

THE BROOKINGS INSTITUTION

IRAQ ISSUES DISCUSSION

P R O C E E D I N G S

SPEAKER: Ladies and gentlemen, we're just about at a critical mass, so if you'd like to have your seats, please. Welcome, and thank you very much for coming. Everything is on the record and I don't think there is any real reason to change that ground rule. We are here for a couple hours. We will take it as long as you want it. We very much appreciate you being here, and we are recording it. Are there any questions on the ground rules?

MR. PASCUAL: It's on the record, so it's pretty simple. Thank you again for joining us. We very much want this to be a discussion as we go and there are obviously more than enough report cards that are being put out on the Iraq benchmarks. There is no Brookings report card. What you should take a look at is the Iraq Index on our website and I'm sure that many of you or all of you have seen that. And there is no Brookings position on Iraq, and by the end of the session I'm sure that you will be firmly convinced of that because I'm sure you're going to hear a lot of different points of view.

If anything, what we would like to try to do is be able to engage in a useful debate and discussion about what some of the critical issues are as we assess over the coming weeks the developments in Iraq and what it means for future policy because the key issue is not whether there are 11 out of 18 or 9 out of

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18 or whatever, but what does it mean in terms of policy and what is a sound and rational policy, and all of you are going to play an important role in the way that both the public and policymakers actually form their opinions and so if we can be helpful in that exchange, we would be very pleased about that.

What we will do in starting out is just have a few comments from each of the people here that you see from Brookings. They will each give a couple minutes on some key headline issues that they think are important to put on the agenda. We are not going to try to get into any comprehensive discussion of any one issue up front. From there we will let you take it in any way you think that the discussion is interesting. If there is a particular topic that requires staying with for a while, then I may choose to keep us focused on that topic rather than bouncing around, but we will pretty much let you guys drive this rather than us driving it. Mike, do you want to start, please?

MR. O'HANLON: Thanks, Carlos. Thanks to everybody for being here. In the spirit of trying to be brief because we have so many people, I am just going to say one very specific thing, and to show you how specific I'm going to be, I want to just take on GAO. So I'm going to go right to that point. That's the way to say it provocatively. The more analytical way to say it is I want to talk about what we know about trends in casualty

rates and attack rates and what we don't know. Just a couple of words on that, and I'm still groping for the best understanding possible from the data sources I have, but this is where I see it.

First of all, I regret that GAO asserted that there is no documentable reduction in sectarian violence in Iraq. I think that's wrong. I think it's just simply wrong. I think that we do not know how much reduction there has been, we also have a great deal of confusion about how you categorize sectarian violence and different people use different definitions, and GAO would have been doing a very healthy service to point out that some people document extrajudicial killings and bullets to the back of the head, and other agencies of the government may count car bombs and try to figure out which of the car bombs had a sectarian target versus just the general goal of creating chaos and mayhem, that when you define categories differently you may get different numbers, but I don't think you get different trend lines. If I look at DOD data, if I look at intelligence community data which admittedly is not totally independent but nonetheless a different set of eyes on a lot of the same information, if I look at Iraqi Ministry of Interior or health data, or Iraq body count information from the NGO that does such good work and has tracked media reports of casualty over the

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years, I think everyone shows a reduction in virtually any of the major categories, extrajudicial killings (EJKs), car bomb victims, overall civilian victims. Of course you are going to have spikes in certain categories as in August in Nineveh Province with the multiple truck bombings, but I do not think, and I'll leave it at this and we can talk about it now or later, but just in the interests of being brief and provocative, I do not think there is a serious case to defend GAO's position. I think they are just wrong to leave doubt about whether there is a clear trend line.

Again, the trend line might be a 10-percent improvement or a 50-percent improvement depending on which category you use, which starting point and which end point you prefer, and everyone would agree that the violence today remains way too high and still probably roughly comparable to 2004 through 2005 levels. So this is not a Pollyannaish story I'm trying to present, but I think given the centrality of the GAO report in the current debate, this is an important thing to clarify, and I just wanted to use my couple of minutes to make that point.

MR. PASCUAL: Ken?

Mr Pollack: Thank you, Carlos, and thank all of you. It's good to see all of you. I'll make just a couple of points, and since I think that we have been briefed all to death about what

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is going to be said next week and I think there is a pretty expectation and I think we all at least have the same set of expectations about what we're going to hear next week, I thought I would concentrate instead on what I am looking for moving forward.

As Mike and I pointed out in our "New York Times" op-ed and as we have said elsewhere, Iraq is now in a very delicate situation. Obviously we are on our last gasp, this is our last chance to pull things out, and progress in the surge needs to be measured constantly, at the very least on 6-month increments and probably month or month or maybe even week to week. What Mike and I found on our trip and what we have been hearing ever since and what you are now hearing also from the CIA, General Jones and from others, is that there is progress but that the progress is uneven, in some areas there is more than in other areas, in some areas there is no progress whatsoever. The point about that is that it is really the beginning of the next debate, not the end.

For me what I'm looking for to some extent from General Petraeus and Ambassador Crocker but certainly as we move forward are a few things, and I will just highlight two of them, one on the military side and one on the political side.

On the military side, the real question in my mind is what happens after March 2008. We all know that the surge has to end then, I think it is pretty clear that the administration plans to just drop down to the 15 brigade presurge level, and the big question in my mind is can you maintain the same strategy and the same level of progress with a smaller number of brigades. In particular, it is why Mike and I have focused on what has happened in both Anbar and Nineveh Provinces. It is important because obviously those were places that were once very bad, that are now much better, and what that holds out is the prospect that you could reduce the brigade count in Iraq without actually reducing the brigade count in Baghdad and Diyala, the two places where the fight is still most up in the air, the places where the administration, where the military, where the U.S. is making the greatest effort to try to bring those areas under control.

If the progress that is being made in Nineveh, Anbar, and to a lesser extent in Salahuddin and Tamim, is enough to allow you to draw down the brigade count without affecting the forces in those areas, you can just keep doing what you're doing. If it's not, if you've got to do something else, then the question becomes what do you do next. Do you change strategy? Do you change tactics? Do you stretch out the tours? What do you do

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that will allow you to maintain the same degree of progress without being able to rely on the same troop levels and the same exact procedures that you were using beforehand? So that is what I am looking for on the military side, what happens after we go from the 20 brigade level down to the 15 brigade level? Can we sustain the same strategy and the same progress without those additional brigades? Or do we have to change gears in some meaningful way, and if so, what is it?

On the political side, the real issue lying out there for me and I think that the media has focused on properly is this question of the role of the central government in relationship to the rest of the country. As you hear Mike and I say and as you guys are all reporting, the central government is hopelessly deadlocked at the moment and what progress is being made on the political and economic sides in Iraq are very much at the local level. Those local areas of progress are very important and very heartening but, again, they are very uneven, they are very spotty, and in every case they are being hindered by what is going on in Baghdad with the central government.

For me that opens up two different possibilities which is, one, you do something to change the current circumstances of this government. You have heard people talking about these rumors of replacing Maliki with a new government led by Ayed

Allawi, and you have probably also heard me say that I think that is probably unlikely to work because I think even a stronger leader with the same parliament and the same structure is going to be unable to produce the concessions necessary and that will mean a much more fundamental set of changes in Baghdad. Or can you find some way to decentralize power, to reduce Baghdad's role in what's going on in the country, and in particular, reduce the negative impact that the central government is having on the provincial and local level developments that are out there. Those are the things I'm going to be looking for on the political side from the administration in terms of moving forward. Do they have a plan? Does that plan seem feasible? And then as time goes by, is that plan working?

MR. PASCUAL: Peter?

Mr Rodman: Let me just make one point. I think pretty soon all of us are going to be OD'd on report cards and analyses and benchmark tallies and so forth. The question in my mind and maybe on other's minds is what impact all these report cards will have on our domestic political debate because in the end it is the president and Congress who have big decisions to make based on however they read these report cards. It is not

General Petraeus who is going to decide the next step, it is the president and the Congress.

I am not an expert on our domestic politics so I want to take it yet another step beyond that and just comment on what I think is the impact in Iraq of the domestic political debate here because I think one of the destabilizing factors in Iraq has been the fear of a rapid American withdrawal. I think it demoralizes moderates, I think it must encourage the extremists, and at the very least it encourages hedging strategies. If you are a Shia, or a Sunni, or a Kurd, and you think the Americans are on their way out, you are going to husband your resources. You are not going to make concessions to the others. You are going to sort of start preparing for the free for all that I think everyone agrees is the likely result of some early American departure. So I think confidence in our staying power is a precondition for us to have any political leverage at all.

We all agree that the security situation may be improving; everybody agrees that on the political side at the national level we are not seeing things that we wanted to see and presumably our embassy out there pushing for precisely that kind of progress whether you call it reconciliation or political accommodation or whatever realistic objective we might have. So I think the fear that we are leaving undermines our leverage,

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and conversely, as I said, confidence in our staying power is a precondition for any kind of political leverage at all.

In other words, I think Senator Warner's thesis has it backwards, the thesis that he among others have adopted, the idea that we should start withdrawing to show them that we are serious and to try to galvanize the Iraqis to bite the bullet. That is a good theory, but I fear that the opposite would be the result, that you would get less cooperation with us and you would get hedging strategies.

There is an interesting quote from General Rick Lynch who was quoted as saying, "When we go out there, the first question they ask is, Are you staying? And the second question is, How can we help?" and I assume the second question comes after we have given them a positive answer to the first question. We are asking a lot of people to take risks including in the security dimension and part of the positive effect that we have achieved has been precisely from tribal leaders or people having confidence that we can protect them. We're asking them to stick their necks out, and the fact that we are staying and clearing and actually holding and being there in bigger numbers is partly what has given us the positive security effect I think. So again so much depends on our staying power and the perception of our staying power, and I hope that will be one of the results of

the political debate here. Anyway, that's the point I wanted to offer.

