?

MR. SPONDA: My name is Mike Sponder. I have no affiliation. A man who used to work for me on his desk had a cartoon and it showed a person at the end of a board of director's table and said, "I have heard what you all of you people have to say; my 51 percent says..." The only one who mentioned the words George Bush was Mike. And I accept the fact that anybody here, and there are a lot of very competent people, probably could have written this report in 10 minutes, maybe not with the names behind it. What about George Bush? He is the only 51 that counts and nobody is talking about that. What you have done is given history and what-ifs. What do you think George Bush is going to do? I think that that is the only thing that is important from the point of view of where the country is going to go.

MR. PASCUAL: Let me take a couple of other questions as well and we will address them directly. I was not avoiding that. We will come back to

it.

(Laughter)

MR. FRIEDMAN: I am Jeff Friedman from the Council on Foreign Relations. I think you pointed out that the political solution is really key, and as Dr. O'Hanlon has said, there is some conditionality in the study group report that helps put pressure toward that end. But it seems like the conditionality is very one-sided. It says to the Sunnis, if you do not work in good-faith toward a solution, we are out, and the Shia and their militias impose their will and things get ugly. But for the Shia it says, if you do not work toward a solution, we are out, you get to impose your will and things are not so bad. My question is whether you think that one-sided conditionality is the correct perspective, and if it is, is there any military leverage in particular that we have to work toward a top-down solution as you pointed out?

MR. PASCUAL: One more question.

QUESTION: (Off mike) — from the Tunisian Embassy. I would like to thank the lecturers for their excellent conference, but there is one thing, please, if you will allow me, I wanted to take the discourse a little bit outside the local and the Iraqi geography. I have heard that the state court is in this kind of dialogue and this debate. Can you clarify two things for me so that I can probably get things clear to other people outside this room? From one alternative to

another, and the first thing that was emphasized by the TV anchorman is that this document is not binding by some other people's standards and by some other's rhetoric, but nonbinding means that maybe it is not to be taken seriously outside the American borders. So how do we intend to convince those people, the leaders in the area who have always been major stakeholders in this kind of conflict, namely, Jordan, Egypt, whereas the writers of the document would like to more or less involve in a de facto manner some other countries and leaders who have been labeled as belong to the Axis of Evil, namely, Iran and Syria? Yesterday they were the enemies, now we would like to involve them. And then what kind of concessions are we going to expect from the Israeli government when we know that it is still involved in the conflict with the Palestinians where the government is still not being recognized by the international community? Thank you.

MR. PASCUAL: Thank you. Bruce, do you want to start? Since for a year you served as Special Assistant to President George W. Bush, we will let you start with the George Bush reaction, and you might want to tackle the regional perspective as well.

MR. REIDEL: I knew I shouldn't have put that in the C.V. I gave you.

You are absolutely right. This in the end is all about what happens on Pennsylvania Avenue and in the Oval Office. Let me pick on a point that

Mike made about the purpose of commissions. I think this is a unique commission. I think it has a different purpose than any one that we know of in the last few years. And I am speculating here, but I think I am right; the purpose of this commission is shock therapy for the Oval Office to give them an extremely cold shower and say to the President the course you are on is going to lead to catastrophe, and you have got to change it.

I think that if you look at the report, what it calls for, it is in some ways a repudiation of virtually everything the President has been doing in the Middle East for the last 6 years. It calls for active presidential involvement in the Arab-Israeli conflict. From day one, this administration has said, no, we are not going to do that. We saw what happened to our predecessor and we are not going to end up in that place. This one is saying you, Mister President, have got to get involved.

Second, it talks about talking to the Axis of Evil as our Tunisian colleague pointed out. It has been saying we are not going to do that for 6 years, and this report says you have to. I also think the report does have a bottom line and I think maybe because I have been in government so long I do not read this like an academic treatise. I read this like this is a government memo. There are significant parts of the memo that are implicit, and when they do not say something, it is as important as when they do say something. And when they lay

out some specifics, namely, the withdrawal of American combat brigades from Iraq by the spring of 2008, that is the plan. Mike is right, it may not be a good plan, it may leave disaster behind, but that is the bottom line that Jim Baker I think is trying to get the President to buy onto.

