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IRAQ IN TRANSITION

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Moderator:

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The Brookings Institution

Featured Speaker:

BARHAM SALIH

Deputy Prime Minister of Iraq

P R O C E E D I N G S

AMB. INDYK: Good afternoon, ladies and gentlemen. My name is Martin Indyk. I am the Director of the Saban Center at Brookings, and I am delighted to welcome you here this afternoon for this Statesman's Forum.

Our guest today is probably known to all of you. He is certainly known to many of us here as a good friend, but I think it is entirely appropriate that he should be speaking under this banner of the Statesman's Forum because Dr. Barham Salih, the Deputy Prime Minister of Iraq, has made an extraordinary contribution to his country and to its struggle for freedom and democracy and stability. He has served in every Iraqi Government since the handover of sovereignty in June, 2004. He has twice been elected to the new Iraqi Parliament, the first democratic legislature in Iraq. He now serves for the second time as the Deputy Prime Minister of Iraq.

He has had a remarkable political career. He actually joined the Patriotic Union of Kurdistan, the PUK, which is one of the two main Kurdish parties in Iraq, as a schoolboy when it was a banned underground movement. He took his high school leaving exams while in prison, which means that he is a graduate of the Ba'athist Prison System. He has combined academic and intellectual achievement with political activism for the past 30 years. During the long and lonely years when the Kurdish People in Iraq were victims of the most horrendous and brutal treatment at Saddam Hussein's hands, Barham Salih campaigned relentlessly from exile to highlight their appalling plight.

I can say that I am proud to have known him in those years before I went into government and when I was in government, and he was a truly extraordinary representative for

his people here in Washington. He is an eloquent campaigner for democracy and freedom and, of course, for Kurdish rights in Iraq.

He returned from here to Iraq in 2001 to serve a noble term as Prime Minister of the Kurdistan Regional Government from 2001 to 2004, and during that time, he was instrumental in promoting economic development and open society in what became known as the Kurdish Spring. In 2002, he survived an assassination attempt by Ansar Al-Islam, and there, of course, have been other attempts since. It is, in its own twisted way, a form of flattery that the terrorists consider a devoted democrat like Barham to be so dangerous to their cause.

Barham, notwithstanding the most adverse possible of circumstances, has never given up, and it is that optimistic determination in the future of his country that has stood him in good stead through all of these difficult times to the point where he now is one of the leaders of his country at a most difficult moment. It is in that context, that we are very keen to hear him today.

Barham, thank you for doing us the honor.

(Applause)

DPM SALIH: Thank you, Martin, for your kind words and thank you for honoring me in this forum. You are known in Washington, Martin, for being a tireless advocate for Arab-Israeli peace. I don't know whether you want me to say that you have also been involved with the Iraqi cause for a number of years, and I remember very well your help to us, both in the government and out of the government, and your engagement with us during the Clinton Administration.

I also want to thank our friends at the Saban Center and Brookings who have worked so

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hard to arrange this event on such a short notice. It is wonderful to see so many friends here.

I want to, ladies and gentlemen, lay out for you today our strategy of a country in transition, for a country that is at the crossroads of the Middle East, a country that is every day, regrettably, in the cross hairs of terrorism. It is a strategy of two compacts, a national compact and an international one, a strategy motivated by profound realism, not by defeatism. It is a strategy with a sense of urgency but with a refusal to give in to panic. It is a strategy without any regret for the just and moral act that was the liberation of Iraq from the racist and genocidal tyranny of Saddam Hussein, a strategy tempered by the difficult experience of recent years. Above all, it is an Iraqi strategy that is being implemented with broad international support and goes beyond the Coalition of countries that have supported our liberation.

It has become traditional, apparently, in Washington to start any speech on Iraq with an acknowledgement of mistakes made and regrets for errors past. Apparently, we live in a world of perfection, and Iraq is required to be the perfect forum. Democracies do make mistakes, and their mistakes are visible. There are mistakes that have been made in that difficult venture of the liberation of Iraq that need to be commented on. It is true, and I have said this before as well, missteps and many missteps have taken place, some of them with disastrous consequences, by the Coalition as well as by the Iraqis.

What we must aim for, however, is far less imperfection that has been the case in these tough years of transition. Unlike dictatorships, however, we must learn from our mistakes because we have open debate. We can also put them in a context. No error in Iraq should detract from our progress. Quibble the rationale for our liberation as much as some people may, nobody who has seen the mass graves, and as we discover more of them almost every

month, nobody who has met the victims, nobody who knows of our decades of suffering can look the Iraqis in the eye and tell us that we would have been better off with Saddam Hussein still in power.

As an Iraqi and a Kurdish democrat, as somebody who has devoted his life to the overthrow of that tyranny of the Ba'ath Party, I understand Iraq in its true context, a society traumatized by 35 years of state terrorism, a state that was designed to fail, a state that was a prison of its people, a state of imposition and repression. No perspective is more false, no analysis more shallow than that of viewing Iraq within the context of the last three and a half years alone. Iraqi history did not start in 2003, but if Saddam Hussein had his way, it would have ended with him and his sons.

The turmoil, ladies and gentlemen, that we are going through emanates, in part, from the turbulence that dictatorships leave in their wake. There has been more of that dislocation than we expected. In the areas of Iraq that were under Saddam Hussein's control until April, 2003, society was far more damaged than we knew.

From that legitimate longer view, our progress has been important and, I dare say, impressive. In record time, in less than 12 months, during 2005, we held provincial elections, a national constitutional referendum, and two national parliamentary elections. Turnout went up in each election from just under 60 percent in January, 2005, to close to 70 percent in December, 2005.