MR. PASCUAL: Peter, thanks. Let me turn to Beth next. Not all of you may know Beth. She is the Director of our Project on Internally Displaced Persons, and among other things she has been spearheading an effort together with the U.N. and work that has been for UNHCR on looking at both the internally displaced within Iraq and the impact on refugees in the region and the trends among those refugees and I think probably has as much detail and information on that issue as probably anybody in the world.

Ms Ferris: From a humanitarian perspective, the surge hasn't worked. In terms of internal displacement, the numbers have increased. Data only exists through June but show in fact a doubling of numbers from mid-May until June, some 50,000 to 60,000 a month to 120,000 a month. Surveys of IDPs have said that they're leaving because of sectarian violence, 50 percent; 25 percent say they're leaving because they were forced from their homes. Displacement is continuing. This is a huge humanitarian crisis that has not gotten the attention it deserves. There are about 2.2 million IDPs inside Iraq and the numbers are increasing; 2.2 million refugees in the region. Nobody wants them. Most of Iraq's governorates do not allow

IDPs to come into their territories. Most of the governments in the region close their borders. Syria is the only border that is open, and it may only be open until Monday. Syria has announced new visa restrictions to go into effect which would severely limit the ability to people to leave.

I think it is very important to see this not just as a humanitarian issue of compassion or charity, but fundamentally it is a security issue as well on several levels. First of all, you have the obvious brain drain from Iraq. Fifty percent of the doctors have left. What is the impact of the flight of so many professionals for future displacement in Iraq, but also for eventual rebuilding or reconstruction of the country? There are security concerns about the IDPs and the refugees. These are not groups that are ripe for radicalization. They are fleeing sectarian violence. In some of the research we carried on in Syria, we were told over and over again that those who left do not want to have anything to do with sectarian groups here.

But what happens when their money runs out? And it is running out. What happens when assistance is not adequate? And it is not adequate. Less than half of them have adequate access to water, food, health care, and so forth. And what happens when the crisis lasts longer as seems likely? For a few months, a year, Syrian or Jordanian authorities can tolerate the

presence of so many refugees in their midst. But what happens if perhaps like the Palestinian crisis it drags on for years? And what would be the reaction of governments in the region?

What happens if in fact refugees and IDPs are put into camps? Right now they are invisible. They are living in urban areas with friends, families, or occupying empty buildings. It is a good thing they have not been in camps because in camps they would probably be organized along sectarian lines, it is likely that the militias would control the distribution of food, and it is likely that they would play a much more active role in recruiting from this vulnerable population. Reports are that prostitution has skyrocketed among Iraqis living in Syria and Jordan, women desperate to feed their families. Are the men going to be any less desperate not to turn to militias for employment as a way of continuing? Again, there are regional and national security concerns; there is sectarian polarization in the country. Partitioning is happening now and it raises real questions about the viability of the Iraqi nation state. So there are lots of issues and I hope that you all take a hard look at the humanitarian issues.

MR. PASCUAL: Thanks. Next, Suzanne Maloney. Not all of you may know Suzanne yet. We recently stole her away from the Policy Planning Staff at the State Department. Suzanne knows a

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great deal about Iraq, but she is also a specialist on Iran and on oil. So in particular I thought it might be useful if she commented from that angle.

MS. MALONEY: I am pleased to be here and not be talking about this debate about whether the surge has worked or has not worked at least in terms of tamping down violence or some of the other issues. I wanted to make two points that are to some extent self-evident but I think have gotten somewhat short shrift in the debate that we are seeing as it intensifies in the lead-up to these report cards coming out next week.

The first, and it is just to echo something that Ken has already said, is that the central government is effectively dysfunctional. This undercuts I think one of the key assumptions underlying the new way forward as I was taught to refer to it back at the State Department, or the surge is the new shorthand, which is that improvements on the security side would result in improvements on the political side. I think that that might have been a viable assumption at some point to make, but very clearly we are not seeing that play out. So we need to begin looking beyond simply has this government met specific benchmarks and look to some sort of way to work with the central government because not all solutions to Iraq's are going to be ones that can be carried out at a subnational level.

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I agree with Ken in fact that there is a lot that can be done through decentralization, but oil in particular is one that requires a national solution. And we are not going to see success on that particular benchmark in the short-term and, frankly, if we did, it would only result in a very watered-down set of legal and fiscal provisions and a framework that was not viable and did not have the intended impact in terms of drawing new foreign investment or improving the security of that sector. So I think that that is one of the realities that the Congress and the debate ought to be focused on, the fact that you do have a dysfunctional central government and you are likely to have one for the near future, and how do we deal with these key questions like oil that actually assume that rather than presume that somehow the government will get its act together if we threaten to leave or if we promise to stay.

The other reality that I think everybody is obviously aware of is that all the regional actors have already cast their bets and are already looking forward to a future irrespective of the way this debate plays out over the next week or two in which the U.S. is not as prominent an actor in terms of securing Iraq's future as it may be today. The Iranians despite some of or perhaps in concert with some very interesting internal political developments that have been going on there over the past few

months are very much looking to position themselves as the central power broker in Iraq by arming all of their potential allies and doing as much to destroy the capacity of any potential challenge, whether it is the U.S., whether it is the Sunnis. So they are obviously going to be stepping up their activities in light of what we are seeing with the U.S. success in mobilizing Sunni sheikhs in Anbar and elsewhere.

Other key regional actors, particularly the Gulf Arabs, have also cast their bets. We have seen some I think very marginal steps from the Saudis in recent months which I presume are mainly to placate American allies in terms of sending this new delegation to Baghdad to discuss the opening of an embassy and making some commitments on debt relief. But we are not seeing a fundamental change in the Saudi attitude which is that they view this Iraqi government, the central government in Baghdad, as some sort of stooge or proxy for the Iranians and very much in that respect view anything that accrues central power to the government as a potential threat to regional stability. They have recently retendered their project to build a massive fortification along the Iraqi-Saudi border and I think they are effectively planning to try to contain whatever spillover takes place if and when the Iraq situation intensifies. So that is another set of issues, what are the

regional actors doing, and how are we positioning ourselves to be defending against that and trying to ensure that the situation plays out in a way that is favorable for U.S. interests that I hope does not get lost in the debate over which benchmarks have been met and what the actual fatality counts are.

MR. PASCUAL: Suzanne, thanks. Let me then turn to Martin who I think is in a unique position to try to help put this in a broader regional context and how we should think about it from that perspective.

MR. INDYK: Thank you, Carlos. I too am confused by all of the facts, reports, and figures, and so I have resorted to a nursery rhyme to make sense of what's going on. It's called Humpty Dumpty, and the final line you know well which is, "All the king's horses and all the king's men can't put Humpty Dumpty together again." From this broader regional perspective, as Suzanne has already mentioned, that is the way that I see it.

We have let the genie out of the bottle, taken the lid off of Pandora's box or whatever metaphor you want to use, but essentially this sectarian strife between Sunnis and Shias has been unleashed and we cannot put the lid back on it by any will on our part to surge forces or anything else. That for me is the basic reality and it is underscored by what Beth had to say

about the impact on internally displaced people who are reacting to it, but it also impacts on the regional calculations of all of the neighbors which Suzanne referred to. They are all seeing it in these terms, and whether the trends, and I am sure Mike is right, I have great respect for him and for Ken in terms of their assessment of the trends, but the trends cannot change that basic reality that what we have here is what I think will end up being a 10-year conflict between Sunnis and Shias, they are not going to partition the country on some kind of simple, comfortable arrangement, the Shias intend to rule Iraq with the exception of the North which will be loosely federated, the Sunnis cannot and will not accept that, and the Sunnis will be supported in their view by the Sunni Arab neighbors as Suzanne suggested in the case of Saudi Arabia, but it is not just Saudi Arabia, it is the Jordanians as well. The Syrians are a slightly different story, but in the end that is a trend and a dynamic that we cannot have much impact on at this point and I am afraid is going to swamp all of our efforts.

One of the interesting things to ponder about the way in which we in a good-hearted, but I think basically naïve way, are now arming the Sunnis is that if you look at it in the context of this Sunni-Shia sectarian divide and the fault line that divides the regions, we are in effect adjusting our position.

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We came in and essentially we put the Shias in power. Some in the Bush administration intended it to be that way. Fouad Ajami hails it as a great historic move, but that is what we did, and I do not think it was really our overall intention. But having done that, we find ourselves in a situation where that plays to Iran's advantage and to the disadvantage of our erstwhile Sunni Arab allies in the Arab world, and we find ourselves regionally in a situation which is somewhat similar to what we are doing in Anbar Province. We are aligning with, lining up the Sunnis to better take on the Iranians and the anachronism in this situation is the fact that we are supporting a Shia government in Iraq, but now with our disillusionment with them, and if Ken is right, and I am sure he is, making the kind of adjustment in policies that we in effect abandon them, even though we may not be thinking it through in that way, we are adjusting ourselves to the point where we line up with the Sunnis against the Shias in this broader sectarian divide. And just to add a bit of spice to this, to the extent that the Secretary of State succeeds, and there is still a big question mark about that, in jump-starting the Israeli-Palestinian negotiating process through an international meeting that is scheduled for November, she will be helping in the process to cement a virtual alliance between the Sunni Arab world and Israel, the better to counter

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this Shia challenge that is emerging from Iran that has spread to Baghdad.

MR. PASCUAL: Let me just close out with a couple of comments. I think one of the things that you have heard which I think is going to be difficult to do in the reporting and discussion is to try to avoid to not focus on progress against individual benchmarks, and if anything, those are intended to give one a sense of dynamics, but the focus really should be whether the benchmarks suggest that the political and security developments in Iraq can be sustainable without U.S. forces, and it is that question of what is sustainable without U.S. forces that I think is absolutely critical. My personal perspective is that the answer is unequivocally no, it is not sustainable, but I think your job is going to be to ask those questions and get a sense of whether you believe it, or what you believe and why.

