

THE BROOKINGS INSTITUTION

THE UNITED STATES AND IRAQ:
A TIME FOR REMEMBRANCE AND RENEWAL

Washington, D.C.

Wednesday, September 18, 2013

Featured Speaker:

H.E. LUKMAN FAILY
Iraqi Ambassador to the United States

Moderator:

KENNETH M. POLLACK
Senior Fellow
The Brookings Institution

* * * * *

PROCEEDINGS

MR. POLLACK: Well good afternoon, and welcome to the Saban Center for Middle East Policy here at the Brookings Institution. I am Kenneth Pollack. I am one of the senior fellows here at the Saban Center.

In the last few weeks, Syria seems to have taken over the Middle Eastern stage and certainly the Middle Eastern stage as seen from Washington. We're all very concerned about Syria for a whole variety of reasons but when you think about America's interests in the region and in Syria, so much of it really is about Syria's neighbors and I think that we sometimes lost sight of that fact. That Syria itself is a tragedy and that in and of itself engages America's interest in the region.

But when we ask ourselves what are our vital interests in the region, it is more about Syria's neighbors. It is about our NATO ally Turkey, it is about our close friend Israel and Jordan and it is about our friend Iraq. Iraq which we've tried very hard to forget and I think unfortunately so because Iraq remains a critical player in the region and becoming ever more critical with each passing month.

Iraq has become the second largest oil exporter in OPEC and Iraq's oil production is expected to grow apace. And in fact, the most recent EIA estimate suggests that Iraqi oil production is likely to account or

increased Iraqi oil production is likely to account for 45 percent of the global growth in oil. That's going to be absolutely critical to overall global economic growth over the next 5-10 years.

And so, wither Iraq very much wither the global economy. If the global economy is continue to grow at the pace that has been set for it, Iraq's continued stability, its ability to continue to contribute to the global oil market is going to be absolutely critical.

And for that reason we are absolutely delighted to have with us today Iraq's new Ambassador to the United States, His Excellency Lukman Faily. Lukman Faily is someone new to Washington but I think well known to a number of people here in our audience. I will start by saying that Ambassador Faily began his life with a very distinguished career in the private sector in the high tech field. We need to be careful. He has both undergraduate and graduate degrees in mathematics and computer science.

As someone with nothing but degrees in the social sciences, I get really nervous around people like that, people with real degrees as we call them. After 20 years in the private sector, after the fall of Saddam Hussein, Ambassador Faily joined the Iraqi Foreign Ministry where he served in Baghdad and then went on to have a very highly regarded tenure as Iraq's Ambassador to Japan.

And I will also say that when Iraq's prior Ambassador to the United States, Samir Sumaidaie, stepped down as Ambassador, there was a great deal of speculation. Nobody knew who was going to take his place. Samir had done very well in Washington and had become very much a Washington fixture and I think there was a lot of trepidation both in Baghdad and here about who was going to take his place. And I heard rumors of dozens of different names circulated, some very interesting, some who I was very concerned about what kind of a job they were going to do here.

And then, over the summer I started getting emails from friends in Baghdad saying they picked Lukman Faily. You don't know him but you're going to love him. He's one of the best. With that, Mr. Ambassador, the floor is yours.

AMBASSADOR FAILY: I don't know where to start after such an introduction. Good afternoon, ladies and gentlemen. Ken, thank you very much for your introduction. I very much appreciate toward the importance of Iraq, more so toward the current situation of Iraq in relation to Syria and in relation to the regional situation.

I very much appreciate that generous introduction and also would like to thank Saban Center for hosting me. It's a great pleasure to speak at this prestigious event.

It's a please also for me to be here this afternoon and to make the case for why renewed efforts to established a strategic partnership between Iraq and the United States are important more than even before. Since the Tunisian uprising that sparked a wave of popular protest across the region back in December 2010, the Middle East has undergone and continues to undergo fundamental transformations that are shifting the social political dynamics in the region and beyond.

The Arab Spring has yielded new opportunities for many of our Arab brothers and sisters to chart a course toward a new social contract in which prosperity and social justice are the core drivers for that movement. However, we have all seen the subsequent power vacuum, have also made way for the resurgence of old threats, namely extremism, organizations such as Al Qaeda and sectarianism as core values or core drivers in the regional politics.

What started off as a pro-democratic protest is sadly sliding toward polarization of communities along sectarian and regional and religious lines. Needless to say, Iraq's own security has been adversely impacted by the region's instability and in particular by the situation in neighboring country Syria. In recent months, levels of violence in Baghdad and elsewhere have spiked as Al Qaeda and its affiliates are trying to push Iraq toward civil war.

Amid this background, Iraq seeks to strengthen its relationship with the United States in order to help stay on track toward establishing a strong democratic prosperous country that is a source of stability in the region. Bearing this in mind, I have been dispatched by my government with the primary mission of nurturing and enduring partnership with United States.

Our message to our American friends is simple but it's urgent. In a region that is filled with so many uncertainties, Iraq can be trusted and it can be a reliable ally. There are no illusions here and neither -- we are under no illusions and neither should you. Much work needs to be done on both sides for this vision and the strong enduring partnership to become a reality.

But we do not need to start from scratch. Our two countries have endured much together over the past decade. Both of our great nations have made great sacrifices for the sake of establishing a free and democratic Iraq. On that note, I would like to extend my country's appreciation to all the American servicemen and women who served in Iraq. Some of whom paid the ultimate price for the sake of free and democratic Iraq. I was honored that one of my first duties as the new Iraqi Ambassador in Washington was to visit the Arlington Cemetery or Arlington Memorial to pay a tribute to your fallen sons and daughters.