The constitution was a critical step forward, and the criticisms of it are all too often unfair. It was not, as some pretend, rushed out of a smoke-filled room at the last minute. It was the result of a process that began many years earlier in opposition, a process that then

moved into Iraq in 2003, a process that led to an interim constitution in 2004 and then over a year of discussion and debate leading to the first popularly ratified constitution that recognizes the fundamental diversity of our part of the world.

What is more, ladies and gentlemen, in the two parliamentary elections, there were important changes in the results, something that does not happen that much in our part of the world. There was increased participation of the Sunni Arab community, and that community gained more representation in the latest election.

While it is important to point to the progress made, particularly in the context of the current debate in Washington, which has assumed an extremely pessimistic tone, I am not hesitant to address many grave challenges we continue to face. The unrelenting security problem, sectarian polarization, corruption, and the difficulty of the government to deliver services are grave threats to the transition that should not be underestimated, and they may even prove fatal if not dealt with urgently and effectively.

While in the Middle East, and perhaps elsewhere, it is convenient to blame outsiders for one's own failings, I must recognize that ultimately it is up to Iraqis to make a difference and resolve our country's problems. Outsiders can deliver for us only by way of helping us. It has to be Iraqis who deliver. The Iraqi leadership must assume responsibility and deal with these challenges and turn the tide. This must be done by Iraqis, but undoubtedly, we will need a sustained support from the international community, and particularly the United States.

To achieve this, we must build two compacts, a national compact and an international compact. The key planks, ladies and gentlemen, of the national compact are national reconciliation, democratic federalism, political inclusion, and a fair and rational oil policy.

To implement these policies, we agreed in a meeting of the Iraqi National Security Council last week, which is composed of key elected officials, an intensive legislative timetable. This legislative agenda is vital because it is the political arm of our approach to ending violence.

Coming from Baghdad, I can tell you that I am deeply frustrated by the carnage and by the difficulties that we face, but seriously, the frustration there is nothing compared to what I see here in Washington over the last two nights, watching television debates. Things are difficult in Iraq but nowhere as bad as what the media reporting in this country makes it to be. Sometimes the pace in terms of what we can achieve relative to what we aspire to is just not what the people of Iraq and you, our friends here, the generous people of the United States, deserve. I can understand how disappointed and saddened Americans and our friends have been when they see these scenes of violence from Iraq.

That is why we have imposed this tough and very tough timetable upon ourselves. We owe it to our people and to our friends here to press harder to advance, no matter how intense the assault upon us by the terrorists. For example, this month, we should be passing the investment law, and we should also be setting up, this month, the Parliamentary Commission for the Review of the Constitution. In October, the Parliament should vote on legislation to reform the de-Ba'athification Commission. In December, the law on disarmament and demobilization and reintegration of former combatants, and particularly the militias, should be passed. Also in December, we plan to present Parliament with the hydrocarbons bill. This bill is a most crucial piece of legislation, and we intend to use it to turn oil from a divisive element into one that will be unifying for the whole of the country. I cannot tell you that that will be

easy, but I can assure you that we will work hard for it.

Implementing these laws, ladies and gentlemen, will advance us towards the goal of that national compact, to create a viable political equilibrium inside Iraq, a balance that will be to the benefit of the region. For most of its existence as a modern state, Iraq was politically, profoundly unbalanced. Power was concentrated in the hands of the few, the benefits of the state denied to the many. The liberation of Iraq in 2003 changed all that, but it temporarily created a new, if fundamentally democratic, imbalance. Almost overnight, the Kurds and the Shi'a Arabs were disenfranchised, and too many Sunni Arabs did not participate in the new political process.

Iraq, as many of you know, is a fundamentally diverse country, and we need to find a balance that protects that diversity and encourages a voluntary, democratic, federal national unity. It is a diversity that those responsible for the violence, hate and reject. Our enemies are not freedom fighters, ladies and gentlemen. They are fascists. I do not use that word lightly because I refuse to trivialize or deny the crimes that scarred the 20th Century. We are under assault from Ba'athists, and nobody familiar with the theory and practice of Ba'athism can claim that it is not a fascist, racist ideology. The Ba'athists and some of their allies advocate a supremacist ideology similar to the chauvinism of the apartheid regime in South Africa. Like racists elsewhere, they yearn for the restoration of the *status quo ante* in which they were dominant.

We are also being attacked by Islamist extremists, people who justify their intolerance and bloodlust in explicitly religious terms. The Islam that the jihadists and takfiris claim to represent is not the religion of the majority of Iraqis but a distortion born of political bigotry

and ignorance.

By killing Zarqawi, I believe we have wounded Al-Qaeda in Iraq, but we have not eliminated it. The alliance between the Ba'athists and the jihadists which sustains Al-Qaeda in Iraq is not new, contrary to what you may have been told. I know this at first hand. Some of my friends were murdered by the jihadists, by Al-Qaeda-affiliated operatives who had been sheltered and assisted by Saddam's regime. The UN Resolution 687 of 1991 demanded Saddam not only to verifiably disarm, which he did not, but also his regime was supposed to stop supporting international terrorism and to renounce all acts and methods and practices of terrorism.

This Ba'athist-jihadist terrorist axis rejects the notion of a balanced process because it wants supremacy and theocracy.

For the sake of objectivity, there is another force in Iraq that creates instability which I will call, for the lack of a better term, majoritarianism. Those who have suffered discrimination and exclusion, when their numbers are finally acknowledged, can easily and understandably seek to secure their positions with a claim to majority rule. This is an issue, not just for Iraq as a whole but also for its regions because those who are a majority in one part of Iraq are a minority in other areas. To prevent any such tyranny of the majority, Iraq has now a Bill of Rights which needs not just legal but practical political enforcement.