Will he buy onto it? You do not have to be a political scientist to see Iraq to see that he is in deep political trouble right now. He and Tony Blair can spend the good part of the morning talking about how bad their individual situations are and how they got there, but he needs a way out and I think what Secretary Baker, Lee Hamilton and Bill Perry and others were trying to do is give him the political cover not necessarily to adopt every specific recommendation in here, but to abandon stay the course and begin the process of bringing American troops home from Iraq.

The President is also absolutely right, he was absolutely spot-on in Amman; there is no such thing as no such thing as a graceful exit from Iraq. It is not going to be graceful, and I think that the one thing you have heard from all four of us up here today is it is going to be messy, it is going to be unpleasant, it is going to be potentially disastrous not just for the Iraqi people, but for the people throughout the region who have to suffer from the repercussions of it. I think Jim Baker's real point in all this is to shock the White House and the administration into saying we are going to start the withdrawal, we do not know how long it will

take, although there is a pretty strong hint in here of spring 2008.

The other thing that is interesting about this is the sense of urgency that is in here. Robin Wright was spot-on yesterday in asking the first question, "It says urgent, urgent, urgent on every page, and yet they took 9 months to produce it." The urgency is a political urgency as well, obviously. This has new meaning post-November, and that urgency is going to become even more urgent, as Mike pointed out, as we start talking about Mister Bush's replacement more and more rather than talking about him.

MR. PASCUAL: Ken, on the second question on conditionality and the nature of it and how do you get leverage, is it one-sided? Do you want to tackle that?

MR. POLLACK: I would not suggest that the conditionality is one-sided because as you point out, there actually are conditions for both groups and the idea behind it, and you can read this in a good way or you can read this in a bad way, it is basically, if you want us to stay, and all of you have said you want us to stay, we are going to stay under this set of conditions, and that is exactly Mike was getting at and I think he is right, and I think that is a very important contribution of the report.

That said, what do you do? The final point of your question which is what can you do to get leverage over the militias I think is a very important

one, and that is again where the bottom-up comes from. It is the only way that we know to do this. As I said, the Iraqi government is absolutely locked up; it is in a complete political logjam because it is run by the militia leaders. Do you want to know who has power in Baghdad? You do not look at Nouri al-Maliki, he does not have power in Baghdad. It is Abdul Aziz al-Hakim, that is why the President met with him the other day. It is Muqtada Sadr, it is Ibrahim Jaafri. These are the people who have power and they have power because their militias control the streets, and the way that you deal with them is to start taking the streets away with them. The moment that you start taking the streets away from them, all of a sudden you are going to find them much more receptive to compromise. All of a sudden you are going to say, maybe this political process isn't such a bad idea.

And we actually have a perfect example in Iraq. In 2004, Muqtada Sadr thought he could take the streets and did not need to participate in any kind of political compromises, and in 2004 we got into a war with him. We got into it stupidly. We got into it in the worst possible way we could, but we got into it and we smashed his forces and we drove them from the streets. All of a sudden at the end of that, Muqtada was glad to participate in government because he figured out that he could not win by simply taking the streets. The problem is that Jaafri, Muqtada today, Abdul Aziz al-Hakim, they are doing fine. As far as they are concerned, everything is going their way. They have control over more and more

of Iraq's geography, more and more of Iraq's population, and more and more of Iraq's oil wealth, and they see zero reason to give that up. The only reason that they are going to start making compromises is if you start threatening that control.

MR. MILLEN: My name is Bill Millen (?) and I am here in a personal capacity as a retired Foreign Service officer and ex-Army officer. This has been a very serious discussion. It is a nice change from the talking heads on TV. I congratulate you all.

I especially agree with many of the things said by Ken Pollack. But here is a curious thing. We are involved in a war in what is objectively a rather small country and we are spending less than 1 percent of GNP on it which by historic standards is not much. And if security is fundamental, why don't I hear more people coming out and saying in a forthright way everything would be better if we simply put in an extra 50,000 Infantry? And the notion that we cannot find 50,000 Infantry when we are a superpower with 300 million people is ludicrous. I would love to hear your reactions.