The nature of our bilateral relationships has been articulated through the strategic framework agreement which was designed by our two countries at the end of 2008. It outlines the basis for long term friendships and cooperation based on the principle of equality and sovereignty. It defines areas of cooperation across a whole host of political, economical, cultural and security areas. Among score principles the agreements state and I quote, "A strong Iraq capable of self-defense is essential for achieving stability in the region." Let me repeat it again. A strong Iraq capable of self-defense is essential for achieving stability in the region.

Much has been achieved. Iraq was the first country in the region to move from dictatorship to democracy. We have successfully held three free elections, national elections and a number of a provisional elections. One of these elections was held recently despite our security challenges. Notwithstanding all our challenges, Iraq has managed to harness its oil wealth to rising level of standards, we have reduced poverty and unemployment and Iraq has asserted itself as a credible actor in the Middle East culminating in its own removal from Chapter VII of the UN charter earlier this year.

We have come a long way but more hard work is needed to maintain our achievement in the face of a growing threat of terrorism and

extremism and sectarianism. Since the collapse of Saddam regime back in 2003, Iraq has sought to adopt a foreign policy that no longer threatens international security and stability. While the new Iraq has tried to remain a neutral player, it has inevitably been drawn in the regional rivalries by virtue of its geography and history.

My country cannot realistically remain a passive observer in such a climate. But we have chosen to adopt an impartial stand in any conflict affecting our neighbors and this is the same in our Syrian position. In other words, it is in Iraq's interest to play an active role in helping to resolve crises that may impact our national security. But we do not wish to take sides and we firmly believe as our constitution has stipulated in the principle of non-interference in the domestic affairs of our neighbors and others.

This policy is demonstrated in our position on Syria. Since day one we have said that there are no military solutions to resolve this conflict. And only a negotiated settlement between the warring parties can bring any hope of peace and justice to our Syrian brothers.

Last week our Prime Minister Maliki outlined a nine point initiative that details how a potential ceasefire could be achieved. Iraq and the United States share the fundamental interests ensuring that the flames of the Syrian civil war do not engulf the region. We also share a common

enemy in Al Qaeda that continues, along with other extremist elements, to try to undermine what we have built together in Iraq and to hijack the aspirations of the Syrian people.

This is why it's crucial that we work closely to diminish the role of extremism in the region. Many have accused Iraq of facilitating Iranian military over-flights bound for Damascus. I have been vocal in Washington in expressing my government's categorical rejection of military support for the Syrian regime. We have called on our American allies to support us in building an integrated air defense system that can prevent our airspace from being used to funnel armament to Syria. Just last month, my minister, my own minister Mr. Zebari, was here in Washington making the case for greater security cooperation and reaffirming our commitment to the strategic partnership agreement with the United States.

While security and defense cooperation is important, we believe that trade and commerce should be at the heart of any endeavor to foster deeper and long-lasting ties between our two countries. Iraq has the fastest growing economy in the region and it is expected to grow at a rate of nine point four annually throughout 2016. But this growth is mostly derived from our oil production which has eclipsed Iran to become the second largest OPEC producer.

Diversifying Iraq economy and attracting investment capitals and foreign expertise are among our top priorities more so for me here in the United States. Last month I went to California to meet with the business leaders from among the Americas most successful enterprises and I was delighted to hear their enthusiasm for the Iraqi market. And in the meantime, Iraq is purchasing 10 billion worth of military equipment from the US companies and firms. Americans top energy companies are already working in Iraq and our recent purchase of 30 Boeing planes for our Iraqi National Carrier testifies to our potential as a market for US goods and services.

To summarize, amidst the turmoil and uncertainties in the Middle East we are more determined than ever to build an enduring partnership with the United States. Much work needs to be done to strengthen our democracy, to counter the rising set of terrorism and to rebuild a strong and prosperous nation that can help alleviate some of the region's misfortunes. We see in the United States a fitting partner to help us realize our own full potential. Thank you very much.

MR. POLLACK: Thank you Mr. Ambassador. That's a great way to kick us off. You covered a lot of ground in those brief remarks. And I thought that I would start with the core of our relationship. And you mentioned that Foreign Minister Zebari was here to reaffirm the

commitment to the partnership between the two countries and you also mentioned the strategic framework agreements which was intended to be the blueprint for a comprehensive partnership between the two of us.

I think it's safe to say, I don't know if you'd agree with me. I think you would though, that both countries have really fallen down in turning that into something meaningful, into something that really could be a tangible partnership and I'd love to ask you for your thoughts on what you'd like to see from the American side in terms of turning the strategic framework from something on paper into something in reality and then also obviously what we should expect from Iraq on that same score.

AMBASSADOR FAILY: Sure. Thank you very much for starting on such an important topic. The strategic framework agreement was signed in 2008 just before President Obama came to power with a view of ending the military presence of United States and starting to work on a comprehensive relationship. The framework highlights areas of cooperation in security and military cooperation and commercial and cultural and medical care and so on, in education and so on.

So we can see that two countries both agreed to supplement and support each other in defining the areas of cooperation. With that in mind, you also have the realities of the US troop withdrawal after 2011 which meant that the relationship has somewhat transformed from one of

US presence to one of sovereignty and in which the relationship is one of partners.

To us that new definition has become transformational in our institutions. Likewise I feel that in United States they are somewhat unfamiliar with such a new framework. Historically, US forces usually used to maintain in the country before and the relationship was one of bilateral based on specific sectors. Here we have a comprehensive relationship.

I feel as though that both countries are on experimental (sic) road here and both countries are trying to identify areas of cooperation in which both feel it's urgent and both feel that they're capable of providing support to each other. With that in mind, I think we in Iraq need to relook at our strategic view of relationships. We as a country are new to having strategic relationship with any country. I was in Japan and I had that challenge all the time in which we, as a country, have a mentality of one size fits all.

Now we have a strategic relationship. To change that mentality it means that we need to look at preferential relationship in areas such as energy or others. That's to me one of the frameworks I have to work on.