Balance is critical, for without balance, Iraq's diversity can become a catalyst for disintegration. Within the program of national reconciliation outlined by Prime Minister Maliki, we see balance on de-Ba'athification between the need for justice for the victims and the requirement that we politically rehabilitate those whose crimes were not beyond the pale.

Similarly, in our counterterrorism and anti-militia strategy, we must balance political and security measures. There is no pure security solution to the terrorism and militia challenges, just as there is no neat; politics is the only way of settling, fundamentally, these issues. We need both approaches. The door to the political process must always remain open.

Our security forces must ever be vigilant as well. Our security forces, ladies and gentlemen, are increasingly capable. Arguably, we should have stressed quality over quantity far earlier, but had we done so, we would have heard complaints that we were not doing enough. Allow me to cite the evidence of the pure increase in numbers, the very useful figures in the Brookings Iraq Index, which state that in August, 2006, the Iraq security forces were 294,100 strong, an increase of 61 percent on August, 2005. More of these security force members are fully trained, and more units are capable of autonomous operations than was the case in the past. By the end of this year, ladies and gentlemen, nearly half of Iraq's provinces will be under the control of Iraqi security forces. The command of Iraqi forces has now formally moved from the Multinational Forces to the Department of Defense in Iraq.

The issue of security, I think, marks an important transition point, from my perspective, to the international compact that we are trying to build. The international compact emerges from the knowledge that Iraq is not an island, for it is entirely of the Middle East. The rest of the Middle East cannot be indifferent to our fate, and we cannot ignore our neighborhood. A consequence of being in the Middle East is that we are buffeted by the cross currents of the region and, in particular, by its main storm, international terrorism. Just as you have to understand our transition in terms of our history, so you must see what is happening in Iraq in terms of the dramatic changes in the Middle East and Muslim World. There is a sea change

happening. The challenge ahead of us is not to cling to the past but to advance into the battle for the future to shape the new order. It is hard labor, slow and sometimes seemingly without reward, but we are paying off an accumulated debt from the mistakes of Western and Middle Eastern policy in the pre-September 11th Iraq — the folly of engaging the region through its dictatorial structures, the contempt of the governing elites and the ruling castes of their subjects.

The terrorism that we are facing is therefore not an aberration caused by the liberation of Iraq. It is not an expression of a legitimate grievance. It is the failure of the political culture that is the warped offspring of the old order, the result of decades of inequality, intolerance, injustice, and officially sponsored fanaticism.

Every day, ladies and gentlemen, Iraq is battered by this tornado of terrorism. Every day the terrorists attempt to provoke a full-scale sectarian civil war in Iraq, the implementation of the evil plan that Zarqawi outlined in his poisonous letter of 2004. Every day, however, ladies and gentlemen, we fight back.

We are your allies in the global war against Al-Qaeda which for the United State and for Iraq is a success. Thousands of Iraqis have voluntarily joined the new Iraqi security forces, formations that depend upon volunteers, not enslavements and coercion, knowing that they fight our shared enemies.

How many other societies, I ask you, ladies and gentlemen, could come through the test that we face every day? In some ways what is remarkable about Iraq is how much restraint so many still show in the face of appalling provocation. Whether or not what we are going through can be classified as a civil war is, for Iraqis, an academic point. What is happening is

grave and must be acknowledged as such. Too many innocents are dying; whether or not they are dying at some academically-defined civil war level is a redundant debate for me.

What matters is that we have to end this violence, not just for our own sake but also for the sake of the region. If Iraq plunges into a full-blown civil war, so will the rest of the Middle East. The borders will not matter because each of Iraq's communities is part of a larger whole that stretches cross the region. Iraq's security is not Iraq's alone. Our security is a matter of regional, and so, given the importance of our region, of global security too. This is not a theory. It is a fact that our wiser neighbors comprehend. They see that borders will dissolve if Iraqi democracy is overwhelmed by terrorists. For Iraq to revert to being a failed state would be to export horror to the region again as Iraq did so frequently under the tyranny of Saddam Hussein.

Resolved to deal with these challenges, we announced the plan for an International Compact with Iraq in collaboration with the United Nations. I have just arrived from a productive meeting to prepare for this international compact in the United Arab Emirates. With the assistance of the United Nations, we sat down with other interested parties to develop this compact. Three years after the bitter international divisions over the liberation of Iraq, the international community should begin coalescing behind the new Iraq. Above all, we and the UN are determined to make the project that is the new Iraq as international as possible.

We Iraqis know that the generosity of the American people is, by necessity, not endless, even if their compassion and solidarity seems to know no bounds. We have come forward with this initiative to show that we are responsible for ourselves, and the response thus far has been encouraging.

The international compact, ladies and gentlemen, involves a roadmap for Iraq to attain financial self-sufficiency in a four to five year timeframe. We understand that we cannot embark on a genuine economic regeneration unless there is political stability and security. But in a nation weaned on war, where political violence has been the rule, not the exception, we need to give the bored young men of Iraq a form of employment and pride that comes from hard work, not the easy swagger of the gunman. In this regard, our budget for 2007 will be quite ambitious. We will allocate our oil revenues to investment in infrastructure. We aim to create jobs and widely distribute the benefit of the current oil price boom.

Again, as with the national compact, so with the international compact, we are creating a balance. We want a partnership, not unconditional aid. We are adopting a roadmap for economic development, not handing out a laundry list of financial demands. Moreover, we are promising clear targets for economic restructuring accompanied by mechanisms for intelligence cooperation and security coordination. For the Middle East, such an approach with broad international support is an innovation and, we hope, a harbinger of a Middle East based on cooperation and not conflict.