MR. PASCUAL: Let me take two more questions.

MR. HALE: Scott Hale (?) at Brookings. For Mike, Kenny, and Bruce, it seems to me that if we do watch this thing to down the drain, we will potentially be facing two major threats. One would be the Sunni insurgents that occupy Anbar who might then launch attacks around the region and maybe on our

homeland, and then Iran. So I am wondering if we address the first by really investing in Anbar and focusing all of our efforts on Anbar and letting the Shia run the Shia areas of the country and the Kurds run the Kurdish area of the country, would that not then in some ways at least minimize the threat of the homeland being struck even if it leaves Iraq and the Iraqi people worse off?

MS. SHAMS: I am Pauline Shams with Freedom House. My question addresses the issue of bottom-up support. One of the major things that we have seen in the democracy promotion and development industry here in D.C. has been the reduction in funds by Congress for democracy promotion in the Middle East, and specifically with Iraq there has been a great reduction this year. With the Democratic Congress coming in there is concern about whether or not the mechanisms to support democracy promotion in the Middle East will have funding cuts such as MEPI and USAID and so forth.

A lot of that relates to promoting that bottom-up situation, so the question then becomes how do you promote that situation and what do you foresee as happening with this Democratic Congress as the other 40 percent or whatever you would call it of power and decision-making with regards to the Middle East?

MR. PASCUAL: Ken, do you want to start on putting in an additional 50,000 Infantry?

MR. POLLACK: Yes, I would like to give remarks to all three questions because I think they are all important. Let me take the first and the third together. I will say exactly what you want to here because it is right, we would be much better off if we could put 50,000 more troops into Iraq. We would be even better if we could find 150,000 troops to put into Iraq. Mr. McCain at least is saying things like that and calling for it. This needs to be part of the debate. If we really are committed to stabilizing Iraq, we would benefit enormously from it. I went through the report and there is actually a section in the report where they say they don't think there should be more troops there. I think the three reasons they give are absolutely bogus. Reason number one is that we need to have troops available to fight some other way. If this war is actually vital to our national interests as the President and everyone else keeps saying, and I actually agree with that, why on earth are you saying we should wait and we need to hold off our Army for some other war that may or may not happen if it means losing this one?

The second reason that they give is it would force us to change the structure of the military. That is not a reason, that is actually a question: Is Iraq important enough to change the structure of our military, to increase its size and do a whole bunch of other things? And on that note, one of the things I have really been struck by is in the last few months how many midlevel military officers have

been coming to me and saying we can find more troops to send to Iraq. We can comb through the staffs, we can send more troops. It is all about being willing to expand the size of the Army, and if we are willing to do that and if Congress is willing to vote the funds, we can do it. So as I said, that is a debating point is worth talking about.

The last issue I am forgetting right now. The last one is this idea which I alluded to before, which is that we are a crutch for the Iraqi government which I think is absolutely ridiculous. Again, there are things that the Iraqis need to do that are critical. We have talked about them time and again. The reasons that the Iraqis are not doing them is not because we are there and we are doing them for them, it is because on the one hand they lack the capacity, and that is what the bottom-up approach is about, it is building that capacity. And two, it is about unlocking the political logjam in Baghdad, getting the militia leaders and the insurgent leaders out, getting new leadership that is actually willing to do it, or forcing the people who are there to do some things that they have not wanted to do others. And both more troops and the greater commitment to civil society, to democracy promotion, all of that is absolutely critical in Iraq because it is this bottom-up component that we have simply lacked.

I am going to back to the point that you were making, Carlos. We have tried the bottom-up approach in the worst way we possibly could. It is not

just that we have had too few troops; it is not just that we have had bad tactics for most of it; it is also that there has been almost no civilian component to this. And I know Doug Menarchik is out there and I think he is nodding his head because unfortunately he has been fighting this battle for years now. We desperately need a civilian component that is at least as big as our military component. The Army says this all the time and they are right, in most towns in Iraq, the senior coalition person present, in most cases the only coalition person present, is an Army Captain who, frankly, has to run his company, protect his soldiers, deal with his Iraqi liaison counterparts, and establish security. He, sometimes she, does not have time to build new sewers, run the Iraqi election board, repair power lines and do the thousand other things that all need to happen to make this work. We desperately need that civilian component as well.