I think some of the key questions are going to be can, in fact, security be extended beyond current areas without U.S. forces or even asking Petraeus beyond those areas where U.S. forces are present now has there been a significant increase in security. My sense is that the answer is no, but if the answer is no, then why would anybody think that one can in fact actually extend a wider security presence if U.S. forces are not there.

An important question I think with the Sunnis is do they have any interests that extend beyond standing together for right now with the United States against Al-Qaeda in Iraq because that is a common enemy. But what do Petraeus and Crocker feel the perspective is of the Sunni militias who have been willing to cooperate for now toward the Iraqi government and is there a prospect for eventually moving toward some cooperation or, as some others have said, are we simply renting Sunnis for the current period and arming them and in fact repeating the Mujahaden story from Afghanistan from the 1980s.

With the Shia, what are the prospects there that one might see? I think an obvious question is, is the picture that we have seen in Basra after the withdrawal of the British troops the kind of picture that we might end up seeing in the future? On the ground what is the capacity of Iraqi forces to maintain security? The Iraqi military forces can conduct operations, but in pretty much any country in the world, ongoing security is dependent on the police and given that we have heard from everybody that the police are totally inept ranging from tear it apart and start again to massively fix it, what can be expected from that perspective?

Then I think the biggest question is on the political side. As many of you have heard me say, if there is one thing that we

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have learned from historical experience on conflict is that military strategy needs to be combined with political strategy to eventually get a political agreement that becomes the foundation for peace. Military force can be something that influences the incentives for agreement, it can help create the space to implement an agreement, but until you have that agreement that is the centerpiece, you do not usually get something which is viable for the resolution of a conflict. In effect, the American political strategy in Iraq has been to turn to a failed state and say to you, a failed state that is at war with itself, with sectarian groups who have infiltrated the government, the parliament, and the security forces, fix in a rational process all of the things that are the matter with your country through a sequential process of passing legislation. If one were to judge from history, is that going to happen? The answer is, no, it is not going to happen. It is not going to happen if you give them 6 months or a year. It raises in my mind a baffling question which was raised even further by Zalmay Khalilzad's op-ed in the "New York Times" at the beginning of August of the importance of the U.N. and the role that it could play in brokering a political agreement, and why is it that this just gets no traction with this administration, why is it that there is no serious effort to actually try to achieve that.

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But in my mind, the fundamental core issue that this has to come back to is if history has taught us that at some point you need a brokered political agreement as part of a process of settling these kinds of civil wars and conflicts, then what are the prospects to actually get that done and can U.S. troops play a useful role if you do not actually have that.

Let me stop there from our side. As you can already tell from our discussion here, we could have a great time going back and forth among ourselves, but we will let you drive the discussion.

MR. KING: Neil King of the "Wall Street Journal." I wanted to ask a question sort of like what Peter started out with and in some sense Martin answered in his own way, and that is for all of this analysis and all of these discussions, does it matter in some sense? Are there really opinions to be changed out there among the people whose opinions count? It is funny, the two of you went off to Iraq and came back with a different view and some people applauded you whose views you reinforced, and the other people whose views you did not reinforce did the opposite. William Baird went there and came back with a different view and he has been -- as a result. It seems that Humpty Dumpty has been broken probably in most people's minds probably at least for a year, so it just makes me

wonder whether all this assessment and these analyses and report cards and whatever Petraeus is going to say next week, whether there is a debate that is geared to be shifted or whether it is really already basically set.

Mr Rodman: Say that again. People's minds are made up already?

MR. KING: All of us in this room who are reporters pay attention to over there and we care about the details over there that you all care about over there, but if you carry these conversations which I did in the last couple of days to Capitol Hills, it is a totally different vocabulary.

Mr Rodman: Who on Capitol Hill?

MR. KING: Everyone who matters. Talk to Harry Reid's staff, talk to any of the senators or congressmen, it's like 10 percent of their minds is about the policy over there and the rest is about strategies and tactics on the political front which is about next year, about their party, can they really explain -- compromising with the Republicans, whatever. It is largely political. It's not really about Iraq.

Mr Rodman: Let me venture into the political realm a little bit. The context has changed because of the new consensus, if you will, or the impression that has gained ground here partly because of my colleagues' writing. But the

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perception that the security situation has changed has in turn changed the nature of the debate. The Democrats I read are trying to find some different kind of fallback strategy and my guess is that the president's hand is strengthened by this new perception. So I think the domestic debate has been affected by that and the president deals now I think with a stronger hand. That is my expectation. I think he is in a stronger position to resist any kind of arbitrary deadline whether it is front end or back end or whatever. I do not see any reason why the Republicans need to be weak-kneed at a moment when I think the president has a stronger hand. So that is my interpretation of the domestic debate. I would not predict where it will end up, but as I say, I do not see why the president is weaker now than he was a year ago. I think on the contrary, he is stronger than he was a year or two ago.

MR. INDYK: I guess I would say it a little bit differently. I think that you are right in a different way. The people have basically up their minds and I do not think they are going to be affected by this. The people do not support maintaining a troop presence at these kinds of levels. But at the same time I do not think it is true to say that the people have decided that we should pull the plug. In fact, there is, I believe, a middle ground that has been there for some time that

the president could have moved toward and we would have avoided a lot of this partisan mudslinging that has been going on. If you look at the mainstream Democrats, they are not talking about pulling the plug either. And if you look now at the Baker-Hamilton Report which included the possibility of a surge, if the president had embraced Baker-Hamilton, he could have had bipartisan support and still done essentially what he has been doing but without this divisive debate.

And I think with Democrats recognizing that they do not have the votes to force their deadline on the administration, that it is conceivable to imagine that you could get some kind of consensus if the president were prepared to go for that. But if he is going to drive this train toward this kind of we are going to stay there and we cannot adjust and we are going to stay the course and anybody who suggests otherwise is a traitor, we are going to lose that chance again. I think that chance has come back. It was there when Baker-Hamilton came out and it is there potentially there now because I think the Democrats are more realistic. But if the president does not take advantage of it, I am afraid that we will lose it again and it will divide along partisan lines again as we get closer to the elections and then eventually we will get to the point where Peter said let's pull the plug.

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MR. PASCUAL: We'll take just take one more from Ken on this.

Mr Pollack: I want to build on some of the points that Martin made. In my mind, this is important because it really is about the next president. As Martin has pointed out, we know where this president is, I guess as Peter pointed out, and as Martin has pointed out, I think we know where this Congress is and I think that gives us a pretty clear sense of what the next 16 months look like. I think the real question mark is what the next president decides to do, and I think that Martin characterized where the public is, and that actually gives the next president quite a bit of leeway to come up with different alternatives.

The way that I think about Iraq is the following, and this is an oversimplification, but for purposes of just highlighting the cases, I'll do it this way. Some of you have heard me say a U.S. officer in Iraq once made the point to me that the problem in Iraq is we can't stay, we can't leave, and we can't fail. The problem with leaving is the risks. We don't know what will happen. We have every expectation and I think Beth and Martin both alluded to this, that there will be a bloodbath in the country, that will be horrific, but there is also the potential for real strategic repercussions in the region and those

repercussions really matter. We cannot guarantee it, we cannot prove it, but there is enough history to say that this is a real risk we run. The problem with staying is the costs. Every day that we are in Iraq we pay a price, a price in lives lost, a price in money spent, and a price in political capital squandered, and that is the choice that the next president is going to have to make, do I want to keep absorbing the costs to guard against the risks, or am I willing to run the risks to eliminate the costs. I think that why this debate over is the surge, and I hate to use the word working, but is it making progress, is important is because if it weren't, if it were clear that it was failing, that choice would be easy. If there was no choice of avoiding the risks, you've just got to bear them and there is no reason to pay the price, there is no reason to pay those costs, and you should just get out.

The problem with the progress that we have made so far is that it makes the Iraq problem much more complicated. It is going to force the next president to make that Hobson's Choice between clear costs that are very painful but perhaps not crippling, and very unclear risks which could be minor or they could be catastrophic, and I am just really glad that I am not going to be that next president.

MR. PASCUAL: Howard?

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QUESTION: We are going to be talking a little bit more about the political benchmarks -- Peter was talking about Senator Warner having things backwards when he talks about -- pressure on the Iraqi politicians. That was sort of the reasoning for the benchmarks in the first place back in January. I have heard some people recently including senators saying that made sense then, but it is a recipe for defeat. What do you do about the political benchmarks now that you have this dysfunctional government? Do you just forget them, but there they are? Or is there some way they will be useful?

Mr Rodman: I'll start. The point I made was that threatening American withdrawal may be a counterproductive way to use leverage. I see no alternative to continuing to press them for the things we have been pressing them for at the national level, some degree of political accommodation whether it is on the oil law or de-Baathification or all the things that we know. I think we have to push for that. I think one of the interesting signs recently is the things that are happening at the regional level that may be looked at in a certain way and may be a different approach to political accommodation, maybe a bottom-up approach may make sense, or there may be political accommodation occurring in ways that we did not predict. I think we have to press this government.

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QUESTION: But if they're dysfunctional.

Mr Pollack: Let me say a word about that. I am nervous about the Americans getting into the game of manipulating or trying to change the Iraqi government. We all know as an abstract theory, in any parliamentary you can system one could visualize a different majority, a different coalition, and a different prime minister, but I think it is a big mistake for the Americans to be seen trying to engineer this just as a matter of general principle, and I think we were a little too heavy-handed the last time around in squeezing Jaafari out. The bad news was it took 5 months and during that vacuum the Samarra bombing took place and I think the impact of Samarra was much more devastating politically precisely because there was no government in place. So that is not a good model.