Ladies and gentlemen, I am committed to politics because I feel that I am an idealist, but I also practice politics as a realist. I have no other choice. I deal with the day to day problems of the country. For nearly 30 years, I hoped and fought for making my country a democracy. Finally, this is not a distant vision, but I assure you it is a realizable project, not just a tantalizing prospect tormenting us and beyond our grasp. It is a difficult problem that lies in our hands and from which, with cooperation and commitment, we can mould success. With our national and international compacts, based as they are on what we have learned from the

last three and a half years, we can shape our own future. Our success or failure in Iraq has profound implications for the rest of the Middle East, implications that sensible leaders in the region and Iraq's leaders understand. Together, we must make failure impossible, even if, in politics, success can never be guaranteed.

I must affirm that success as defined in terms of a stable federal democracy is not only possible but a necessity for Iraq — a necessity for Iraq, for the region, and the wider world — but at the same time, we must understand that failure cannot be an option.

I thank you, ladies and gentlemen.

(Applause)

AMB. INDYK: Barham, thank you very much for what I found to be a very powerful and impassioned exposition. We now have an opportunity to have a conversation with you.

I want to begin, if I can, by just questioning the premise, and I do this not out of any questioning of your intention or out of any desire to see you do anything but succeed, but it seems that at the heart of your strategy is a political strategy, that at heart, you see the political process to, in effect, suck the oxygen out of the insurgency, out of the sectarian warfare. Of course, the security forces will have to play a role, but essentially, as I understood from your presentation, the national compact with its international support mechanism is really a political process. As I understood you to be saying, the actual political process that you have in mind now is one in which, through legislation, you will give all the political parties and factions Iraq an opportunity to feel part of this enterprise and therefore have a stake in it, and that will prevent the kind of centrifugal processes that we witness these days with horror. That is what I want to question.

Legislation which, by its very nature, is going to be incredibly tough to work out; you just listed some of the constitutional changes. We already see the problems with the federal clause, the de-Ba'athification legislation, the legislation about militias. Any of these things, actually, number one, are you going to be able to pull them off, given the fractious nature of the politics; and number two, if you do, is it really going to change what the suicide bomber or insurgent or sectarian strife promoter is going to be doing on the streets?

In other words, it is not just a question of the efficacy of the political process at this point, but does it really have the ability to affect what is going on, on the ground?

DPM SALIH: I think definitely yes, but I think what I am advocating is not just a political strategy. Politics alone will not be enough. I am saying that politics definitely is a base, but politics is not enough on its own.

You have to have a security strategy which we are doing. We are developing our capabilities, and more and more Iraqis are joining the military and the police, and the training and the equipment and so on are improving. We need an economic strategy too as well, and that is why, for example, oil is a key issue. If we don't handle the issue of oil properly, it could become a resource that everybody will fight over as opposed to becoming a unifying element.

But having said that, politics is truly important, and none of these legislations on their own is enough. It should be part of the larger package. We have a constitution that was ratified by the majority of Iraqis, but we have accepted, as part of that constitutional process, that there will be reviews. This is part of the national debate. Iraq is a country in the heart of the Middle East that has never had a constitution as such that recognizes the diversity of the society, and I really term it as the issue of balance.

How do we reach that equilibrium? I have a view of that equilibrium. Somebody may have a different one. This is a country that is going through the transition to define the characteristics of that equilibrium that will give us a stable political arrangement. We are not there yet. From my political vantage point, I may be happy with what we have now, but there are some in our society that are not happy. If we want stability in the country, we have to have the mechanisms that we will go through that process.

I think this is important for Americans. They should understand it more than others because 200 years on, there is still a very active debate about your constitution.

It was interesting; the other day in Baghdad, I had a couple of colleagues from the U.S. Embassy who came to me, talking about the flag issue — probably you have heard about it — and that there was a big uproar in Iraq about which flag should we fly. They were perplexed about it, and they said: Is this the time to debate these things? I was quite amazed to have that question posed to me by an American. Now, in that 200 years on, there is still a debate about the Confederacy flag in the southern states.

This is a country, again, going through transition. I would say we are trying to search for our identity and establish the parameters of this identity, this new Middle East and this new world and so on, and this will be continuing process in my opinion. Politics will be a key part to it.

De-Ba'athification has proved to be a contentious issue for certain parts of Iraqi society. We, as politicians and government officials, have to recognize that there are those elements in our society that do not like what is going on with de-Ba'athification. We need to have a roadmap for people to rehabilitate into public life, like the truth and reconciliation process in

South Africa. I say this, but I have some colleagues in Parliament who oppose us on this matter, and they say anybody who has ever been a member of the Ba'ath Party should be denied any public role. I mean you can point to this as saying Iraqis are divided and Iraqis are unable to get their act together, but I think, had it not been for this tornado of terrorism and these problems day in and day out, it would be a normal part of any democratic life. Iraqis seriously debate these issues.

There was something very interesting yesterday. Federalism is very close to my heart. Yesterday, there were a number of Shi'a groups that came out with Sunnis in opposition to federalism. I would have liked everybody to embrace federalism, unanimously, but the fact that Shi'as and Sunnis came together on a political issue, breaking these sectarian formations, tells me and hopefully tells you that there is an active political debate about the shape of this country and the future of this country. These are natural things of any society in transition, and Iraqis take that issue very seriously. The thing that you need to watch is the debates inside the Iraqi Parliament — lively, serious, sometimes uncontrollable, but this is the mark of a democracy. We asked for a democracy. It comes with certain baggage.

AMB. INDYK: Thank you.

Let us take other questions. Will you please wait for the microphone and identify yourselves?

QUESTIONER: My name is Bilal Habab. I am a Fulbright Fellow from Iraqi Kurdistan, studying at American University.

AMB. INDYK: Are you a brother of Barham?

QUESTIONER: Brother in race and country but not in blood.

My question is you are one of a few politicians, if not the only one, who considers some issues like employment, like economic development, other than sectarianism, unlike Shi'a and Sunni Kurds that we hear every day from the media, both Iraqi and U.S.