From the United States perspective, I feel as though that is

new to them as well. To get sight of Iraq and understand the potential of Iraq versus the legacy of Iraq in the US discourse, I feel that that currently Iraq has a negative connotation here in DC. And to me that's a strategic issue and to me that's an area in which I hope to change. More importantly, I think it's in the US interest that the investment in Iraq is rewarded. People of Iraq want to embrace that relationship. I come in with the full support not just of government, more so of the people. I'm not aware of any stakeholder in our own internal politics who would like to have anything but a strong relationship with the United States. We are choosing that relationship.

There are no longer US forces there. It's important that the US audience understand that. We are choosing that relationship. However, we are choosing it on areas in which we need that type of support, we need that type of stability for our political, economical and also we're talking about even the education, for example, of our students.

MR. POLLACK: Mr. Ambassador, are there any particular areas where you think we should start, because as you point out, the strategic framework agreement is all encompassing. It really does run the gamut and I think that is ultimately one of its strengths. But are there specific programs and specific areas where you think it might be good to start with where you think there's potential or where Iraq has a particular

need? And we could say start with this. As you say, it's kind of experimental and then we kind of get that going and see how it works.

AMBASSADOR FAILY: It's true. However, you have to understand, Ken, that we have an urgency of needs. The framework we are embracing as one of the key, if not the only country at this moment, we have that framework with from Iraqi perspective. We have an urgency of a number of needs, the stability, the welfare of our people is of that need.

National security interest of Iraqis whether it's terrorism, whether it's areas of needs in energy, whether services and other, this is where we're coming from. We have the funds. We need the technology, we need the know how, we need the partnership.

It's important that the relationship is looked at from one of partnership. Let me give you an example. While I was in Japan, the key relationship was one of started on trade. My job was to change it from one of what I might call from my business background, a client's supply relationship to one of partnership. Partnership means you have to look at the interest of each other and not become the afterthought of events.

The situation in Syria, we appreciate that. However, we are a stable, important country in the region, geopolitically as well as others. So it's important that the US focus on us, should focus on fulfilling our

needs. Security needs, security cooperation, military cooperation, these are immediate needs in addition to the service issue we talked about as well before.

We have vast amount of requirements and needs across. We also have the funds. We have the vision for that. We're choosing the partner. It takes two to tango.

MR. POLLACK: You mentioned the security needs, Mr. Ambassador and I think everyone here is well aware of the kind of worrying increase in violent attacks in Iraq in particular by Al Qaeda.

AMBASSADOR FAILY: Yes.

MR. POLLACK: Are there specific things that you would like to see the United States helping more with in terms of Iraq's security?

AMBASSADOR FAILY: There are already discussions between the various committees, the various subcommittees with the various Iraqi apparatus institutions, security apparatus institutions, with the US and we are already having that dialogue and discussion.

However, what we feel and I was in Iraq only two days ago. I came back two days ago. I had a lot of extensive meetings. What we feel is that that urgency, sense of urgency is not very much appreciated in a sense that people come back to us and say, well, you have this lifecycle of military hardware need to be sold and others. We appreciate that and

I'm not new to that area.

However, I know that our own people's lives are in danger because of that. So if we are talking partnership, let's talk about that on the tangible element on the ground. What does tangible partnership mean? It means look after each other's interest. We're here to do the fight in the region on behalf of everybody when we talk about Al Qaeda. We suffered for the last 10 years. We were not the only victim of Al Qaeda, we know that but we also, we were the spearhead of the fight against Al Qaeda.

To be the spearhead that means you need to have the resources, the capabilities and also the will of everybody to support you in that. And to us, this is an important issue.

Our fight against Al Qaeda is not one of political discourse. It's one of survival and existence. So I think it's important people appreciate that as well.

MR. POLLACK: On this same topic or at least a related topic, I think that one of the concerns that many in the United States have is about some of the internal frictions that have arisen in Iraq. And in particular, I think there are a lot of people who see the increase in Al Qaeda inspired violence and enacted violence in Iraq as being a manifestation of the friction between the Sunni community and the central

government.

Can you give us a sense of where that's headed? I know that there have been a lot of negotiations going back and forth but where does that stand right now and what's your sense of how that might move forward?

AMBASSADOR FAILY: We have never looked at Al Qaeda as a sectarian element within the society. It's more of a political existence or rule of law. Let me give you some examples. The recent elections in Al Anbar, those who won in the elections were not of the extremist element. On the contrary they were talking primarily about services and they won the provisional election based on services.

If the current discourse in US that it's all about sectarianism and all about marginalization, then you would imagine that extremists will win in elections. They haven't. The Anbar's governor four times he had assassination attempts based from people within his province. It wasn't Shia coming from South or anywhere else. So it wasn't that it was an inner fight, Sunni inner fight, no. It's an extremism versus those who believe in stated law and democratic process of Iraq.

We have elections. I think I am not aware of anybody even questioning in any minute level the fairness of the elections, the provisional elections or the government elections which means that the

will of the people are being respected. Those who do not want to adhere to rule of law unfortunately have no space in our political daily situation nor do they have a space in our community cooperations and inner community work.

To that effect, I think Al Qaeda is a cancer element and their affiliates. I'm not only blaming this on Al Qaeda or attacking Al Qaeda. I'm talking about those are against the political new situation in Iraq or new discourse of Iraq.

What we're working on with the government is trying to work closely with communities, to go back to what we went through back in 2005 and '06 and '07 with Al Sahwa and others. This is an area which we are relooking at. We're also looking at some injustice where people were imprisoned without due consideration for rule of law and we're going through that process.

We are new to democracy. As a country, we are new to that. It's an old country. It's a situation between your body and your mind. If you have a two-second delay you always have that problem between the body and the mind. Here we have the same situation. You have a sharp mind in which your political process have moved in within 10 years what it takes 20, 30, 40 years for others to go through. However, your body, your institutions still lagging to take you further away and it's

important that we embrace democracy as a practice across our political systems, not just in governance.