Comment [e1]: Didn't know if this was what was meant to be written, Joffry just sounded out of place

The Iraqis themselves have to come to the conclusion that maybe a better majority, a better prime minister, may be necessary. And you have the Sistani problem. I think Sistani laid down the cardinal principle that the Shia have to stay united, so I assume that the Allawi option if true that that involves splitting the Shia and you run up against Ayatollah Sistani, I think without the ayatollah we are out of business in Iraq as he is the center of gravity of the moderate Shia. So the Iraqi politics of this are complicated and I am not sure how

you get from here to there even if in the abstract we could all visualize a better prime minister. And I think the president, that is the basis for the decision he made on early on, is that we just cannot be in that business whatever we may think about Maliki. So that is a dilemma and I do not know the way out of it.

MR. PASCUAL: Suzanne, do you want to comment, and then I will steal the mike back from you?

MS. MALONEY: Again I echo both Peter and Ken on this. I think the idea of tinkering with the coalition and trying to find the new person on a white horse to ride in and save the Iraqi government is a doomed one because ultimately, as Ken said, this is not an individualized problem, it is a structural problem, it is a systemic problem, and it is a sectarian one, and so an individual is not going to resolve the political stalemate that you have in Baghdad.

In terms of what you do about the benchmarks, as someone who started off by criticizing them, I think that they are useful metrics. I think these were issues obviously very high on the U.S. government agenda even before the Congress laid out these benchmarks and so they are ones that give us some barometer of understanding where and how the Iraqi government is capable of making progress. But I think we have to avoid using

them as a sort of be and all and end all zero-sum gain for the nature of politics in Iraq because specifically on the oil question, I think it is impossible to get at a functional set of laws, and there are four laws that ultimately need to be passed by the parliament to meet this benchmark until and unless you have the kind of underlying political compromise and at least ability to engage on the issues in a serious way that would make those laws sustainable. So you can hammer through conceivably or the right person could hammer through some sort of legal framework for the Iraqi oil sector, but it is not going to provide you what you need and it is ultimately going to be probably more divisive in the long-term for Iraq. So you need to find some way to maintain that process to continue what has been a very I think preliminary conversation on a national basis on issues like oil but find a way to make progress to undertake the sorts of things that you need to be doing, and for Iraq that means really development contracts, service contracts, that enable its already producing fields to be developed and for its oil production to increase over time. That ultimately is what Iraq needs and part of that is a legal question, but it may involve the involvement of external actors and that is where you get into some of the things that Carlos has talked about. There are models that other states have looked at particularly the

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Chad-Cameroon Pipeline, that involved the World Bank and one could apply those. I think there was a lot of resistance, there would be a lot of resistance from the Iraqis in looking at those sorts of models, but if the alternative is simply no law and no possibility for a serious reengagement of the oil sector, then that may be a medium-term solution that might be viable.

So I think we need to be looking at these benchmarks as issue areas that the U.S. government and the Iraqis need to continue to focus on but they may involved individualized solutions and of compromise to really make any sort of progress on them.

MR. PASCUAL: If I could just add, I think Suzanne used exactly the right word, metrics. Metrics help you understand whether or not you are starting to get at some of the critical things that are important to come up with a solution. There are many, many complicated issues, but there are at least five core issues that are interrelated. One is the question of federal/regional relations and how big the center is. The second one is the question of oil revenues and its distribution. You cannot deal with the first one unless you deal with the second one. The Sunnis will not accept any kind of outcome on federal/regional relations until they have some assurance that

they are going to get some reasonable share of the country's oil revenues.

A related point to that is how to deal with the question of de-Baathification or redressing the de-Baathification question because even if you have a tiny federal government, as Suzanne said, that federal government is still going to be fundamentally responsible for the administration of a national budget and the division of oil revenues.

Then there is the question of militias and what do you do with them because if you do not find a way to actually neutralize those militias, fold them in to normal security services, begin to disarm them, demobilize them, and reintegrate them as has been the case in other parts of the world, you essentially have a ready-made group that is immediately ready to jump in and destabilize any kind of outcome that gets negotiated if they feel like they are unhappy, and no group is going to start to go through a process of DDR until they have had some satisfaction on the other questions.

And finally there is the question of minority rights because as Mike has pointed out even in his paper on soft partition, there are still on the order of 5 million people who are in the "wrong area." So if you do not have legal protections for those individuals, they basically are sort of

slaughter victims. So if you cannot work a deal across these issues, I think it is virtually impossible to expect that you are going to get any single one resolved on its own and it is the reason that I keep coming back to the point that there needs to be some form of a brokered agreement as we have seen in other parts of the world where you have an opportunity to make tradeoffs across issues.

I completely agree with everybody who said that the U.S. government should not replace the government with another government. If you did, you would still end up with the same set of five issues that they would be confronting tomorrow. The question is, can there be a political process to in fact actually start to make these tradeoffs? That is where I have argued that the U.N. needs to be able to play this role, not a business-as-usual U.N., but at a very senior, extraordinary level with the kind of person that I thought of that I think would be the right type of person to run a process, somebody like Bernard Kouchner. Imagine him betting 6 months' leave from the French government, a French not seen as a stooge of the American government. He did Kosovo, the whole MSF experience, understands the humanitarian issues, is known as being a really tough guy, and that is the kind of individual who one might be able to see get some traction on this. It may fail, but that is

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what I think it is going to take to actually turn these benchmarks into something which is more useful as a way to in fact actually broker across these issues and try to come up with some sort of settlement. Then you would get into a different kind of conversation on the use of force where you are trying to use your forces as a way to create the environment to implement the settlement, not something which is just brokering time until you can actually get something in place.

MR. INDYK: May I just add one coda to that, which is I think Carlos's design makes a lot of sense and clearly is in my view the way to go from a Washington perspective. But if I look at the situation on the ground, what is missing and what means that it is likely to fail is the exhaustion factor. The exhaustion factor does not exist and until the sides exhaust themselves from what is in effect sectarian warfare, they are not going to be amenable to the kind of broad comprehensive fix that American policy can devise in its best way, and I do not see a way of overcoming that. It is just I guess a difference between a Washington perspective that imagines that we can through intelligence and the right application and combination of diplomacy and force and multilateralism through the United Nations orchestrate this to a point where we can actually get a positive outcome, and a regional approach which says until these

guys decide that they are ready for this, none of this is going to work, that we can come up with the best designed solution and they are not going to go for it, and we see it in the Israeli-Palestinian arena as well, and the only point at which they will go for it is when they have come to understand that they cannot achieve their objectives by the means that they are using now and I do not see that they are there and I do not see that they are going to be there for 10 years.

MR. PASCUAL: Just to be clear, I think the prospects of this working are extraordinarily low for the reasons that Martin actually said. But the flip side of this is, what is the risk in trying? In fact, I think you actually get positive benefits from trying, you get them internationally, you still have the issue of dealing with the containment of the conflict and perhaps this might actually get you some friends who can work with you on the containment. And ironically, it potentially provides a rallying point domestically where people can look to something and say this is an alternative, we will try this, but in fact if we do not do this, we can have a consensus that there is a genuine political effort to try to achieve it and on the basis of this we can say that maintaining the same kind of a troop presence does not make sense and it potentially provides a transition to rally people around a more cohesive perspective on

why there needs to be an increased withdrawal of troops. I share the skepticism, but I think there are still reasons to actually give it a shot.

QUESTION: If you do not change the government, how do you get by in the meantime with a government that does not function? You have problems with displaced people, you have factional violence increasing, you have no money flowing to areas that are not controlled by the Shia, and doesn't that continue to drag down the whole enterprise?

Mr Pollack: I think it is an important question, Jim, and it allows me to actually slightly disagree with both Martin and Carlos, because I agree with them ultimately about the need for this to happen, but I think you are right in focusing on the issues of sequencing and how these things have to happen and I think one of the mistakes that we have been making is assuming that all the stuff at the top level needs to happen immediately when historically the top-level reconciliation often does lag behind the stuff at the bottom up and in fact it is the bottom up that makes possible the top down.

Actually, Martin contradicted himself in his second point which is really the right one which is it is not so much the exhaustion because the exhaustion is there. The people are the ones who are exhausted and they get exhausted within months of

conflict breaking out. The problem is that the leaders never get exhausted, and the question is really Martin's second point which is do at some point the leaders recognize that the strategy of continued conflict is no longer getting them the result that they want. That is why in Lebanon the conflict drags on long after the Lebanese people were exhausted, and that is the same thing in Northern Ireland, in every single conflict. Even in Iraq. The Iraqis are already exhausted. If it were up to them, they would have stopped this before it even started. The problem is with the top-level leadership.

You are right to focus on the question of what can you do in the meantime before you get them to that point. The nice thing with what can you do to change their incentive structure to get them to that point. And that is why I was focusing on and I have been focusing on this question of decentralization. The problems that you get into with decentralization, there are my problems and there are Beth's. Let me deal with both of them.

My problems are the Iraq problems, the problems with Iraq itself and, again, these questions of the Iraqi people, the people who are in place, what is going to happen with them dealing with security, dealing with their own economic needs, and there it is about local solutions, about providing security

by U.S. and Iraqi forces, by standing up local Iraqi security organizations, these Iraqi provincial volunteers that are getting talked about, dealing with the police in some way, restructuring it. But what you are seeing a lot of in Iraq is American military and Iraqi military leaders saying the national police are not going to be the answer to this problem for years so let's create our own police. Let's stand up Iraqi police units or let's stand up these Iraqi provincial volunteers to get them to do the job, and then can you create these local-level solutions which simply buy time. It is a point that Suzanne made. Decentralization is not an ultimate solution for Iraq, but it can buy you time to deal with the problems at the top and it also does put pressure on them. Think about someone like Ian Paisley in Northern Ireland. Ian Paisley never wanted to make peace. The problem was his people changed on him. When the British changed their security strategy and then when they began an economic development plan, all of a sudden popular incentives moved in a very different set of directions and he was basically forced to sit down with his worst enemies and to accept things that he never would have beforehand, and the question is can you do that in Iraq.