My question to you is you mentioned corruption in passing, and I would like you to focus further on that, in that corruption in Iraq now is not just a matter of losing revenue, but it is a means of destabilizing the region in which the terrorists are now thwarting the institutions, financing their activities through corruption and organized crime. So the question is: What is the anti-corruption strategy in the Iraqi and the Kurdistan Regional Government strategy of rebuilding Iraq?

Thank you.

DPM SALIH: I would be right if I say that every Iraqi politician denounces corruption and claims that they will do something about it. I mean, by the way, Iraqi politicians are no different from American politicians. We promise, and whether we deliver or not is a different matter.

AMB. INDYK: We have some corrupt politicians too.

DPM SALIH: In the idea of the international compact, we are laying out a roadmap about Iraq's economic recovery and economic reform. The central pillar of that is fighting corruption and good governance. I cannot, in good conscience, go to Chairman Kolbe in the U.S. Congress and ask for aid for Iraq unless I can assure him that the money will be put to good use. Therefore, as part of the international compact, we are committed to taking on corruption in a very serious way. First and foremost, we have a law of financial management which is a very good law. We can implement that and enforce it more fully, and we can

improve the transparency measures that are adopted inside the Iraqi Government to ensure that the money is spent wisely.

Something that we are also working on that can help with the issue of corruption is, as part of the oil law, we will be setting up a constitutional committee that will monitor all Iraqi revenues and will ensure their equitable distribution. This will be an important measure that will be enacted, I hope, before the end of this year.

But corruption, I agree with you, is far more dangerous than just the issue of economic loss because in a way, political instability in Iraq or countries like Iraq derive a lot of resources from money generated through corruption. We are mindful of this. It is an uphill task. It requires, in part, dealing with a culture of corruption which, in certain circles, has become an accepted norm, unfortunately, and I hope the democratic government and the lively parliament that we have will be able to deal with it more effectively.

AMB. INDYK: Yes, please.

QUESTIONER: Mr. Salih, what do you think about PKK, the terrorist organization in Northern Iraq?

DPM SALIH: Why am I not surprised?

QUESTIONER: How will the Iraqi Government eliminate this organization? As you know, the U.S. PKK coordinator, General Ralston, is in Turkey now, and he will visit Iraq really soon. So how will the Iraqi Government cooperate with him?

DPM SALIH: Thank you.

Well, the PKK is a major concern for our Turkish neighbors. As the government of Iraq, and here, I am not speaking as a representative of the Kurdish people; I am speaking as a

representative of the democratically-elected government of Iraq which is committed to having good neighborly relations with our neighbors. The presence of any militant group in the territory of Iraq and that could pose a threat to our neighbors is unacceptable, and we have committed with our neighbors in Turkey to resolve this matter through a variety of means. The U.S. general is visiting Turkey and will be visiting Iraq and will be back here soon and will be meeting with President Talabani when he is coming here. We will be finding ways by which we can resolve this issue.

I want to say, perhaps, Martin remembers the 1990s when the Turkish Government was very concerned and apprehensive about the developments in Iraq and particularly in Iraqi Kurdistan. If you go back to Iraqi Kurdistan now, you will see Turkish companies working and helping build infrastructure and developing economic relations between Iraqi Kurdistan and Turkey. Ironically, the Kurds of Iraq are the ones who are promoting Turkish-Iraqi relations more than any other community. If the presence of any military group complicates that situation, then we will have to deal with it and deal with it, we will.

QUESTIONER: Mr. Salih, Prime Minister Maliki is visiting Iran. What does the Iraqi Government want from Iran at this point? Do you believe that Iran is interested in democracy in Iraq, or do you believe that they support the insurgency, or both?

DPM SALIH: Well, Iran is a very important neighbor of Iraq. We have 1,400 kilometers of borders with Iran. Iran, to say the least, has influence inside Iraq for a variety of reasons. I was in Iran a week ago, and we have had some candid discussions with the Iranians. We say it is in our national interest to have good relations, good neighborly relations with Iran, but that must mean respect for sovereignty and no interference in domestic affairs.

We remind our neighbors that Saddam Hussein was a threat to the rest of the region, not just the Iraqis. Iran benefited; Kuwait benefited; Saudi Arabia and the other neighbors, Turkey benefited from the demise of Saddam Hussein because at least we have a hope for a peaceful Iraq that will be at peace with itself and at peace with its neighbors. To attain that mission, that objective, a peaceful democratic Iraq, we need to respect for Iraqi sovereignty and no interference in domestic affairs. If Iran were to choose to follow that course, that would be a positive development.

AMB. INDYK: What is your leverage on them? I mean in a sense, the United States opened the gates of Iraq to them and it was quite simple, it seems, for them to move in and create this, what do we call it, sphere of influence, whatever. You can go and talk to them and have a candid conversation. Why should they do anything about that?

DPM SALIH: I think all should recognize that instability in Iraq may be contained today within the borders of Iraq, but there is no way that this level of violence can be contained within the borders of Iran. I think leaders of that part of the world need to realize that they need to be a bit more strategic and more forward-leaning than they are now.

I don't want to characterize the discussion that we have with our neighbors, including Iran, but I can assure that the government is very serious about protecting the sovereignty of the country. Our leverage here and there may not be as effective as one would like it to be, but Iraq is a pivotal state in that region, and those who invest in the stability of Iraq will be rewarded with a friendly neighbor and those who make life difficult for us will undeniably be in a different situation.

AMB. INDYK: It is clear you have become a bit of a diplomat.

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DPM SALIH: Don't you want me to?

AMB. INDYK: It is a little unsettling.

Yes, please.

QUESTIONER: Ron Baygents with Kuwait News Agency.