MR. POLLACK: So I think a very hopeful message. I think one that every American hopes that Iraq is able to make, continue down that path. There's obviously another source of internal friction, one that you're intimately acquainted with and that's the issues between the KRG, the Kurdish region and the central government. And I'd like to ask you the same thing there.

Again, my sense is that there's been some important progress in recent months, some hopeful signs but I'd like you to give us a sense of where things are headed between the central government and the KRG.

AMBASSADOR FAILY: Okay, I mean before I answer that I think it's important that for people to understand in Iraq, there are certain attributes or certain elements they have to understand. One of the key questions we have in which inside Iraq ourselves, we are still struggling to get that right balance within a democratic framework and that's the balance between justice and peace, between fairness and political stability.

This is still ongoing and this has to do with the remnants of having of the Baathist attack on us and also of moving away from

dictatorship and from central government. That question is still unanswered and we're practicing with democracy as a method of us providing fairness to the people, providing some political ability or capability for the various provinces. So that effect we're still ongoing, still unclosed chapter and still the story going on.

In the same context, the element of federalism is still new to us. The situation of KRG stated or was there before the 2003. So people have to understand that KRG as a political entity started in '91. So they already have those institutions in place.

With the constitution in 2005 we verified that framework. However, people in Iraq may still look at the federalism as a political entity rather than as an administrative process which means that we have to go through that educational process as well. Bearing that in mind what we have here in KRG versus Baghdad is the roles and responsibilities of the provinces versus central government.

People come to us and say why are you trying to consolidate power? We're going back with a clear statement that we have an issue of the maturity of the institutions of government, provinces and central. We also have the challenges of disbursements of budgets and so on. We have challenges there because of the governance issue we talked about before.

So within that context there is still uncertainty between the roles and responsibilities of central government versus provinces where there's KRG, governor of Basra or others. Governor of Basra, the previous governor was calling for federalism yet he was party, he was a senior member of the Prime Minister's own party. So the discourse is not one about marginalization. It's more about the understanding how federal system work together. And we're new. You guys have the experience. We haven't got that.

So in that context, the relationship between Baghdad and KRG is one evolving. The ice has been broken between them. Now there is a more melting of that ice. There is visits between the Prime Minister Cabinet, our own Cabinet formed, had a session in Al Abid. The president of KRG, President Barzani, came to Baghdad, his prime minister came. So we're working closely to that.

If you tell me is that situation, is that chapter closed? I would say no it's still evolving because we have a democratic process and nobody wants to go to militia or force but use parliamentary processes and discourse. So to our situation, the key question is people willing to talk to each other until the last moment? Yes, they are. Are they thinking about alternative solutions? No. Everybody is adhering to Parliament.

However, it may seem slow, however it may seem that it's

sometimes not working collaborative together, yes. But we are willing to pay that cost for the sake of democracy.

MR. POLLACK: Let's expand the conversation a little bit beyond what's going on inside Iraq. I'm very glad that you raised Syria. As you know, we're all infatuated with Syria for the moment. And I think you're aware that there's been a lot of consternation among Americans about exactly where Iraq stands and I appreciated the clarity that you expressed in your statement. But I'd love to ask you to expand on that a little bit.

You know, we get the fact that Iraq lives in a tough neighborhood caught between Syria on the one hand, Iran on the other. Iran is a big, powerful player in the region. I think we all understand that but I think that many Americans are struggling to understand what a partnership could look like with Iraq on some of these regional issues where we have one particular view and some of your other neighbors have a different. So help us understand a little bit more of the thinking in Baghdad with relationship to the Syrian war.

AMBASSADOR FAILY: Okay, to talk about that first we need to understand the landscapes of Iraq. Iraq is the fault line in the region from a sectarian situation and we're also a fault line in relation to the oil field south versus north. Talk about the Sham area, the Syrian

level and others versus the Gulf sect.

We are the only country with a neighborhood of Turkey and Iran who are not Arabs. Most of our Arab neighbors don't have that problem. So in a way we are already in an area in which diversity of stakeholders and their background is one of. And you talked about the neighbors. We have a proverb which people don't choose their neighbors.

So we have to live with the reality of where we are with. So in that context we have gone through an experience in which Syria is going through now to a certain extent. We have learned the hard way about these lessons. We've learned that military solutions is not the way out. Suffering will not stop for the Syrian people if there is a military solution to it. Unfortunately, it will.

Unfortunately, Syria does not have the wealth of resources which we have in Iraq in order for us to resolve those situations. Syria hasn't got the oil fields nor hasn't got that geographical position which we have preferentially in relation to wealth and the Gulf and so on.

So in a way, Syria started with a disadvantage. We start with a good knowledge of that history being the guy on the block. So we know the terrain. We know the stakeholders. We have clarity of how the Baathist system in Syria apparatus work, how the Mukhabarat and others

work. We are not fond of that. We never -- even went to the Security Council in 2009 complaining about Syria and in my own ministry got blown up as part of that campaign. So we know that this is not where we're coming from as friends with Assad regime.

However, we also know that the Syrian people should not continue to suffer. We know that military solution will not help. The War of Attrition which is taking place in Syria with the three elements of resources, people's lives and time, both sides have it which means that there will be a prolonged process. That prolonged process means more blood for our Syrian brothers. It's unacceptable for us.

We also have our own national interests to bear in mind with the situation of spillover. We currently have refugees 210,000 coming to the Kurdish. 500-1,000 refugees everyday coming to Iraq, so we have a dilemma to deal with you know and then the lives and welfare of our brothers in Syria. With all that in context, we cannot see a military solution as the easy way out or a short term or even a long term solution to it.