But then there are also Beth's problems which she is absolutely right about which I have also tried to publicize,

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that there are problems that are out there that are beyond the capacity of local-level Americans and Iraqis to deal with, and I agree with Beth absolutely that the only answer to that is the international community. That is why like Carlos I have been constantly carping on the need for a much greater involvement by the United Nations and by all of the international NGOs which they can mobilize to deal with problems like this that the United States and the government of Iraq simply cannot. You have got to do both.

SPEAKER: Something like -- receivership?

Mr Pollack: I don't know if you would call it a receivership, but I would like to see us appoint a U.N. authorized high commissioner exactly as Carlos is suggesting. I would like to give that person a much greater role in political reconciliation as Carlos pointed out to start the process. I think we are a long way from having guys that can do it, but it is the same thing with Northern Ireland. You had a process that began long before the guys were actually willing to make the compromises necessary and it was in part because of that process, but also in part because of these changed incentives that I just talked to you about that finally got them to the Good Friday Accords. Beyond that, I think you have got to have a much larger UNAMI mission with much more funding and far more

personnel and a much greater ability to call on the international NGOs to start doing all of the things that we and the Iraqis cannot.

Mr O'Hanlon: May I add two quick points very briefly in regard to two of the things you raised, Jim? Resource flows to the regions are beginning to increase substantially. I do not have comprehensive data on this, but we have all seen the recent discussion about al-Maliki giving \$100 million to Al Anbar, but there has also been progress, and Ken and I were told a fair amount, from a number of people up north in Nineveh about resources flows increasing quite a bit from Baghdad to the province. I do not have systematic data across the country, but we heard a fair amount about that and it does appear to be generalizing at one level.

And I can't help but make this point, I share Elizabeth's humanitarian concern about the internally displaced, but maybe this is one of the very few situations in Iraq where I could find a way to see good news regardless of whether the data is going up or down. If the number of IDPs were going down, you would say we are being successful in helping people stay where they are. If it is going up but fatalities are going down which appears to be the case, you could say we have the potential makings of a de facto soft partition that is the only real

plausible ultimate stable outcome. So I hate to say that creation of IDPs is a good thing, and obviously it raises huge questions about taking care of them, but there is the potential here that development in and of itself really in the end could help us figure out some kind of a stable -- we are going to have to build new housing for displaced people, we are going to have to make sure the Sunnis get well taken care of because they are the ones I think being displaced more especially from Baghdad, but I am not sure that is all bad news.

Ms Ferris: Another positive aspect is that people are able to move. I have been predicting for some time that the numbers would go down, that because of the security situation people would be afraid to leave their neighborhoods, so you take silver linings where you can find them.

On the question of the role of the Iraqi government, what we see on the humanitarian side is that the distribution of food assistance is very poor. About 47 percent of IDPs have access to the system. It is not working very well. And into that humanitarian void we see more and more militias moving in to develop social support networks. You only have to look at Hamas and Hizballah to see that the role of the provision of social services with an unstable government can play for long-term political futures. International NGOs are very active inside

Iraq. There are about 80 of them working in Iraq, almost all with local partners, all with local staff. And another silver lining is that those Iraqis who are performing tremendously under terrible conditions are developing capacity. They are learning how to run projects, administer budgets and reports and carry out social-service deliveries which perhaps at some point in the future could be the nucleus of a better trained and capable administration.

MR. PASCUAL: Warren, you had wanted to jump in before.

QUESTION: Petraeus is obviously going to be the man of the moment (inaudible) counterinsurgency expert in the U.S. military. Is he a guy who calls it as he sees it or does he have his reputation sort of wrapped up in this thing (inaudible)

Mr O'Hanlon: I'm happy to say a couple of words on that. I'm biased because I've known him for a long time, but let me say this. I think there is only one potential flaw, not flaw, but one potential characteristic of Petraeus that could lean him one way which is of course we have given him the job, as a country, of winning this thing and so his job is to find ways to build on the good trends and overcome the bad trends in that process. So if there is any one systematic inclination in his thinking, it is because he is a can-do soldier. Therefore, I think it is important that other people be in this debate. I

would never want to say Dave Petraeus or even Ryan Crocker should be the only guys we hear from, and are the only guys who have wisdom on Iraq. On the other hand, they are probably the first two I would want to hear from because they know the situation better than anyone else and they are about as good as we've got in any of our institutions of government. So I am confident that his integrity is extremely high, that he is never going to say something he doesn't believe, he is never going to spin in a deliberate fashion.

The only caveat or reservation is that since we have given him the job of trying to win this war, he is going to try to win this war and he isn't necessarily going to be the most neutral person looking from the outside to evaluate how well he is doing. And that is why questioning and pushing back and forth is appropriate, and I look forward to it myself.

QUESTION: Just to follow-up, you started out by criticizing the report. Could you be more specific? Did they use the wrong data? Did they use the wrong (inaudible)

Mr O'Hanlon: Yes, and Petraeus just wrote a letter to his troops this week in which he said that attacks per day have not been this low since June 2006 which on the one hand is bad news because they are still very high, on the other hand, it seems a

pretty strong statement that we are at a substantially lower point than we were. So I am little confused by the GAO graphic.

The main point of what I think GAO did and of course I hesitate, I respect GAO a lot and I am sure there is a fair amount of good work within that report, but what I worry that what it might have done is to say there are a number of agencies producing information in different ways, the categories have not been clearly established, even within a given agency there is imprecision in the data or people recalculate the numbers because they know that they have messy input and so they try to go back and rework the data, and so there is not a consistency here across the government and therefore we are not convinced that anything is well documented and therefore we are going to essentially avoid making any conclusions whatsoever, and it is that last step in their logic that I really do not like.

MR. PASCUAL: Just on the data, one useful perspective I think is looking at this from the perspective of deaths, because what is sectarian, what is not sectarian, what is criminal, what is not criminal, it is just impossible to find. There I find the data that Mike collects in the Iraq Index useful because it basically says that toward the end of last year what we were seeing was on the order of about 3,500 deaths a month and that what we are looking at right now, it had dipped down to an

estimated 2,500 and picked up again to 2,800. So if you get this major troop surge and within a limited area of the country where you have your troop surge you get some improvement which results in something which might be on the order of about a 30-percent improvement, how big is it, how important is it, is it sustainable, and that is why I keep coming back to those questions, is this really big enough and reasonable enough to actually be able to sustain, and is it bad enough that in fact you've got a real problem here that you should be worried about.

On Petraeus, he is a tremendous general and a tremendous leader and he came here and gave a presentation at Brookings, actually it might even be a year to the day, right before he was named as the commander in Iraq when he was still heading up counterinsurgency operations in the U.S. Army and was at Fort Leavenworth in Kansas. His whole focus in that presentation was how do you deal with the counterinsurgency. One of the things that he laid out in his strategy was that the military can only be a fraction of the solution. He said here is what I would do as a military officer in leading some form of a counterinsurgency operation, but it will not succeed if you do not have a whole series of political interventions that help you get a political agreement, that allows you to achieve economic

growth, allows you to improve social services and in fact get at the hearts and minds of the people.

I think a useful question to ask him is from his own perspective since he has been the leader in the U.S. military on addressing these kinds of issues, how likely is it to be able to get a political agreement under the current strategy, how important is it, how much can be done without that kind of political agreement in place. There are things that they might be able to do locally, but how far does this extend, what is the balance between, as Ken is saying, this decentralization approach that might give you some leeway in a certain area, but is that something that is enough space to in fact give you confidence to be able to extend it to a wider scenario for the whole country.

QUESTION: We are having this discussion now in large part because it's to be a point of reappraisal or potential fulcrum for American decision, I wonder if each of you could identify the things that you think are within either the administration's or the Congress's or perhaps the two together's power to do, the single best thing from each of your perspectives that would increase the likelihood of success.

Mr O'Hanlon: I'm afraid that I play on my strength or my specialty here at Brookings and talk about the military, and as

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much as I hate the thought, I think we've got to make the Army and Marine Corps bigger to be able potentially to sustain a big mission for a while. I am not sure if the current strategy even though it has a nominal ceiling of a much larger Army is going to get there in the current recruiting environment, so I think we have to stretch our brains about how to make the Army and Marine Corps bigger. Other people are probably better on the panel about specifics about on the ground in Iraq, so I will leave that to them.

Mr Rodman: I'm sorry, I cannot give you the answer you are looking for. I cannot just give you one thing. That is the problem with Iraq. It is too complicated. It is too hard. There are too many problems. I have thrown out a bunch of different things that I think need to happen. I think that we do need to press the Iraqi government and start to push for early elections at the provincial and national levels to deal with this. I think that we do need to decentralize and push the Iraqis to decentralize. I think that we have to make a much bigger effort to involve the U.N. and the international community. For me, those are just starting to scratch the surface.

The one thing that I can say is to go back to my answer to Neil which is that I think at the end of the day we pretty much

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know where this Congress and where this president are and I think that they are going to keep doing what they are planning to do. So for me, the big questions are really what is the next president going to do, and I honestly do not really know at this point in time, but if we are in the same situation, that is the kind of advice that I would be giving him or her.

MR. PASCUAL: Ken's point is to be taken to heart, that there is no magic bullet that is going to fix everything. If I were to place a priority on anything you know what I would which is that the U.S. should begin to engage the U.N. and a few key international partners and start developing a strategy on whether the U.N. can appoint a special mission to begin a process of testing whether there is a possibility for a brokered political settlement. And based on beginning a process of discussion and negotiation whether there is the basis to try to call for some form of a Dayton-like forum in which to broker an agreement among the parties. As Martin rightly pointed out, the prospects for that succeeding are not high, but if there is one thing that has not been tried to date is a focused political and diplomatic effort to try to broker some sort of settlement among the parties, and given how much is at stake, I think it is probably worth giving it a shot.