Could you just go on around and touch on the other neighbors?

DPM SALIH: Are you interested in Kuwait?

QUESTIONER: Kuwait, Saudi Arabia, Syria, Jordan — if you could just tell us what your hopes are as far as specifying how they can be of help and so forth.

DPM SALIH: Again, I really go to that fundamental. Iraq under Saddam Hussein was a main element, the element of instability in the region. The rape of Kuwait, the invasion of Kuwait should not be forgotten. The new Iraq wants to have good neighborly relations with Kuwait and has no claims on Kuwait.

We seek to develop the best of relations with our neighbors, with Kuwait, with Saudi Arabia, with Jordan, and with Syria. In the case of Syria, I am going to disappoint Martin a bit. I am just going to depart from my diplomatic tone. The Syrians are less than helpful, put it that way, and we have been in touch with the Syrians. Many of the senior leaders of the Ba'ath are in Damascus, in Syria. There are lots of terrorists that are infiltrating through the borders of Iraq-Syria. We hope that the Syrian Government takes notice of growing unease and unhappiness among the Iraqi Government, and I hope that they will take notice that this present course of action is not conducive to Iraqi-Syrian relations.

AMB. INDYK: Can I just ask you on that, what is the trend line? One gets the impression here from this distance that they were doing some things to attenuate their

interference in Iraq or their encouragement of insurgents. Has this picked up again now, or is it down?

DPM SALIH: I think there were times in which it went down, and we had assurances from the Syrian Government that they will do their utmost to control, and we saw some changes. But in recent times, we are seeing a serious level of interference across our borders, and that is something that most Iraqi leaders who are watching the situation are not happy with. Again, it is in our interest to have good relations with Syria. We want to have good neighborly relations, but what their practices are, are not at all consistent with what they claim to be a concern for Iraq. They are getting a lot of Iraqis killed, and that is not unacceptable.

AMB. INDYK: If you look at the other Sunni Arab leaders — Saudi Arabia, Egypt, Jordan — are you getting the kind of support that you need from that part of the Arab World?

DPM SALIH: Prime Minister Maliki made a point of visiting the Kingdom of Saudi Arabia first and then also visited Kuwait. We are trying to develop our better relations with the Gulf and particularly with Saudi Arabia. At the end of the day, Iraqis and the Iraqi leaders understand that we are part of this region. We have to. While we value our relations with the United States and they are of strategic importance to us, we are grateful for what the Americans have done in terms of liberating, helping us liberate Iraq from Saddam Hussein, but we live in that region. We need to develop much more in terms of relations — political, economic — with those countries. There are some very serious dialogues that are going on with these countries.

AMB. INDYK: At the back, please.

QUESTIONER: Dr. Salih, Eli Lake from *The New York Sun*.

DPM SALIH: Hi, Eli.

QUESTIONER: Hi; how are you?

Two questions on Iran: We keep hearing from military commanders, American military commanders, that these improvised explosives are coming from Iran. So would you agree with that assessment, and do you think it is a matter of state policy? Could you comment on reports in the last month that the Iranians have been shelling Northern Iraq and the border region because of a PKK issue, and what do you have to say about that?

DPM SALIH: On the latter, there were some occasions in which Iranian artillery shelled border villages in the Kurdish area. The Iraqi Foreign Ministry made protestations to that effect.

On the former question, I can tell you the following: The Iraqi Government is pursuing a number of these issues in a very serious and candid way with our neighbor, Iran.

QUESTIONER: (off mike) Is it true?

DPM SALIH: I think I responded to you.

AMB. INDYK: You have to be a diplomat to understand him, the nuance.

Gary Mitchell?

QUESTIONER: Thanks.

Mr. Prime Minister, it is no secret, of course, that public support in this country for America's continued involvement and America's perception of this conflict is in bad shape and getting worse. As I listened to your remarks today, the sense that I had, to use one of Ambassador Indyk's phrases, was a very impassioned plea to at least the people in this room and whoever else may listen to the message, for us to think differently about it and it seemed to

me a very eloquent way of talking about how dedicated Iraqis are to making this work.

I wondered, as I listened to this, whether Iraqis — and I am thinking now about the leadership, the people in the Parliament, people like yourself — recognize — this is certainly a personal supposition but I think it is fair to say that it is shared by a large number of people in this country — that the causal factor for the loss of support for American involvement doesn't have to do with an American perception of Iraqis and how courageous and brave and other things they have been. It is that we get our information and we get our dialogue on this war from an administration that has essentially lost its credibility on this issue.

I am wondering to what extent (a) that is something that the leadership in Iraq understands and (b) as you think about the international compact and in particular the extent to which you are going to try to take your message directly to the people of this country instead of having it filtered through some people whom, I think frankly, we don't believe.

DPM SALIH: Sir, I would not interfere in the domestic affairs of the United States, as I don't expect any of our neighbors or, for that matter, the Americans to interfere in our domestic affairs.

But seriously, this is a democracy. There is an active debate about this. We have now a very active debate in the Iraqi Parliament about American troops, whether we have a timetable or not. Again, the headline in the newspaper could well make this: Iraqis Are Unhappy With Americans. Certainly, an image of that is available.

But the way I see it, this is a democratic institution. The Iraqi Parliament is debating these issues that are profound to our future and the way we want our country to emerge. I think Americans, what they need to understand, seriously, we are doing this thing out of our

own national interest. I explained to you the agenda for Iraq as I see it and as many of my colleagues in the Iraqi Government see it. It is important for Americans to understand that building a democracy and democratic debate does not necessarily mean division and civil war. We have serious problems — I am not underestimating that at all — but there are also many, many important achievements that have been made, and Americans, I think, will be proud of and will be happy.