MR. PASCUAL: Just for perspective on that, it is also important to remember that whether we 125,000, or 140,000, or even 170,000 U.S. troops in Iraq, there are a total of about 6,500 U.S. Foreign Service officers in the entire world, about maybe another thousand Civil Service officers who are posted overseas, and about a thousand USAID Foreign Service officers in the entire world, so it just gives you sense of perspective of the tools that are available to the U.S. government and to the limitations that are there. There are certainly some individuals who are in the audience who are Foreign Service officers and

civilians who have served in Iraq quite courageously and they knew firsthand the very difficulties of creating that civilian capacity that is necessary to be able to underpin the softer side of political and economic transition.

Mike, do you want to comment on Scott's question on the implications of homeland security? Are there interlinkages between the two or ways to think about it from that perspective?

MR. O'HANLON: For two straight days I've had to answer tough questions from Scott beating up on me. I was actually going to comment on the one about the military.

MR. PASCUAL: You can comment on anything you want to.

MR. O'HANLON: I will try to think of an answer to his while I am doing that. Let me answer one piece of the military-related question that Ken did not get to, which is how do you make this force bigger if you want to, and we all know the difficulties of the recruiting environment. DOD has really managed to do a lot of things well to sustain the current sized force and increase it ever so slightly. It is true in one broad demographic sense; it is ludicrous to use your word, sir, that we cannot raise 50,000 more. On the other hand, to be blunt, we can't in the short-term unless we do something radically different, because we already did the obvious things. We already increased signing bonuses, we already allowed ourselves to take people who are older. Pretty soon I will be eligible to

join again if things keep going the way they are on age. But do you know how many people join in their forties even if they are allowed to? Five hundred a year in the country. A lot of these things that are being done are just not going to be the answer.

What you have to do is do something, of course; the dramatic option is a draft or at least obligatory national service with defense as one option within that. The second most dramatic thing that Max Boot and I wrote about is to recruit foreigners and to offer them citizenship as a consequence, and some people do not like that I can see already. I do like it, but it is not happening. We will agree on that much at least. It is not happening in the short-term, and it is not going to happen even in the medium-term. Actually, technically you can recruit people today, legally speaking you can do this without further change in legislation, but it is a big policy and political change.

So I think as a practical matter we are not going to increase the size of the Army and Marine Corps very much. We probably should. We certainly should have 2, 3, or 4 years ago, but unfortunately this option is becoming harder and harder to implement as much as I agree with both Ken and the questioner about its inherent desirability or at least that you would have to have it as an option.

At the end of that answer I still do not have a great response to

Scott, but I will say the following, that I think that Baghdad is so heavily interspersed with Sunni and Shia that the idea that you could essentially just take care of Anbar Province and leave Baghdad alone does not make a lot of sense to me. And unfortunately, whenever we try to confine the Iraqi problem to one area first, we have found that it has spread, or the whole whack-a-mole metaphor. Mosul used to be in pretty good shape, and it has not been now for 2-plus years, probably because we did an economy of force in Mosul and lo and behold, a lot of insurgents went up there. Kirkuk is still a tinderbox, and so if we were to ignore the North just because it is not the Sunni heartland I think we would be in trouble, and Baghdad itself is 7 million people. So I think that the option probably sounds a little better in theory than it would be in practice, that as a practical matter perhaps you can reapportion a bit, but Baghdad can never be ignored and neither can Mosul and Kirkuk.

MR. PASCUAL: Bruce?

MR. REIDEL: Yes, I want to also go to the question about Anbar and take it in a slightly different direction, and also come back to the funding issue.

I agree with what Mike has said, you cannot ignore one place because the bad guys will move right to wherever you aren't. We have seen that again and again. You could look at it a different way, though, which is to focus

intensely on the Al-Qaeda in Iraq group because, as I said earlier, they are the ones responsible for the most horrific attacks. In fact, if you look over the last 3 years, they have been the in the driver's seat of making change happen in Iraq. They are the ones who have said we are going to make Sunnis and the Shia hate each other, and they have been remarkably successful in doing that. The latest polling out of Iraq shows how successful Al-Qaeda in Iraq has been.