MR. INDYK: Consistent with my Humpty Dumpty approach, I think we need to have a fundamental shift from a strategy of attempting to win here because we cannot win, to a strategy of containment and trying to contain the implosion and trying to get a bipartisan support of that strategy which means maintaining troops there but at a much lower level and making clear that we do not intend to stay over the long-term. Everything else that has been suggested here, I think, I am not certain of Mike's approach, would be to send the opposite signal and I think that in itself would just worsen our dilemma.

SPEAKER: I just remembered a good book published by the Saban Center on containment.

SPEAKER: I would disagree with Martin. I would say in a nutshell, first, do no harm. I earnestly hope that the Congress would refrain from setting artificial deadlines or tying the president's hands or restriction his freedom of action in any way which would undercut the perception of our staying power because I think the perception of our staying power is one of the most important ingredients of success in Iraq or the possibility of success in Iraq. As I said before, anything that subtracts from our -- I will put it positively, I think confidence in our staying power is a precondition for having any kind of political leverage there for any of the things we want

to exert our influence for. So I think anything that shows we are looking for the exits or heading for the exits I think makes things harder.

Ms Maloney: It is hard to add a lot of wisdom to the litany of people who have gone before me, but I will just add another note on the regional perspective, which is to say that I think the one thing that the administration can and to some extent needs to do more of is have a serious and frank conversation with the key regional actors. Obviously, the dialogue with Iran has got underway this summer, it is very uncertain what the administration's commitment is to having a serious and sustained conversation with the Iranians, obviously it is very uncertain to what extent the Iranians are going to cooperate in any serious fashion as well, but there will be no stable Iraq if the Iranians do not see clear to playing a constructive role there and they will not be subdued by the U.S. administration to playing that role, they have to be negotiated into playing that role.

The other piece is the Saudis. We have been spending I think now 3 to 4 years going to them asking for the same two or three things, debt relief and an embassy, et cetera. They have made tiny baby steps, but I think what the administration needs to do at this stage is go to the Saudis and have a frank

discussion about under what circumstances would Riyadh support this government, what are the steps that need to be taken, what clearly will they do in exchange for clear steps from Baghdad, and how can we find a way to avoid the Saudis looking to subvert the Maliki government.

SPEAKER: And I would say planning. I think one of the failures of the war that we have seen is the lack of contingency planning and thinking longer-term. I would hope that Congress would press the government to develop plans for the next 3 to 5 years that are not necessarily based on the assumption that security will improve.

MR. PASCUAL: Peter?

SPEAKER: No, I just have a question if answers to Suzanne's question are finished, and that has to do with this question of staying power. I am wondering why, and I am probably missing something here, but why any Iraqi would have any confidence at all in the United States staying power in Iraq given the dimensions of the humanitarian crisis, the promises for massive infrastructure improvement, the shift from supporting the Shia to supporting the Sunni, to why on earth would any Iraqi have any confidence that the United States could keep a commitment?

Mr Rodman: The issue is security. Security is the precondition for everything else and we are seeing that one of the factors that has contributed to this improvement in the security situation is Iraqis trusting us, that when we come in and clear a place and drive out the enemy, we don't just walk away, and so they are more willing to commit to work with us and take risks which is what we are asking all of them to do.

Our domestic debate, and this is a free country and we have a domestic debate, that is what we always do, but that I think is unnerving to them. Maybe you're right.

SPEAKER: Hasn't the train left the station?

Mr Rodman: I don't know. I think the president, particularly in view of the perception that things have improved somewhat on the security side, has regained a lot of freedom of action for the next year and a half which I think is a stabilizing factor in Iraq. Now we all know the calendar and that the administration will be over soon and nobody can predict the next administration and a lot will depend on how our debate proceeds through next year, whether the nominees as they emerge converge on some kind of moderate way of looking at this and to try to discourage the idea that we are going to bug out on January 21st. But again, a lot depends on how our leadership

conducts this debate because the Iraqis are going to be watching it.

You are absolutely right that the reasons for doubt are pretty obvious and I think the surge, in fact one of the purposes of the president's approach in January, was precisely to try to counter and dampen all of these unnerving developments. I think Baker-Hamilton was destabilizing. Baker-Hamilton was a brilliant effort at reconciling all the warring factions in Washington. Its effect in Iraq I think was negative because it was an elegant formula for withdrawal. It had set dates for beginning of a withdrawal, that is how people read it. And again, there was a national consensus here, but whether it was the right approach for Iraq was a separate question. You are right, the reasons for doubt of our staying power are pretty obvious, but I think the president has tried very hard to counter that defect and the success, however you want to qualify it, the improvement in the situation, I think helps him do that for at least another year and a half.

Mr Pollack: Peter, the question that you asked was why would any Iraqi believe that we are going to stay?

SPEAKER: Yes.

Mr Pollack: The way that I would answer it is I don't know why, to tell you the truth. If I were an Iraqi, I would not,

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and the fact of the matter is that a great many Iraqis have made the decision that we are not. But what is kind of stunning is that some, actually a pretty fair number, seem to think that we will, and Peter is not wrong, he is actually right, to me it is kind of a surprising number of Iraqis who do continue to trust us.

SPEAKER: They don't read the papers.

Mr Pollack: Apparently. Again it is very hard to explain. In my conversations with Iraqis, it is clear in some cases that they just want to believe it because the alternative is so horrific for them. So you do get people who are cooperating with us despite the fact that we have gone through their village three or four times, each time in the past we have promised to stay, we did not do so, we left, and the previous people who cooperated got killed by al-Qaeda or JAM (?) or whomever the previous time, but yet they still keep coming out, and that is one of the only reasons that we are having improvement or having some progress in these different places.

But again, let's keep in mind that a great many Iraqis have made the decision and that is why we have the problems that we do. And in particular, in the parts of the country where we are not, particularly the south, they have wholly gone over to the various militias. Look at Basra. It is an absolute mess

because the people in Basra made the decision long ago that the Brits simply were not there in enough strength to make that place work and they had to cut deals with the different militias just to stay alive, and that is part of what the surge is up against. It's part of why I don't think anyone should assume that regardless of the fact that we have made progress that this thing is done and we are just on a trajectory, it is just a matter of time, no way. We are making progress in some important areas and it could fall apart tomorrow.

Mr LaFranchi: If I could just interject, this question of what Iraqis think we are going to do. I have been going to Iraq since 2003 and what I have always heard since then is they think that we want oil and if things aren't working there have got to be reasons because the Americans can do anything and so if it's such a mess it's by design. So that's part of it. I don't know, I just think it's important to put that out -- just an issue of Iraqis saying (inaudible) but there are also these other fears.

Mr Rodman: All of the above.

MR. PASCUAL: Just for perspective, too, I think there is also a credible argument in fact indicating that we are going to withdraw, for example, if there were a credible political process that Iraqis could participate in in brokering an

agreement. I think there is a credible argument to be made that in that context saying very clearly that if Iraqis are not willing to participate in good faith that it will lead to a withdrawal of American troops and that that could actually increase leverage. There are some who will argue that the Shia perspective was that if the American troops were there and in fact trying to maintain some control around the Sunnis for a long period of time, good, let them do it and let them keep at it. And there is a different perspective among some who believe now that from a Sunni perspective, if the American troops are there and cutting deals with them and arming them, and it might serve an immediate purpose against Al-Qaeda in Iraq, but if we are going to have it out later on with the Shia, then they are pretty happy to have the Americans there and that is a useful sort of injection for them. So the dynamics here I think are extraordinarily complicated and obviously we do not have the same point of view all around, but I think some would argue I think credibly at this point to say that simply saying that we are going to stay is no longer -- if you can say that you are going to stay for the next 10 to 15 years and provide this infinite kind of horizon, then that might create one environment, but if there is a general knowledge, whether it is 6 months or a year or a year and a half, if you cannot combine

that with something credible that addresses the fundamental conflicting issues among the parties, the views of the parties quite reasonably might be we will let them stay and get whatever we can out of it during this period of time and then we go for it.

QUESTION: I'm going to put the Brookings brain trust out on a limb, and this wouldn't take more than a minute to answer, for all of you to say what you think the troop level will be when the next president comes into office.

Mr O'Hanlon: 110,000.

Mr Pollack: Somewhere in the same ballpark, between 100,000 and 130,000.

QUESTION: Could any of you elaborate on Nick's suggestion by describing what you think would be a plausible containment strategy if that is indeed what the next president chooses to do?

MR. PASCUAL: Let me start with Ken since he wrote a book on it.

Mr Pollack: And I would commend the book to you, it's called "Things Fall Apart," Dan Byman and I tried to do exactly that, to lay it out. I will give you our version. What we looked at was historically what kinds of things have other countries tried, what might work in the context of Iraq, and we

ranged different suggestions, 13 or 14 different suggestions, of things that we would do. The problem is that they range from the easy but ineffective to the effective but incredibly hard. Again part of the problem of Iraq, part of the problem with any of these alternatives, they all suck, and if this does not work out, I think containment will be our least bad option, but that is all it is.

What we looked at were things like how do you bolster the neighboring states, because historically one of the things that has allowed other countries to withstand nearby civil wars is a sense of development, a sense of progress, growing socioeconomic indicators and that kind of stuff around the region. So we talked about both aiding reform in these countries and also providing aid levels. A big part of it is just psychology, trying to convince them not to intervene. It goes back to some of the points that Suzanne was making about these conversations that we need to have with the Saudis. And while I am skeptical that the wall that they are planning to build is really going to do it, I don't mind it if that is going to make them feel more secure and feel less likely to intervene.

Part of it is just not doing certain things. In particular, it is kind of recognizing that if at some point in time this is an all-out civil war that our ability to influence

things is really over and we need to stay to heck out and that trying to pick a winner or back this side or the other will probably just make the situation much worse.