Something, in which, perhaps, we are also guilty of that miscalculation or underestimation, is the issue of expectation. Many Iraqis believe that with the Americans coming into Iraq, with their might and with their computer programs and so on, they can fix everything overnight. Many Americans, perhaps, also believe that with just the demise of Saddam Hussein, everything will fall into place. Just reflect back on your own experience as a nation, surrounded by two big oceans, yet 200 years on, you are having some very important debates about identity, about constitutional developments, and so on.

Here, we in Iraq are the heart of the Middle East. Iran and the United States are having a debate. The international community and Iran is having a problem on nuclear power. Don't you think that impacts the situation in Iraq? It does.

We have this sweeping storm of international terrorism. We are doing all these things in that place with all these things happening at the same time. I mean my hope is that, especially those in the analyst community, those in the media, would stop being too judgmental about Iraq; understand the difficulties of transition; reflect back on your experience. We will make mistakes. We will have problems. We are making it. We are going alone, and we are trying to make it day in and day out in very difficult circumstances.

It is also important to note, in my opinion, that this is a global village. Your security and our security are intertwined. We are doing this thing for our own country, and your success is important to our national interest in the fight against terrorism and international terror. We are partners with you in that battle. I believe Iraq is an important member of the international community in this battle.

I don't want to go into details about what it means to take on Al-Qaeda and deal with the issue of international terrorism in Iraq and Iraqi transition and building a quasi-democracy. I don't want to be the ultimate idealist talking about this Jeffersonian democracy there in the Middle East but something fundamentally different from what we had under Saddam Hussein. It will be a good and worthy mission and is worthy of investing.

The thing that Americans need to understand is there are many Iraqis who are your partners in this endeavor, but it ultimately has to be done by Iraqis. Americans can support, but Americans cannot do it, cannot deliver democracy. The Iraqis will have to do it.

AMB. INDYK: Ellen, please. Just one minute, Ellen. Can everyone hear? Is there a problem with the volume? I think you have to speak up.

QUESTIONER: Ellen Laipson, the Stimson Center.

Barham, I am going to take you back to the sort of practical effect part of your presentation. You said twice that you really do hope the constitutional review takes place, and I wonder if you could explain to us how does that process start. Does someone have to make a petition for a specific revision because there has been some confusion over whether the government itself should initiate the constitutional review, and has the time run out?

The second part would be: How confident are you that you could control the outcome of

that process once it begins? It seems to me that on oil, federalism, and status of women, there are some worries that opening up that process might unravel some of the parts of the constitution as it now exists.

DPM SALIH: In my opinion, the constitution was a good compromise, that is, there are many provisions in that constitution that I can take with issue with and I was not happy with. I was part of the various committees that drafted parts of the constitution. But we have taken upon ourselves to put in place a modality for reviewing the constitution, particularly with the views of some of the Sunni parties that demanded this thing as part of the grand bargain on the constitution.

The Review Commission will be set up by Parliament this month. This is what we have committed to in the National Security Council. It should be making its recommendation to Parliament by, I believe, January or February of 2007. If they recommended and Parliament endorsed the changes, it has to be put to a referendum in March of 2007. We will go through the process.

My expectations, to be fair, are that there will not be fundamental changes to the constitution because the balance in the way that was drafted is still there in a way. The issue is the legislation that is needed to interpret the constitution. The Iraqi constitution is, in some ways, similar to the American constitution, only it is longer and has more ambiguities, and we need legislation to define the provisions of that constitution.

On oil law, which is a key piece of legislation, we have had an Oil Committee in the Cabinet that I chair, and we have different representatives. We have pledged, and the National Security Council has also demanded that we present Parliament with legislation by the end of

the year. Despite some expectations to the contrary, it was quite remarkable that we managed to close the gap between the different viewpoints, and I would say some 80 percent of the work, in terms of the principles that should be enshrined in the legislation, has been accepted. There are one or two contentions, controversial issues that need to be resolved, and I hope in the next couple of months, we will do so.

QUESTIONER: Mr. Deputy Prime Minister, thank you so much for addressing us today. I think Ambassador Indyk has shown his wisdom in selecting a true statesman to give this speech.

I would like to ask you two questions. First, could you say something about the trial of Saddam Hussein, which does not seem to be moving as rapidly as some people may have expected?

And second, you very strongly condemned racism, fascism, sectarianism, majoritarianism, all of which leads me to think that, in my mind, you might be speaking about Muqtada al-Sadr. This is an individual who, in many Americans' minds, poses a grave threat to Iraqi democracy. Could you comment at least on the phenomenon of Shi'a sectarianism and Shi'a politicians manipulating this, even if you feel that commenting on an individual politician may be too sensitive?

DPM SALIH: On the issue of majoritarianism, I wanted to use that term as opposed to the tyranny of majority.

We have a reality in Iraq, unfortunately, this sectarian divide. One can point to history. One can point to contemporary history under Saddam Hussein and the politics of ethnic and sectarian discrimination. Shi'as for the first time were able, through the ballot box, to assure

themselves a majority in Parliament, and some of Shi'a political parties were translate this to meaning control in the name of the majority rule. Iraq is a diverse society. It needs a balanced political process and a balance of power between the communities.

The other problem that we have in Iraq, to be fair, has not only to do with the situation of the Shi'a communities. It has to do with what I call the supremacists on the Sunni side who think that they had been given the God-given right to rule. Nothing else, neither Shi's, nor Kurds can be part of this thing. We have to overcome those divides. I think more and more, by the reality of things, those supremacists are losing hope or must be losing hope that they can restore the *status quo ante*. They must accept the new order. Those who, in the name of majority, think that they can control everything, they are unable to control everything and they cannot deliver stability.