So this report says in several places we should do that.

Unfortunately, what it does not talk about is how would you go about doing it, how do you break down this terrorist organization? You need several things. First, you need to have absolutely first-rate intelligence. If you are going to go after a network as sophisticated as this and so diffuse and so metastasized inside the Iraq Sunni society, you are going to have to have absolutely top-grade intelligence. The report accurately points out that we do not have that. We do not have the language capabilities to do it. We have some very brave case officers running around in Iraq, many of them do not have the language capabilities and they do not have the security. It is very hard to go out and recruit someone when you cannot actually meet with them without fear of being killed. It is a basic element of tradecraft that you have to be able to walk away from the meeting with the person you are trying to recruit, or you are not going to get very far. We need an enormous amount of better intelligence and, frankly, I do not see that we have

the time to get there.

The report accurately says we need lots more Arabic linguists. It talks about a fivefold increase in the number of trainers embedded in Iraq units. Are there five times as many Arabic- fluent American military trainers? I don't think so. I do not see what they are going to do in an Iraq unit if they cannot talk to each other. And if they are relying upon the Iraqi unit's English proficiency in order to make the unit function, then I would be very, very concerned going out on patrol with that unit, and they cannot do it with hand signs. They are not there. The report is right that this is something we need to do badly in this country, expand our language capabilities, but it is not going to happen in the kind of time frame that we are talking about in this report.

Secondly, if you are going to dry up Anbar and eliminate the al-Qaeda threat, you have got to give the young Sunni 18-year-old something else to do. You have got to give him a job. If you put me on the list with Don Rumsfeld, I am on the list. I support the Job Corps, too. Who is going to pay for it? If we are cutting democracy funding, we have not been willing to put more funds into reconstruction in Iraq now for over a year out of the Congress, if we are serious about this problem, we need to pay for it. We need to appropriate the money to give Iraqis jobs. But if you think that that is going to happen in this Congress, I think you just have not been focused on where the political winds are going at this

time. We should be putting more money into economic programs like that, we should be putting more money into democracy-promotion programs to work the bottom-up, but realistically, I am from Missouri on this; I will wait and see.

MR. PASCUAL: There is one particular dilemma on the economic side and it obviously relates to the relationship with the security situation and an environment where you have got 3,500 Iraqis a month being killed, 100 U.S. military a month being killed, can you in fact actually undertake effective economic activity? So the dilemma becomes that nobody wants to in fact you can use economic resources effectively in that kind of an environment with that type of insecurity, and until they see some improvement in security, there is a lack of willingness to put those resources forward.

The dilemma then becomes that at the point in time you actually start a process of trying to appropriate funds and get to where it should actually go, translate that into programs on the ground, it is another 9 months before you have actually translated it into something that can be something meaningful like a job for a person on the street, and the security environment has again deteriorated because you have not given that 18-year-old a job.

That is a huge dilemma which we are under. There have been a number of creative approaches that have been put forward to try to do deal with this. In my previous incarnation we tried to look at contingency funds that could

made available to the U.S. government for those kinds of quick-response types of programs, but the U.S. Congress has not been willing to appropriate money for it.

Let me just say one word on democracy promotion, with complete transparency, that I was just recently asked to join the Freedom House Board. The Ditchley Foundation recently just held a conference together with Brookings and the Heritage Foundation that looked at this issue of democracy promotion and one of the things that came out of it is that we just have to take Iraq off the table when people talk about democracy promotion because this was an afterthought. The reality is that Iraq was about something else. Maybe it was about weapons of mass destruction, maybe it was about terrorism, maybe it was about ideology, maybe it was settling past scores, but promoting democracy was not what Iraq was about. There was no strategy for democracy promotion. There was no strategy for governance. If you remember back in April and May 2003 with Jay Garner and Khalilzad trying to reconstruct some form of Loya Jurga process and get some bottom-up form of political engagement, and it was over as soon as Jerry Bremer came in and we had the CPA.