And dialogue in Geneva or whatever platform is there has to be the tool forward. We know this may not be popular in DC but it's important that people appreciate where we're coming from and they have a better understanding of the terrain on the ground. The current discourse of trying to have a quick military operation will not work. What is the day

after scenario? That's the question I've been asking here. I haven't heard the right answer yet.

MR. POLLACK: What do you think the right answer is? I'm dying to know.

AMBASSADOR FAILY: We cannot see a situation in which the welfare of the various communities of Syria are not taken into consideration. Al Qaeda does not allow others physically period. That's where you need to come from. The Al Qaeda in Iraq, Al Qaeda elsewhere, extremism as a school of thought does not, cannot accommodate others. We're coming from that perspective. We know any solution with a dominance of Jabhat Al-Nusra or (inaudible) al-Sham and Iraq or whatever other names and tags they are using nowadays will not work without due consideration to the welfare of the minorities of Syria whether they're Alawites, the Kurds, the Christians, whoever they are. Even Sunnis who are against Al Qaeda you have to accommodate for them as well.

So it's important that the other communities can see light at the end of the tunnel. Currently they don't see it. Trying to take the Syrian regime out without providing an alternative political solution is one people cannot accommodate in Syria as well as in Iraq.

MR. POLLACK: Let's shift south if you don't mind.

AMBASSADOR FAILY: Sure.

MR. POLLACK: As you know well not all of Iraq's neighbors to the south have been perhaps as forthcoming I think as either Iraqis or Americans would have liked them to have been. There's been variances. I don't want to group them all together. I think that some have been much better than others but I think part of this partnership should be the US helping Iraq in areas where it needs help.

How do you think that we together, Iraq and the United States might better approach your neighbors to the south and bring them around in a way that we haven't been able to yet. Do you think that there's a way of doing that that we haven't tried?

AMBASSADOR POLLACK: I'm sure there are ways we haven't tried and I'm sure there will be new ways and I'm sure we have tried and failed. And I'm also sure we've tried on some of them and we have got good results.

Our relationship with most of our southern countries in the Gulf primarily is one of friendship. Our constitution has stipulated clearly not to get involved in the affairs of others. When the situation in Bahrain came up we formally, political parties as well as the government, pushed toward peaceful resolution and also toward not engulfing that situation in Bahrain because we appreciate and we know the same in our neighbors

as well.

However, we talked about the partners of the United States. We know that United States has strategic partnership with some of our neighbors. We are looking forward for United States to support us not in us having a preferential relationship. Not in us in taking more than our share, no, but in us -- in our existence an acceptance of the political reality of Iraq, the post-2003 realities has to be understood on the ground. As they used to say, the genie's out. You cannot take it back then. To us it's important that people understand that political process is what we all want and the respect for our neighbors is what we want to adhere to.

More importantly, the benefits, the commercials as well as other type of relationship with our neighbors and investment and others, Iraq does provide that opportunity. So there is no benefit for United States to be idle in that effort and they are not to be fair to most of my interaction with our colleagues in the State Department and others. They are trying to do this however are they doing enough from our side? No. Are they understanding the urgency of our needs to stabilize our countries? We somewhat sometimes question that.

When elections come in, we will have elections next year. It would be nice for our neighbors to leave us alone for our own internal affairs to have that discourse and have that discussion rather than to try to

influence as who should be the next Prime Minister and others. I think the Iraqi domestic politics has told everybody and Ken, I know you're an expert in that. That it's hard to predict and therefore it's important that you let it take its own course.

MR. POLLACK: Thank you. I want to turn it over to the audience in just a moment but I want to ask you one more question, Mr. Ambassador. I just can't resist. You know, next week we're going to have President Rouhani coming to New York. And he is going to make his debut on the world stage and obviously I think Americans have very high hopes for Mr. Rouhani.

You know, as an Iraqi you can't help but not pay attention to what goes on in Iran and I'd love to just get your thoughts on what you think of what's going on in Iran and should we, you know, is Mr. Rouhani the real deal? Should we take this seriously? What are your thoughts on what's happened there?

AMBASSADOR FAILY: Obviously, as an Iraqi I have a selfish interest in the relationship between United States and Iran becoming more normalized and more predictable and on the healthy ground. We sometimes feel actually let me rephrase that. We know that Iraq is sometimes looked at from the prism of Iran and to us this is not a healthy relationship not just from United States but from other countries as

well and their adversarial relationship with Iran and their view of Iran post the nuclear situation, the militarization of nuclear usage from Iran.

So to us it's important that Iraq is looked at from Iraqi perspective. And we see President Rouhani coming to power as a statement by the Iranian establishment and the Iranian people that they are looking for a mutual beneficial, positive relationship with the United States and with other countries. Rouhani didn't come in just by the chance. It was a natural manifestation of the discourse within Iran for their position following the two terms of Ahmadinejad.

From that perspective I think it's a positive element. Whether the pace of change or perception of pace of change is to the same level which United States is expecting I somewhat doubt. The Iranians usually have a long view of things and I would suspect that that long view will not be unique and will not be switched off during the upcoming United Nations general assembly.

MR. POLLACK: And neither will the centrifuges I assume?

AMBASSADOR FAILY: I don't know about that but what I am saying is their long view of things is one which I feel that sometimes is not looked at or perceived from the United States. And vice versa as well, the national interest of the United States sometimes is not perceived in Iran.

To us it's a tragedy that two countries who have strong history together, whom people admire each other, that's very important. I've been to Iran a number of times. I've not heard people negatively talk about United States as a people and so on. So to me it's important that's taken advantage of and more importantly that Iran should not be looked at as one incidence and then we switch off. It has to be an ongoing endeavor by United States, by Iran toward a political resolution.