But to kind of build up to both much more difficult, but if they work, potentially much more effective things, like laying down red lines to the Iranians and making very clear to them what will and will not be acceptable to us in terms of their monkeying around in Iraq. And at the kind of extreme level we talk about a military redeployment which would pull American troops out of the center of the country and basically half the level of the troops but leave them deployed along Iraq's periphery, basically to enable you to deal with refugees and to house and feed and care of and protect them in country so that they have not crossed borders and you do not get into that problem. You don't prevent them from doing so, it's illegal to do so, you simply make it palatable for them to do so. As Elizabeth points out, most of the refugees so far are going and living among the communities. If you get a massive refugee flow, that is probably not going to be possible. So the question becomes where do the refugee camps get built, in Saudi Arabia, in Jordan or Syria, or on the Iraqi side of the border. Simultaneously you also try to keep the terrorists, keep the militias, from moving back and forth across the borders which

historically has been one of the easiest, most direct routes between conflict or civil war in one country and intervention by another. Again, I can only scratch the surface because I want to give Martin a chance to elaborate on his own thinking about containment, but I think if you do go look at "Things Fall Apart," as I said, we spent 40 or 50 pages talking about how you might think about what a containment regime for Iraq would look like.

And just a final point, again, this is going to suck. Even if we can make it work, you will get a humanitarian catastrophe in Iraq. So don't think that this is the obvious solution which is actually what Dan and I were hoping for, that we would come up with the Goldilocks answer, when we went into it. When we were done with our research we looked at it and said wholly least bad, but still really bad.

MR. PASCUAL: I just stopped recording as a result of you saying that.

SPEAKER: So shocking.

(Laughter)

MR. INDYK: Only if he starts recording again.

MR. PASCUAL: I was just teasing.

SPEAKER: I actually marked that part of the tape.

MR. INDYK: Just a couple of more elements just to add on to what Ken had to say because I basically agree with the way he has defined the approach. A containment strategy would include a focus on going after al-Qaeda. That is part of the containment strategy. And the other part of the containment strategy is to use the forces that we would retain in the country to ameliorate the humanitarian disaster that is likely to unfold regardless of what we do, and that goes to some of the things that Beth was talking about. But we will continue to have a moral responsibility for the mess that we created and I think it is important as part of the containment strategy to try to do what we can to ameliorate the humanitarian consequences over what we have done here.

Ms Ferris: A couple of points. I think there are big problems with the idea of massive IDP camps along the border both for security reasons, humanitarian, human rights, and so forth, but we need to prevent this spillover or the perception of a spillover of a conflict within the region is essential. I think we need to engage much more with the countries in the region. I think we should talk with Syria. Starting out talking about humanitarian issues and maybe it would lead somewhere else to develop a regional strategy because of the consequences. One country closes the border, what happens, they

go to the next country. You need a regional approach to the issue.

The issue of assistance is crucial. When people have enough to eat, when they are confident that their children will get health care or go to school, they are much less likely to turn to radical political ideas or join militias and so forth. So there is a direct relationship between assistance and security.

There is also a real problem with U.S. military engagement in humanitarian work. Humanitarianism is based on the premise of neutrality, impartiality, assistance on the basis of need and nothing else. When it's the U.S. military, that whole perception changes. When it's a U.S. NGO the perception changes. The perception is that the NGO is working hand in hand with the coalition forces. I am very troubled by the U.N. resolution where it says that U.N. action inside Iraq will continue to have security provided by the coalition forces. Anytime that happens the perception is there, you are working in support of U.S. military objectives and something very vital is lost, that notion that you can assist people on the basis of need. Humanitarianism itself is really under threat not just because of what is happening in Iraq and in many other countries too. You can tell I feel passionate about this.

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MR. PASCUAL: Just two points quickly to reinforce. One is if you look at Ken's book, one of the things that is extremely difficult about the containment strategy as Ken was saying is that if you withdraw troops to the border and you've got a bloodbath in the middle, you can't do anything about that bloodbath in the middle and it is going to be bad from a humanitarian perspective, and from a political perspective it is going to be disastrous.

On the containment side on the refugees, the strategy thus far on the part of the international community has been to either try to resettle people who are refugees, and that you can do in groups of 7,000 to 10,000, but if you've got a 2.2 million person problem, you can't fix it that way. Or the other strategy has been to try to work with the countries involved, particularly Syria and Jordan, to use their social service systems to help provide for those people, and that has reached the limit, they can't take it anymore, and even if you put money into it, you can't fix it, they've just hit the limit on what they can do.

So what's going to happen is the dynamic of the refugee issue is going to change. It's going to be people who are poor who are coming in, the people who have been there are running out of resources, and so continuing the past is not a good

baseline for figuring out what the future is going to be. So there is going to be a very complicated process that needs to get negotiated of what to potentially do with a couple of million people who are going to become increasingly destitute and have been victims of violence, and right now there is no strategy. What we have seen in every other part of the world is that when you get refugee camps formed, bad things happen around refugee camps if you don't have a strategy of how to disarm people before they get in and how to maintain security around them. None of that has been worked through right now and it just hasn't hit the political consciousness of senior people in the administration. We had a roundtable with one senior person in the administration and he said, "I didn't even understand that this dynamic was changing," just to give you a sense.

QUESTION: Let me ask if you could all flesh out some of the long-term implications of the arming of the Sunnis in Al Anbar. That is a key part of the strategy of the surge working apparently. Mr. Rodman, you seemed somewhat sanguine about it, Mr. Indyk, you did not, in terms of the what kinds of strategy should we -- Carlos, you talked about is this going to be a Mujahaden kind of syndrome. But doesn't this have a long-term impact potentially to fracture the country more if this spreads

and the Shia government doesn't adopt what's going on
(inaudible)

Mr Pascual: Mike and Ken, do you want to address that?
You've answered it in other events we had. Let Ken.

Mr Pollack: First just a point of information, we are not
actually arming the Sunnis. As the military has made great
pains to point out, they've got more weapons than they need.
The problem is not giving them more weaponry. In many cases
it's providing them with funding, it's providing them with
communications, it's other things. But you are certainly right
in the point that you were getting at, Tony, if we are
empowering them if you want to use the term.

I look at it this way. Martin and I have had this
conversation many times before and I think his analogy is
premature but not necessarily wrong, the Humpty Dumpty point. I
don't think that we are going to get Switzerland in Iraq, not
anytime soon, perhaps not even in my lifetime. So when I think
about what Mike and I call sustainable stability, I am not
thinking about some beautiful Iraqi democracy where all these
pieces of Iraq are well integrated and you get a parliament like
the Swiss Parliament where all the different cantons work
together and something like that. Again, I think that the best
you're going to get is a very decentralized Iraq. Suzanne was

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right to point to oil, and there are a few other things which the central government must deal with, but I think the only effective Iraqi government is going to be one that really is limited to dealing with those things, and the locales, whether they are regions or provinces or just towns and neighborhoods, are going to be dealing with most of that stuff.

What that means for me is that in that sense the empowering of the Sunni sheikhs is not terribly troublesome because at the end of the day I don't think you're going to have a fully integrated Iraq. Where it is potentially troublesome, but then again it also can be a source of leverage, is the second point that you made which is that it frightens the Shia. And as I said, on the one hand that's problematic because it does frighten them and it leads them to take things in certain directions, another way is it does create a source of leverage where we can go to them and say you don't like what's going on with the Sunnis, fine, we have a serious of ways to deal with that. Come to the table. Start this process. Let's talk as part of this process about a general process of disarmament or limitations on militias or restrictions on what all these different militias mean. But let's face facts, you guys have militias, the Sunnis have militias, everybody's got militias, you can either fight about it or we can negotiate about it.

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Which path do you want to take, the path of civil war, or the path of negotiation. And as Martin has pointed out right now their answer is let's fight about it. The question for us is can we get them to the point of let's negotiate about it.

So I am not terribly troubled, in fact, I see all kinds of benefits from it, because it has transformed what's going on in Anbar and it has the potential to transform what's going on in Salahuddin and Diyala, and that would be extremely important for us going back to my original points about can we sustain the strategy even after the surge brigades are gone. But at the end of the day I think it's kind of a wash in terms of what the future of Iraq is because if this stuff doesn't work, it's going to be civil war anyway.

QUESTION: Mr. Indyk, can you refresh your notion on this is an unintended shift to go in to depose the Sunnis (inaudible)

MR. INDYK: I wasn't trying to make a value judgment about it, I was just trying to draw the broader implications because I think we always go in with the best of intentions and we always dress up our actions in terms of some way in which it becomes instrumental toward our objective. But it is about time in our engagement in the Middle East that we came to understand that we go in with intentions and we come out with unintended consequences, and that's what I was trying to highlight, the

unintended consequences, because this goes to a question that Howard was asking, or the point that he was making, is that this region has seen the empires come and go and come and go and their natural presumption is we are going to leave, we will not be staying, it may be 10 years, it may be 100 years, but we are going, and they think in terms of 100 years, not presidential terms. And the game is how do you shift this naïve superpower, bend them to our objectives and resist our intentions? And they are very good at it. They are all very good at it. So instead of being naïve about it, we should be cynical about it, and that is essentially Ken is saying, let's be cynical about it.

Let's not imagine that somehow we just manage to find the right solution here and as a result of that everything is going to be hunky-dory eventually, because now we've got a bottom-up strategy, we've got Anbar under control, and what will be the next one under control, we are missing the game and the game as I saw now is a game between Sunnis and Shias, and so now we are going to be arming, we are arming, not arming, we're siding with the Sunnis. It reminds me of when we were cynical in the Middle East when Peter Rodman was back in the government which was during the Iraqi ground war when we decided that our interests were best served by letting them duke it out. For 10 years that war raged with huge humanitarian implications and we ended up

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backing Saddam to balance the Iranians. In a sense, that is what we are doing now. The result of our tilt toward the Shias advantaged the Iranians, now we are tiling back toward the Sunnis to balance it out, and they will duke it out for 10 years and eventually we will realize, to be totally cynical about it, that's not such a bad outcome from the point of view of our strategic interests. Beth will be horrified by this statement. I am not recommending it, I am just saying that this is the dynamic, this is a way of understanding what's going on there that we seem incapable of seeing. But they'll see it and in the end they'll accuse us of doing exactly this, that we started this in order to have them fight against each other to advantage Israel, that it was all part of Israel's efforts.