Democracy was not part of the strategy and was not part of the goal, it was later imposed as a justification for what happened and perhaps a way on how to get out, but it was something that did not work. It is still relevant to

talk about democracy promotion as an interest of the U.S. government. When we do that, however, we have to do it with realism. The first question that we learn about democracy in the United States in a sixth-grade civics class is that to have democracy you need checks and balances. It means checks and balances among branches of government, among levels of government, and between government and outside forces. And if you do not have checks and balances and you move from a situation today which is authoritarian to just elections, you probably are going to get something that you do not want because the basic provisions for an effective democracy have not been created. I think that is one of the key messages that has to be put forward now to the U.S. Congress, do not eliminate the concept of advancing democracy along with this horrible experience. We still need that too, but let us go back to what we actually learned about promoting democracy and use that in a much more effective way.

I am going to take two more questions and then I am going to come back to the panelists and ask them to both address those questions and give wrap-up remarks.

MR. MITCHELL: Gary Mitchell from "The Mitchell Report." Two things. One is as it relates to the A's, B's, and C's, I am going to argue for the purposes of today that Plan A took us through mission accomplished, that Plan B took us from mission accomplished to November 7th, that Plan C

happened in about a week with Baker-Hamilton and the Rumsfeld memo and that that is where we are today and that what we are looking at is Plan D.

The question I have is, if we think in medical terms, there are certain diseases that have specific phases, and in each of those phases there are two components that physicians can offer up. One, what are the characteristics or the symptoms in stage 1, stage 2, and stage 3, and what are the treatments.

My question is, whether it is Plan B, Plan C, or Plan D, the one we do not want to think about, can you take a crack at defining what that looks like? You have talked about what we might do, we might have safe havens, we might do economic development in neighboring countries, but whether we call it Plan B, Plan C, or Plan D, how will we know we are there? What are the metrics and what do we look for?

MR. PASCUAL: One final question.

QUESTION: I have a question for Dr. O'Hanlon about soft partition. I want to question it on two grounds. One is on the feasibility of it, and the other is on the long-term implications of what might happen, what we would set in motion.

As far as feasibility goes, it seems to me that in the Shia South, if you look at Basra, for example, you have a bunch of different Shia groups that are vying for control and vying for influence, and it is not ethnic violence, it is just

violence to see who attains power. And the provincial governments are not strong at all, the regional government or governments, however it would turn out, do not exist at all. So what do you have? You have a bunch of groups that are fighting each other for control and government capacity, no rule of law. In a sense, what you have is Iraq, just on a smaller scale and a bunch of smaller scales.

Yes, you have taken out the ethnic component, but you have not even taken out the ethnic component in Diala, Hila, Mosul, Kirkuk, and not to mention Baghdad. So what is it that you really do accomplish out of that? Don't you just have the same problem that that we are trying to deal with on a much bigger national level?

Two, as far as the longer-term implications, if we take what is by all accounts a recent trend in Iraqi history of this rampant sectarian identity and violence and you institutionalize that and you give it a kind of state structure and you give it your endorsement and say it is here to last, it is almost hard to imagine what kind of cats that lets out of the bad as far as the seeds of future violence, regional war and encouraging people to identify on that sectarian basis as opposed to on a boarder level of interests, human rights or whatever other more salutary ways they might identify?

MR. PASCUAL: Let me then turn to the panelists and ask them both to respond in whatever ways they would like to to these two questions, and

any final remarks that they want to make. Bruce, do you want to start?

MR. REIDEL: Let me start with the democracy question I think Carlos is absolutely right. Promoting democracy and making Iraq a model of freedom had nothing to do with the way this war began. I still do not personally know why this war began. I think the explanation that we were given at the time not only looks pretty thin, to put it mildly in retrospect, it looked pretty thin to a lot of people at the time. I was serving in NATO at that time and I can tell you that very few of our European allies found the evidence convincing.