The area, the region, the world cannot afford a military solution to this situation. The region cannot afford a continuous tension. I think United States have tried looking east. Now they've found that as you said in your opening, now they've found that the Middle East is important and will remain to be important.

MR. POLLACK: Thank you, Mr. Ambassador. Okay, I'd like to open it to questions from the audience. I'm going to ask two things, please. Actually, I guess I'm going to ask for three things. Please wait for the microphone. We've got microphones coming down. Second, please identify yourself, name, affiliation and please ask a question, you know, not just making a statement and then saying, what do you think of what I said? We'll start with David over here.

MR. MACK: I'm David Mack from the Middle East Institute. Thank you, Mr. Ambassador, for taking this very important assignment for

Iraq. When Foreign Minister Zebari was here a few weeks ago, he indicated he would be going to Ankara, expressed some optimism for the evolution of Turkish-Iraqi relations which have been troubled. Could you update us on that?

AMBASSADOR FAILY: Yes, of course. I think that, I mean I was with the Minister and there were two options either for him to go to Ankara or to meet with the Turkish Foreign Minister in Geneva. And they did meet in Geneva and senior officials from Turkey have come to Iraq. There will come more. And also a visit by the Foreign Minister to Ankara is on its way.

We know Turkey is an important country but we also know that the respect for our own decisions regarding our own energy policy, our own Kurdish situation and others have to be respected. And we appreciate that there is certain issues in Turkey in dealing with its own Kurdish element and so on. With that in mind, I think it's important as we have the discussion with our southern countries that our northern country as well, Turkey, respect the new Iraq and respect the interest of both countries.

There are a lot of areas of cooperation for us to explore. We did it before, we can do it again.

MR. POLLACK: The lady right down here.

MS. AI SAADI: This is Raqhad Al Saadi and I am a Congressional Fellow with Congressman Jim McDermott. And I am originally from Iraq. My question to the Ambassador is on the legislative branch in Iraq. How much of a progress that the Iraqi MPs have made to establish a good democratic system within the legislative system? How much of checks and balances inside the government of Iraq and that definitely would impact the relationship of the partnership between the Iraq and the US to have equal balance between the two countries, thank you.

AMBASSADOR FAILY: We have a vast amount of legislations awaiting approval and ratification and other levels within Parliament. For our democracy to cement and to flourish we need a couple of few legislations which are in place, which are, sorry, in party line and that has to do with the party law and election law. Those two are awaiting.

There is a strong discussion in Iraq now as to this has to be ratified prior to our next election. It's important that the discourse as to the provinces as to the scope of parliamentaries, the roles of parties, the funding for parties and so on need to be cleared up. This issue we talked about before with Ken regarding our neighbors influence, that's one of the elements.

At this moment, we have no legislation in place which is

signed off. So we have a part line, in the part line of Parliament, a couple of key legislations which we are working on.

As to the relationship with the United States, I think it's clear here that I have never heard anybody in the United States tell me that Iraq is not democratic. They talk about the strength or the role of central government versus federalism but that's an ongoing story. It's nothing to do with democracy. It's to do with what's practical and what's effective.

And to us, the pace of change is tremendous and the aspiration is tremendous. How can we match that? With the right strategies and the right legislation framework in mind is where the key questions are.

MR. POLLACK: Garrett?

MR. MITCHELL: Mr. Ambassador, I'm Garrett Mitchell and I write The Mitchell Report and I want to add my thanks to you along with David Mack for some very thoughtful comments today. What I'd like to get a sense of from you is when we talk in Washington, and particularly in places like Brookings about creating partnerships and forging strategic partnerships, we tend to think about a very circumscribed amount of territory and a small number of people relatively, which is to say the administration and the Congress.

It seems to me that the lesson, Ken Pollack mentioned at the

outset that we're all infatuated, if that's the right word, with Syria at the moment. And I think it's fair to say that one of the stark lessons of our experience with Syria, the current situation in Syria is that the American people sent a message which is been there, done that, not going to do it again. And it's a broad brush which unfortunately includes everything from Pakistan, Afghanistan, Iraq, I mean it's a very anti-intellectual but gut level kind of reaction.

And therefore, if that's correct, I wonder to what extent you have given thought to building this partnership in a bottom up instead of a top down approach in a more people to people kind of strategy where more of us are coming to see Iraq and more Iraqis are coming here. So that though it will take more time and it will be less dramatic, it might over the long haul be the strongest and I'd just be curious to your thinking about that.

AMBASSADOR FAILY: Sure. When I became an Ambassador, as a mathematician, as Ken talked about, I analyzed that relationship to the nth degree. And it was clear to me that there are key areas I need to work hard in breaking the ice. One is one of saying thank you for the United States, clearly making that statement that we appreciate what United States did in the removal of Saddam, in the foundation and cementing of democracy and in helping us in progressing

on that political track.

So that thank you is one of the key messages I will convey elsewhere. Same wise, on the same level, appreciation of Iraq to have a strong relationship from the Iraqi people. I'm not talking about the political class in Iraq. You may some discourse or inner fighting in Iraqi politics as to the extent of the relationship with the United States. But the core of the people, the average Iraqis across all Iraq, whether it's from Basra to the Kurdish region, they all want to have that strategic relationship.

And strategic doesn't mean military here. I'm talking about their sons to be sent, to be educated at US universities. I'm talking about for their healthcare, for the machinery to come from the US manufacturers. I'm also talking about fertilization, fertilizers for the agriculture.

So I'm talking about this is people to people needs rather than just a military or security cooperation which government to government need to also work on. So on that front I've been going on the road campaign. I went to California and others. Next week I'm going to Houston. I'm going to New York in early October to talk about that with the business to business, people to people and also to get a role for our Iraqi community diaspora here, to play that burgeoning role. It's important that Americans appreciate that we would like to have that relationship.

We're choosing that relationship. To break that ice as we talked about.