MR. PASCUAL: Peter, if you would like to comment and then go back to Tom for his question.

Mr Rodman: Well, I guess I'm endorsing what my colleagues have said, we can walk and chew gum at the same time, we can be the protector of the Arab Gulf against Iran, we can be the protector of Iraqi democracy which empowers the Shia, we can be the protector of the Sunni tribes against al-Qaeda, we can do all these things. As Ken said, there is some leverage here. If a lot of folks need us for a lot of things, if we handle it the right way, we can serve our own purposes, protect people who

it's in our interests to protect which is I think the case in the three examples I mentioned, and then secondly, to use it to serve our purpose. Within Iraq we obviously want to reconcile the Sunni and Shia, not to promote this, but I think in a weird way we are in the right position, we are protecting people who we want to protect and our job is to translate this into some achievement of some objectives and we haven't pulled that off yet. But the apparent contradictions of this I think are an illusion. We can do all these things. You don't have to be cynical. I think it's a rational thing for us to be doing.

MR. PASCUAL: I think the interesting question to ask Petraeus and Crocker is if you engage local actors, how do you expect that those local actors are eventually going to play into a broader political environment, and it would be interesting to see what their reaction is. I think in every situation of conflict what we have learned is you have to deal with the local actors, you cannot ignore them, but you also have to have a sense of strategically how they are going to play. As Martin is saying, you always get unintended consequences and gaming out the likelihood of those unintended consequences is an important thing to do as part of a strategy. I think in my mind, the part of this that is the biggest question mark is how do you get these actors who suddenly feel empowered to play back into an

environment of supporting some form of a state because they are certainly not giving up their antipathy toward the Shia. That I think is fairly clear from everything that we have seen.

SPEAKER: May I just add a corollary to that question? How does the rise of these Sunni actors impact the national Sunni actors who have been playing as part of the political process for the past 18 months? The Sunnis like the Shia are not monolithic and obviously beginning to leverage other groups within the Sunnis means some complications potentially, potentially some leverage on a national level, but I think at this point it's very much an open question and more importantly than the answer to the question is the knowledge that someone in the U.S. government has been thinking through the potential implications for how that plays out.

MR. PASCUAL: Tom, you get the last question.

QUESTION: There is all this talk about actors and so forth. Who do you think really runs that country?

SPEAKER: The Israel lobby.

(Laughter)

SPEAKER: The neocons.

SPEAKER: How you're distinguishing between us?

MR. PASCUAL: Why don't we do this? Mike, sort of in the same spirit of wrapping up, if you want to either directly

address that question or any other closing point you want to make.

Mr O'Hanlon: I will be very quick with the least information about the region in my head of anyone on this panel and say it looks to me as though the person who has been most successful even though he is dead now is our Zargawi, and I am a Democrat saying this and not George Bush, but Al-Qaeda in Iraq and other extremists created the civil war they wanted. Martin may be right about the Sunni-Shia conflict now. I don't know that that was the case 5 and 10 years ago. Maybe it was, but it is now, and that's an accomplishment of an al-Qaeda strategy that was deliberate, preplanned, and so far has been successful, which is part of why I come back to desperately wanting to salvage something out of this because I think without wanting to sound just too emotional about it, the enemy we are facing is too despicable. It is one of the worst enemies we have ever faced in our nation's history, and granted there were several enemies and they are not all people, some of them are movements or ideas, but in terms of the Zargawi-Al-Qaeda in Iraq- Salafist movements, they have been extraordinarily successful and it's the sectarian tension that most characterizes the country now and that is a product of the al-Qaeda campaign.

Mr Pollack: If the question is who runs Iraq, my answer is no one runs Iraq. As you have heard me say many times and Carlos just echoed, it is a failed state and the problem is there is no one there who runs the country the way that Saddam Hussein once ran it. If you mean it in a different sense, the most important actor in Iraq remains the United States. We have the greatest ability to affect what's going on. We are not omnipotent. We can't just make up our mind and have things happen, but we have the great ability to effect change in Iraq and that is why some of the earlier rhetoric that you heard from the United States that it is really up to the Iraqis was all nonsense. We never gave them the ability to actually make those decisions for themselves.

MR. PASCUAL: Let's go back in the order that we started. Peter?

Mr Rodman: I like Mike's point, I just wanted to reinforce it, that the Samarra bombing of February 2006 was Zarqawi's first strategic success because it shook the foundations of the political process we were trying to foster, and I think the surge was a strategically necessary response to it. It was the necessity on our side to try to suppress that spiral of sectarian violence to try to give the political process the ability to recover from that shock. But you are absolutely

right, Zarqawi used to write about how we've got to use the spin on the Shia and talk about the need to foster this kind of a civil war and he was achieving no success until Samarra, and I think the surge was long overdue. It took us about a year to do what was the necessary response to that shock. And as we were discussing all morning, maybe we're part-way there, but the surge was a strategically necessary move because the strategic situation had been changed dramatically by Samarra. That is sort of my take on it.

Ms Ferris: It may seem crazy to say that I think that we need to start thinking longer-term, to think about a time when Iraq does have more stability, when refugees can return, and that there are things that can be done now in the heat of the emergency situation that would make life a lot easier down the road. I'm thinking for example about Bosnia where there are still hundreds of thousands of people who cannot go back home because of property issues. The Iraqi ministry has developed a simple little one-page form for individuals to list their property which may or may not hold up in court but would at least be a record when maybe in 10 or 15 years they would have some proof of their homes and avoid horrible conflicts, and conflicts over property is one of the most likely kinds of violence to erupt in post-conflict situations. As I said, it

seems crazy to be thinking in that direction, but I'm afraid if we don't, the alternatives are going to be really terrible.

Ms Maloney: I'll try to answer your question both by associating myself with Ken and then maybe giving the flip side of the second part of his answer. I think that truly no one is control in Iraq, no one person, organization, government institution, runs Iraq per se and as someone who has spent a lot of time looking at Iran's internal politics I would say a situation in which there are multiple actors and multiple sources of authority is probably the most difficult one to deal with from a U.S. perspective.

But in terms of the U.S. government capacity there, I saw sitting in the office in the State Department for a couple of years the flip side of what Ken says in terms of American influence and that is particularly on the political side our influence is incredibly limited and to some extent that has been unfortunately distorted by these I think incredibly erroneous perceptions particularly among Iraqis and certainly here as well about the U.S. being all powerful, the war all being made for oil, all these things, obviously completely untrue, and yet as others have said, it took the Iraqis 5 months to come up with a new prime minister for their newly elected government and much was lost, there was very little despite intense efforts on the

ground and back here in Washington that the U.S. was able to do to alter that process in a way positive fashion. So I think as we reflect on where we stand at this point in time in the present strategy, remembering how limited our influence is to make progress on the key political milestones is to me the most important piece of the puzzle.

MR. INDYK: The question was who runs Iraq?

QUESTION: Hearing the answers now I might refine it, who is influential (inaudible)

MR. INDYK: The Shias run Iraq in that sense.

QUESTION: Do you mean Sistani, al-Sadr?

MR. INDYK: No, generally it's the Shias backed by the Iranians who are dominant now, let's put it that way, in coalition with the Kurds, a tactical coalition for the Kurds' own purposes, but that's the story, and the Sunnis won't accept it. There is not going to be a partition. They are not going to accept their little part of Iraq. It's going to be a fight for who will run Iraq in the future. It didn't start with the Samarra bombing, it started with an election and we should remember that we had Ayed Allawi as a provisional prime minister back before we insisted on an election. But when we insisted on an election we put the Shias in power, in the majority, and everything else stems from that. So I agree with Suzanne that

we don't control it and disagree with Ken that nobody runs it. How they run it, whether they can run it effectively, obviously they can't, it's a dysfunction and so on, but the bottom line, that's it, the rest is commentary.

MR. PASCUAL: The issue of control is always a complicated one because you may be the dominant actor in an environment but it doesn't necessarily mean that you can actually achieve things for positive ends. So in that sense I agree with Ken, I don't think there is one actor who has the capacity to actually achieve things for positive ends, I really do think that you have a failed state, but there is I think an inarguable truth about what Martin said about the dominance of the Shia in the overall dynamics within the country.

I guess to me one of the things that is just particularly striking is how this situation in Iraq really just underscores the limitations of American military power, that we live in a world where military power just cannot achieve the kinds of ends that we might have expected it to achieve at some other period of time. And the irony of it has been that in that kind of world, if we can learn that lesson, and ironically, David Petraeus is one of the principal advocates of this idea of the limitations of American military power, the principal American focus for success has been on the military. And on the

political side I would characterize it a little bit differently from Suzanne although I'm not sure we would disagree, that is not that our political strategy hasn't worked, it's that in effect we haven't even had a political strategy, we have basically told them we expect you to solve these issues yourselves.

I think one of the things that would be useful as these hearings go on and that I hope gets extracted from the dialogue and from the questions is where is the diplomatic strategy and why hasn't there been one given that we have seen in other parts of the world the U.S. take a proactive role, Dayton, in bringing together parties who have been at war even in the Bonn Agreement on Afghanistan which was not a similar kind of situation, but the U.S. teaming with the United Nations to pull together a framework for how to move forward. Why is it that we have no focused, concentrated effort to try to broker across the principal political issues that are the barrier to trying to get any kind of settlement within the country? I personally cannot understand why the administration is unwilling to take that on because it seems like it is just such a fundamental barrier in the end to being able to achieve anything more broadly in Iraq and even on the military side as well.

Thank you for this dialogue. Thank you to my colleagues for I think what was for me certainly an instructive and cordial debate, and if nothing else, if this might have had one positive outcome, of demonstrating to you that there is no Brookings view on any given issue and that we are nonpartisan in our approach and I hope you believe that we take that seriously.

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