That said, one of the implications of this war is what it has done to the notion of democracy in the Middle East and the Arab world. It has given it a very, very bad name. I have talked to a lot of my friends in different Arab countries and a lot of them say to me candidly if this is what democracy is like, thank you very much. You keep it over there. I prefer our system where at least I can wake up every morning and know that my children can go to school and come home. This system is just now what we are looking for.

That is terribly unfair to the democratic process, but it is one of the long-term costs of this war that we are going to have to live with, one of the many disastrous implications of how this war has played out.

Let me spend just one minute on Plan D. Although Plan D in the Arab-Israeli context is usually a word and we should skip right over to Plan E, I

think what we are talking about is controlling the fire because I think we are at the point then of having tried this and it has not worked, the civil war is going to play itself out in Iraq. Our objective at that point is to keep it from being a regional war and to ensure that the winner is not someone that we cannot live with.

Most civil wars do not actually end in a nice political settlement in which the two parties say we are going to give 40 percent, you get 60 percent. Most civil wars historically have ended in the triumph of one side over the other. In the Middle East, that is certainly the case. Civil wars end in a victor and a loser. Lebanon's problem has been it has not yet had a victory and a loser, although one could argue it is getting closer now to that than it has before.

That is messy, it is very ugly to watch, but that is what happened in our country. Our Civil War had a winner and a loser with an impact on the American South which did not end for a century afterwards. With this civil war, it is had to imagine how it can end except in one outcome, a Shia victory. It is going to be ugly. It is going to be very, very ugly how that turns itself out. And I am certainly not advocating that as a solution, but my suspicion is that is the way it is going to end up, and if we reach the point where we try all 79, we have gone through Plan E, D, F, and G, and we have decided we cannot do it, we will need to control that fire as much as we can from spreading, try to deal with the humanitarian consequences of it, but have to deal with the reality that that is

where it going to end up.

MR. PASCUAL: Ken?

MR. POLLACK: Let me start with Bruce's last point because unfortunately I agree with him. What I took from Gary was you were asking what are the indicators that we have reached that point which is a question all throughout this period when Dan Byman and I have been working on this question of what do you do when you have got an Iraq in all-out civil war, that is the question we keep getting from our intelligence community, can you help us tell when we are there.

I want to steal a story from Bruce. I have worked for Bruce both at CIA and at the NSC, and there was a moment in both of our careers at the beginning of the first Gulf War, the invasion of Kuwait, where there was a debate at which Bruce was present and I was not, but I heard this from him subsequently, where there was a big debate as to whether the Iraqis were going to continue on from Kuwait into Saudi Arabia, and there was a debate whether they were going to do it because we had some intelligence that said they are going, they are on their way, and there was other intelligence that said maybe not, and there was a debate on the table. And finally I guess it was the President who turned to Colin Powell who was then the Chairman of the Joint Chiefs of Staff, and what Powell said I think really applies to this situation perfectly. As I understand it from

Bruce, what he said was, I can't tell you whether they are moving at this time or not. What I can tell you for certain is you will get no more indicators. All of the indicators have already been tripped. All the warning you are going to get is there. Do not expect us to come back to you and say we have got this additional piece that tells us they are or are not going. And unfortunately, I think that is about where we are on Iraq. Dan Byman and I did put together a long list of what the indicators are of descent into all-out civil war and it is going to come out as an appendix to this piece that we are putting out next month. The honest answer is almost every one of those indicators has been tripped including things like leading political figures, in this case Ayatollah Sistani, saying he is powerless to stop the violence, including the infiltration of sectarian groups into the security forces.

There is one still out there that does look like it is an important indicator that gets to a point that Mike was making that I think is a really important one, which is the dissolution of the armed forces. Typically, in these situations the armed forces are the last cohesive nationalistic body out there. We have not yet seen the dissolution of the armed forces. But as Mike is suggesting, we do not know if it is simply waiting to happen, if the core is already rotten and they are just waiting for something to set it off. Actually, what I would say on that point is I think that it could happen. It is really about what they are thinking, and you need to think of it this way. Civil wars are really about people making

decisions today based on their expectations of the future. As long as the Iraqi army believes that we are going to stay committed to Iraq, I think most of them will remain cohesive. They will cut side deals, do this, that and the other thing, but they will mostly remain cohesive. I have spent some time with some of these Iraqi army battalions, and that was the strong sense I had from them. The moment they think we are gone, they are going to go their separate ways and the army will come apart which, again, puts an emphasis on doing all the other things and not simply wresting the full weight on them.