In addition to that the Eurasia view of US looking at the Eurasia as one brush, which I sometimes dispute there is one view of that Eurasia. However, even if there is that Eurasia view, it's an area in which historically, geopolitically it has method. If you would like to keep your seats the United Nations Security Council, you need to have a global perspective of things. Global perspectives means that you carry on being the positive player on the ground, try to find solutions to the global issues whether it's environmental or security or migration of people or refugees or whatever. It's important that you have that role.

You want to play that role? There is a cost associated with it. I think it's important that that perspective is also looked at.

From our situation, we would like the United States to have that positive role in our internal politics as well as supporters with good governance, technology transfer, as well as our own security which we talked about before. So it's important that people don't forget this global perspective of things rather than look at Iraq or Iran or Pakistan from one decade's view. Nation's relationship should go beyond decades, beyond one decade, it should go into the centuries.

MR. POLLACK: There's a hand in the middle.

MR. NADAWI: Thank you, Mr. Ambassador, for the

insightful remarks. My name is Omar Nadawi. I'm an Iraq analyst at Griffin Partners Strategic Advisory Company. If I may ask two quick questions? First, as you mentioned the urgency of Iraq's security needs and the volatility of the Iraq-Syria border and I was wondering if you could tell us whether the Iraqi-US discussions have involved the possibility of utilizing American intelligence of counterterrorism assets to track or intercept Al Qaeda movements in Anbar Province and across the border.

Second question, following a meeting between Prime Minister Maliki and Speaker of Parliament Najafi, the Speaker along with a delegation of Parliamentarians went to Ankara and afterwards to Iran to promote an Iraqi initiative for peace in Syria. I wonder if you could update us on that and what you think is the next step in that direction. Thank you.

AMBASSADOR FAILY: In answer to the second question, the initiative wasn't just on Syria but to convey a message that the Iraqi political blocks whether it's Najafi whom people tag as a Sunni or his colleagues who are Shia or Kurds and others, want to normalize the relationship with Turkey and Iran and the normalization of relationship means that they should respect our uniqueness and for us to have that positive relationship with them in trade and political cooperation and other and security of the borders and so on.

So that's one of the key messages and Syria was at the core

of that visit just to give them our perspective on things with Syria and we know that Turkey and Iran have different drivers to that view of Syria. So we were there to give them the Iraqi perspective on it.

In addition to as to the first question, the area of cooperation should be wide and partners always need each other. So with that in view, we are more than happy and we are in discussion with our American, in discussion on wide range of areas of cooperation. As you may appreciate, I cannot divulge more but I know that a lot of cooperation is taking place more to maybe needs to be as with the situation on the ground entails. This is where we're coming from and that's where we have positive message from our American friends.

MR. POLLACK: How about a little further back? There was a hand back in -- there it is.

MR. GUSTAFSON: Hi, Ken. Hi, Ambassador. I'm Eric Gustafson, the Director of the Education for Peace in Iraq Center. I want to seize on something that you said earlier and it also connects to this idea of improving people to people relations but the idea that democracy is still new is Iraq, the institutions are still in formation. Do you see a future role for agencies like USAID beyond 2015 in providing technical assistance and working with institutions, education, other institutions and strengthening those going forward? Thank you.

AMBASSADOR FAILY: Sure. I have had discussions with a large number of organizations who have been involved in Iraq looking forward as to their future operations and future projects. To me, the key area, the key shift has been one of need from aid to one of support and partnership in knowledge transfer and in helping us with good governance.

To me, governance is a key issue. We as Iraqi institutions needs that support in helping us update our legislations, updating our processes, bringing new technology, bringing new management methodology into on the ground. And from that perspective I cannot see any reason why the USAIDs and others and other institutions should not have a strong role in Iraq. To transform that relationship from one of physical needs to one of partnership helping us in knowledge transfer. We need that. We used to do it in Japan. I'm here to embrace that more.

It's important, however, that that vehicle is also highlighted as a branch or an olive branch or as a sign from the United States to Iraq as a people; that this institution was modernized by a US institution. In Japan or sorry, in Iraq the name Dryka which is the main Japanese overseas development company organization was highly regarded of by all the people because they could see a hospital assigned to that or a water treatment or a water sanitation or a refinery has been developed by the Japanese.

It wasn't a lot of money but it was significant as a sign of people standing by people because we know this is taxpayers' money.

MR. POLLACK: We've got one all the way in the back. Let's go there.

QUESTION: Hi there, thank you and apologies if this has been asked already. I was late. My train was late. Question actually for both of you. What's your take on the potential of Prime Minister Maliki seeking a third term? That law was just recently done away with that would prevent him from doing so. I would be interested in both of your perspectives on that, thank you.

AMBASSADOR FAILY: I mean, I will say that I will leave that question to Ken.

MR. POLLACK: Thank you, Mr. Ambassador. I thought I was just the moderator.

AMBASSADOR FAILY: I have that privilege this once so let me do it.

MR. POLLACK: I'll put it this way. If you've got a whole lot of money, I wouldn't bet that he isn't going to run. We take a question up here. We had a couple down here.

MR. ZEBARI: Mr. Ambassador, thank you for this opportunity. My name is Karwan Zebari. I'm with the Kurdistan Regional

Government's Representation Office here in Washington, DC. It's good to see you again, likewise, Ken.

You briefly touched on the Syrian refugees headed to the Iraq border with the influx of especially heading to the KRG administered areas totally well over 200,000. The KRG leadership has asked the international community to come in and assist these refugees. What steps is the federal government in Iraq taking to help these refugees considering winter is only a few weeks away? Thank you.

MR. POLLACK: Yes, winter is coming.

AMBASSADOR FAILY: Yes. And unfortunately the tragedy of the refugees is not becoming the paramount issue in the political discourse here in DC and elsewhere. And to us that's a tragedy. The Kurdish people have already been through that. Our Iraqi Kurdish people went through it back in 1990 and we know that what it takes and we also know that our drive and stamina should not be the only weapons we have in our armory.