To be fair, on the Kurdish side, we have a Kurdish national identity and a national agenda out there in Kurdistan, but we are to be part of a democratic Iraq, we have to be real active participants in the central government, federal government, and work to this national mission. This is a process. Five years ago, very few people would have expected the Kurds to be where they are today in Baghdad. Five years, very few would have expected Shi'a power to be the way it is today. We are going through this process of equilibrium and trying to create the one equilibrium that will be stable and that will represent the national identity of Iraq.

QUESTIONER: The trial of Saddam?

DPM SALIH: Really, it is frustrating for me, but I can tell you the following: The other day I went to the first day of the Anfal court. I mean it was amazing. That Kurdish villager woman, Adiba , who came in there to confront Saddam Hussein and tell him, you killed my

son and you gassed my village and you did this.

On the one hand, it is frustrating, that we would have liked to see a closure. Many of us would have liked to see a closure of this court, but we have asked for something called democracy and the rule of law, and the accused is innocent until proven guilty. Democracies are inefficient. You and I can turn this thing about the court as being an indication about how Iraq is not working, but to be fair, it is a statement about the new Iraq that is so fundamentally different from anything else that we have known in this part of the world.

There are those who are now actively debating if there is a sentence against Saddam Hussein on the al-Dujail trial. Nobody knows. Really the judge would not talk to anybody about this. He is quite a tough-minded guy. If there was an execution judgment, I mean a death penalty on him, would it be implemented or will the other issues be dealt with and so on? These are issues that the Iraqi Judiciary is dealing with. Politicians have a bit of influence but not much. I have been in situations in which we have tried to quiz the judges on a couple of issues, and they were very adamant; no political interference. Uncomfortable, but I think it is a good thing.

AMB. INDYK: I just want to follow up on this. Maybe you don't want to comment directly on Mr. Muqtada al-Sadr, but there is the problem of the militias, and it seems to be at the heart of the problems that Iraq is facing when it comes to sectarian warfare. Of course, the PUK and the KDP also have militias, not that they are involved in any of this.

DPM SALIH: No; The Kurds and Dawa are good people.

AMB. INDYK: Right; but politically, how do you use politics to deal with this problem that major parties have militias and that you have no monopoly on the use of force in the hands

of the democratically-elected government?

DPM SALIH: I think this is one of the greatest challenges we are dealing with, but let us not lose site of the reality of Al-Qaeda and the Ba'athists and the extremists and the terrorists. That is a problem that will be with us. We are trying, as a matter of fact, to have contact with some of these "insurgence" military groups to basically get them to disarm and so on, but that is a major, major problem we deal with.

On the issue of the militias, it is a very grave challenge to the reputation, the credibility of the state, and Prime Minister Maliki has been adamant that he will not tolerate it. There were a couple of occasions in recent week in which the Iraqi military took on the militias in Diwania and in Baghdad on a couple of occasions and so on. We have as part of this package of legislation that we have accepted in the National Security council, that sometime in the next couple of months, by October, we will have the law on DDR, demobilization and disarmament of militias.

Many of my colleagues in Parliament and in government will say use the Peshmerga issues, the PUK, the KDP, as a way of justifying what exists with Jund al-Islam or other political parties, but really, Peshmergas are a different situation. They go back to 1961. Now, with the unification of the government, the PUK and KDP as political parties do not have or should no longer have military wings. They should be turned into the regional guards as part of a deliberate program that has been agreed to with the multinational forces.

As far as the sectarian killings, you are right; the militias are part of that problem. The government has taken some measures, but we need to do more. But it is a grave challenge for the credibility of the government.

AMB. INDYK: I am going to give the last question to Rend.

DPM SALIH: Rend, you know it all. You can ask.

QUESTIONER: Rend Rahim, Iraq Foundation.

Barham, something that connects to what Martin said and what Ellen said — of course, everything is interlaced in Iraq — you did not really talk very much about the process of national reconciliation and where that is. You spoke about the laws that are going to come up, but in terms of meetings with certain groups — I know there have been meetings between tribes and so on — where are we in that national reconciliation process?

DPM SALIH: Actually, there are lots of meetings taking place, and Iraqis love meetings and love lunches and drinking tea endlessly and basically talking about politics and so on and looking like being on good terms with everybody. That is happening, and it is good. It is part of the, how shall I say, creating the environment, but the legislations are key. What I outlined to you in terms of legislation, they are all elements of the national reconciliation plan of Prime Minister Maliki: the review of de-Ba'athification, the constitutional review, the DDR, the oil law. All these things are elements of the national reconciliation. I hope, as a package, they will put the plan of the Prime Minister into meaningful action that Iraqis can feel and can sense that it is helping to bring about national unity.

This was the last question.

I want to conclude with the following: What you see on American TV is Baghdad, Baghdad, Baghdad. Baghdad, we have problems in Baghdad. I am not saying not, but there are successes in Baghdad too as well. As part of the Baghdad security plan, many of these neighborhoods are being cleansed and arms discovered and taken away. For the first time, we

have a reconstruction component of the security plan. After the cleansing of those areas, the municipalities go in, and we assure them of funds and so on. Beyond Baghdad, much of Iraq is reasonably stable. Many of the southern governates are fine and are ready to receive investment. Kurdistan is stable and fine.

My hope with many of these political tensions that we have to deal with day in and day out, notwithstanding that, next year, 2007, with the ideas that we have for the budget, we will see some serious moves on the economy and that, at least in the stable areas of Iraq, you will see some changes.

I want to once again say success is difficult, but it is doable and we must do it and we will do it.

AMB. INDYK: Barham, thank you. I think I can safely say on behalf of everybody in this room that we really do hope that you succeed and that failure, we understand, will be a disaster, not just for you and the people of Iraq but for the region and for the United States. So godspeed and good luck. Thank you for doing us the honor of sharing your views and insights with us. Thank you.

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