The last point I want to make and it is one issue that we have not really talked about but I think it needs to go on the table is the international community which was one I felt was curiously absent from Baker-Hamilton, especially given the two of them. Carlos made the point before which I think is a very important one which is that there are limits on the numbers of personnel that the United States has to send to do all the things that we need to do, not just in the military realm, and, again, Mike is right, we need to have a debate about whether to expand the size of the Army and under what conditions we could do so if Iraq is really as important to us as we say it is, and if we think it is still possible to save it. And if those two things are true and we decide that we are going to try to stabilize it one more time, then I think we do need to have this conversation about can we expand the size of the military.

But by the same token, there is also this question about civilian personnel. I think with Mike's work, with Carlos's work and his work in government demonstrates is that we do not have a lot of this capacity here in the United States, that capacity to the extent that it exists really is resident in the international community, in the U.N. bureaucracy, in the NGOs. Those are the people who know how to build civil society, the people who know how to revive a micro economy to do all the things that we need. And if we are going to try one last time, one more shot at Plan A, I think we have got to do a much better job of finding ways to bring them in and that means both creating the security conditions under which they can actually operate, but it also is going to mean some political shifts on our part to give the international community a much bigger role than we have so far been willing to.

MR. PASCUAL: Mike?

MR. O'HANLON: I will be quick in response to your tough questions, and important questions. First of all, this may be an oversimplification and I do not want to sound callous, but the problems in Basra are ones that I would love to have if that was the worst of it for the country as a whole. Secondly, in terms of worsening or making more permanent ethnic divisions, the single best way to have that happen is through ethnic cleansing and genocide which is what is beginning to develop. So if you are concerned about reinforcing

these kinds of divisions, the worst single thing to do is to stick with a failing policy that is creating more of the violence, and it is better to temporarily accept the idea of autonomous regions and hope that over time as people learn to live in peace again that these divisions matter less. So those are the two main points I would make.

And the third one to conclude is simply is it happening. It is happening right now unmanaged. Pretty soon is going to have to be managed. I take your point, if you diagnose it and treat it to soon you've got a problem, but if you ignore it, you also have a problem, and that is why I say this is the sort of Plan B to wrestle back the terminology from Gary now that he has confused the matter, this is the kind of Plan B that we are going to need to consider seriously in 2007 if things do not start better very soon.

MR. PASCUAL: One thing we can take from this discussion is that what Baker-Hamilton has done is that it is torn away a veil of illusion of pretending that things were going okay. I think there is nobody who can argue that right now, and that kind of realism and honesty is certainly absolutely critical to coming up with any kind of solution that might be possible in Iraq. I think another thing which is painfully clear is that every day the options get worse, and as the violence escalates the solutions will simply just get harder.

I think one of the things that has come out of this discussion is that

there is a tremendous interrelationship between the issues that happen internally in Iraq and the region, that one needs to find a way to deal with the two together, and there is a real danger in that as well because the regional actors can play this in a way which is also negative and the skill and diplomacy that is going to be required in order to be able to manage that task is tremendous.

There is going to be a tremendous degree of frustration, because as Ken as indicated, you need both the top-down, the political understanding and the solution and the regional participation in that to make it possible to have some form of progress on the bottom-up so that you have sufficient political space to actually get progress and traction on security and taking back the streets, and managing these two together is going to be essential and the likelihood of being able to succeed at that is very low, which brings us back to the point that we most likely will be at some form of Plan B quite soon.

Baker-Hamilton I do not think takes us to any final solutions. It opens up the door to a better debate, and I hope a more honest debate, and it is really in that spirit that we offer this discussion, and we will continue putting ideas out there that I hope will be able to illuminate what the options are and how to get us to a situation that has at least the least-negative consequences for the region and for the United States and hopefully we might be able to do some things that actually produce some positive results. Thanks for your attention today.

(Applause)

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