We need that support from the nations. As a government we have tried and we are working, try to understand exactly the type of support we need, whether it's financially or logistically. It's challenging when you have 500-1,000 every day coming in. And it's also challenging when you have your own security interests to bear in mind.

We had the challenge with the Syrian and we unfortunately had to deal with the refugees slightly differently in trying to contain them and not open up. But provide school and healthcare and so on to them and try to keep them in the camps. And unfortunately because of our own security that meant that that situation did not have the wish of our government to level of support we were able to do.

So I don't have the exact information at this moment as to what are the latest actions we're taking. I know that the government has dispatched people from south to try to get understanding. We're working with the Kurdish government, local government, to ascertain as to the scale, the type of support, is it financially? Which I don't think that's an issue for us. It's not an issue of us putting some money. It's more on the logistics issue, providing the right terms, getting an understanding, dealing with the illness, talking about the winter issue.

We have to bear in mind that the Syrian situation will not be resolved quickly. So we bear that in mind. We also know that the influx of refugees as feared because of the chemical attacks and others has increased significantly and it's important that we have the right tools on the ground. We're working with the Kurdish government and trying to get an assessment. I personally don't have the latest information on that but I know that funds is not the issue. It's more logistics of providing the tents

and the food and the medical care and the education and so on which is a tragedy for us.

QUESTION: Thank you, Mr. Ambassador. (inaudible) Service. I know you touched the issue of the security and violence but I just want to ask a question about the reasons. You know the figures from UNAMI shows that the level of the civilian, Iraq civilian casualties is doubled from 2012-2013. So what has led to this increase of the violence and casualties?

AMBASSADOR FAILY: What caused the increase of violence?

QUESTION: Yes. The cause, the reasons.

AMBASSADOR FAILY: It's taking advantage of the Syrian turmoil from the Al Qaeda point of view, smuggling more weapons, more sophisticated weapons, have more control of the desert in which they can mount and plan operations. Unfortunately they have been because we don't have air supremacy or we don't have the right armament, I'm talking about armored helicopters and so on, we have not been able to dominate that space, the air. And as a result, Al Qaeda have utilized all the resources.

What they have been doing is on and off between Iraq and Syria, wherever there's an attack they will go to Syria get involved and

whenever there's a drawback they come into Iraq and continue that operation. They are not short of aspiration to destruction. And to us, we'd be suffering from that aspiration. We've been suffering from our hospitals being exploded.

Funeral service, you know, when there's a funeral people go in and blow themselves up. So unfortunately it's become more indiscriminate and also become more wide because of the (inaudible) they've been able to establish because of Syria and because of our lack of focus. We lost focus on security apparatus. We lost focus and Al Qaeda took advantage of that. Now, we're talking back with our partners to provide the right tools, the capabilities and more importantly for us to learn, to understand the lessons learned from the prison break in Abu Ghraib and others.

MR. POLLACK: All right, that gives me -- oh, there is one more question back there?

MR. AYERS: Hi, I'm Chris Ayers. I'm a student at American University and my question was you mentioned earlier in your remarks that you wish for a political solution to Syria but what possibilities do you see for a peaceful outcome? We've seen multiple attempts at ceasefires and only to end in failure and with the rebels being so disorganized, what success do you see from efforts to broker peace? Thank you.

AMBASSADOR FAILY: The key question here is okay if you say that politics is not a resolution to it, what is? Military? Okay, I've talked about before the day after scenario. Would a military operation resolve it? Will another Desert Fox as it took place in the 1990s against Iraq and others resolve it? We doubt that.

The Syrian regime have, as I said before, they are not an oil producing country which means that they have to govern by various methods and not just bribe people off or buy people's services off. To us, the Syrian regime is one of a complicated intelligence apparatus institutions which means that looking for a military solution will not work.

Also know that a military solution means more suffering for the people. The weapons coming to the government of Syria has been coming from various directions and various countries. There is no reason for that to stop soon which means that the War of Attrition which I talked about before will continue with the suffering of our people.

The political resolution is when everybody knows that they can come to the table with a clarity that they can get something out. If you come to any party and say your existence will not be considered, why would they come to the table? So it's important that people look at it that way. You have to entice the players whether it's Assad regime or others to come to the table with an understanding that they can salvage

something. As is now the current discourse, that's not the case.

The alternative as I talked about, the day after scenario is also not available or not clear. I'm not aware of two stakeholders. However, they are aware there's American and any other partners whether it's European and others who have clarity as to the day after scenario. Or at least made it clear to the stakeholders that it's clear to the parties or as Iraq as a neighbor as to the day after scenario. To us, without that we cannot find a solution but a political solution because again, the Syrian regime have proven again and again that they are willing to stay in power whatever it takes.

We have been saying that. My Prime Minister came here in DC in December 2011 and he made that clear statement, actually 2011 was it? He made that clear. I mean they were saying about two months. He said, I'll give you two years and it wasn't resolved because we know Syria well.

MR. POLLACK: Mr. Ambassador, I know that you were sent here by the Prime Minister of Iraq, by the Iraqi government to rebuild the relationship to forge that partnership that we've both been looking for between our two countries and I just want to say thank you for choosing Brookings as the place to launch this new initiative. I, for one, wish you all the luck in the world. I think our two countries will be much the better off

for it if you are successful and I can only hope that you are. And I am deeply grateful to you for launching this new initiative here at Brookings. Thank you so much, Mr. Ambassador.

AMBASSADOR FAILY: Thank you very much.

* * * * *

CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Carleton J. Anderson, III

(Signature and Seal on File)

Notary Public in and for the Commonwealth of Virginia

Commission No. 351998

Expires: November 30, 2016