

THE BROOKINGS INSTITUTION

AN AMERICAN STRATEGY FOR IRAQ MOVING FORWARD

Washington, D.C.  
Thursday, December 2, 2010

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## P R O C E E D I N G S

MR. POLLACK: Good afternoon and welcome to the Saban Center for Middle East Policy at the Brookings Institution. I know that we'll have some more wandering in and out; it is the nature of Washington. And I think, unfortunately, the nature of Iraq policy that people continue to wander in and out of the policy, but I'm delighted to see so many people out there still interested in the subject, still willing to pay attention to this critically important part of the world, this critically important American policy issue.

What you all should be holding now in your hot little hands, I am confident, is the best analysis and set of recommendations for how the United States should devise an overarching strategy towards Iraq that you are likely to find. I am confident of that, in part, because I think it is the only strategy out there that you are likely to find. As I've noted, much of the attention in this town and in the rest of the country has shifted elsewhere, much of the attention in the rest of the world has, unfortunately, shifted elsewhere. And as we note in the report that you have in front of you, the administration has announced a strategy to exit from Iraq but has not yet offered an exit strategy that would secure American interests even as we draw down our forces and reduce our resources committed.

Now, at some level I think this is understandable. The administration has been a little bit preoccupied with the more immediate concerns of government formation in Baghdad, but there's no question that this is an urgent need. The United States still has enormous interests, vital interests, in Iraq and what we do over the course of the next 13 months and beyond it is going to be critical in determining whether or not the United States is able to secure its interests moving forward and whether we're actually able to

reap any sort of benefit from our last seven years in Iraq.

The report you have in front of you is in many ways a remarkable document, not just because it is devoted to a subject which remains critically important, but also remarkably understudied at the moment, it's also remarkable in the way that it came together. Over the course of the summer of 2010, a number of us, including both Sean and Scott -- who I'm going to introduce very briefly in a moment, but you've got their bios in front of you -- found ourselves in a variety of meetings and dinners, and what we found is that despite the fact that many of us came from very different parts of the political spectrum, our views on Iraq were converging in a rather remarkable way. And we decided, you know, myself and the other folks here at Brookings decided that we would pull together a little working group. And over the course of the late summer and into the early fall, we brought that working group together, just a very small group of people, to sit and talk through the different issues on Iraq and see if we couldn't come up with some kind of a plan that we could put forward for how the United States ought to think about its strategy for Iraq moving forward. And I think that once again we were all stunned by the amount of agreement that we found among ourselves. That's not to say that we agreed on every last little point, but the amount of agreement was really remarkable.

And I think that in our initial conversations, I'd say that we were at about 80 percent and once we started banging things around and putting different ideas out there and refining exactly where we stood, we got to about 90 percent very quickly. And at that point we realized we absolutely had the makings of something really remarkable: a consensus document from people, all of whom were extremely familiar with Iraq, all of whom had been working on Iraq for a very long period of time, and all of whom came from

very different political vantage points. And we felt that it was important for us to put out this kind of a document because it was important both to demonstrate the importance of Iraq, it was important to demonstrate that there needs to be some kind of overarching strategic concept for moving forward as well as flushing out some of the more important details of that strategy; and finally to demonstrate that after seven years of conflict, conflict not just in Iraq, but conflict back here in the United States between partisans of different viewpoints, that there's emerged a remarkable consensus among folks who actually work on Iraq; and that today, the differences seem to be less about left and right, about Democrats and Republicans, and much more about those people who are actually still paying attention to Iraq and everyone else. And what you've got in your hands is the product of those efforts.

There's too much in this report to try to present in just 45 minutes, so what Scott and Sean and I agreed to is that we would try to give an integrated presentation. I'll start off, I'll make a number of points about the overarching document, and then I'm going to turn things over first to Scott Carpenter of the Washington Institute for Near East Policy, and Scott will pick up on a number of other themes. And when Scott is done, he'll turn it over to Sean Kane of the United States Institute of Peace. The three of us were three of the five co-authors.

Unfortunately, Fred Kagen remains trapped in Afghanistan, where he has been basically all summer, and he participated in this project, but participated remotely. And we wish that Fred were here, but we know that what he is doing in Afghanistan is extremely important and, truth be told, we wouldn't have him anyplace else.

In addition, we were supposed to have had Raad Alkadiri up here with

us, and I think that we're all chagrined that Raad couldn't be with us today, if only because there was a period of time when to have Raad and Scott in the same room was really like bringing matter and antimatter together, you didn't want to be around when it happened. And one of the most remarkable things about this working group that we convened over the summer and fall was just to see the violent agreement between Raad and Scott on so many issues on Iraq. In fact, there were moments when the two of them were arguing with me or with Sean, and I just kind of found myself sitting back and kind of constantly asking is this really happening? Is one of them just pulling my leg?

I was reminded, and I said this in one of our sessions, of a remark that Ted Kennedy once made. He stepped up to the podium in the Senate following Senator Strom Thurmond and Kennedy's remark to the assembled senators was, "Mr. Speaker, Mr. Chairman, I, too, rise in support of the bill before us, and I would just like to point out that any time that myself and the senior Senator from South Carolina," that is Senator Thurmond, "are in agreement about a particular bill, it means one of two things: either this is a bill whose time has come or else one of us hasn't read the bill."

Well, I think in this case, what you see before you, this report, represents a report whose time has come, a strategy whose time has come.

In addition, I'd just also like to thank some people who were also extremely important to us. Ambassador Ryan Crocker, Ambassador Charles Reese, Lieutenant General James Dubick, and Ms. Emma Sky, all served as outside readers on one of the drafts of this paper and provided extensive and extremely useful comments on it. We're deeply grateful to them for their assistance, for their advice, for their input, although I will point out, of course, that they are not responsible for any of its content. And you can ask them which points they still agree with and don't agree with.

In addition, I will also say that, just as a caveat, I hope you all understand that these are our private views. These do not necessarily reflect the views of any of our organizations, whether it be Brookings or the Washington Institute or the United States Institute of Peace or AEI or PFC Energy.

Now, with that said, let me start to talk a little bit about the report and what I think you'll find in it, and some of the points that we found to be most particular -- most salient and most worth highlighting in this session.

I think in some ways the most important point that we tried to convey in this report is the need for a ruthless prioritization of American goals as we move forward. It's a point we return to time and again in our conversations, it is a point that runs as a theme throughout this report. There needs to be a resubordination of almost the entire U.S. effort when it comes to Iraq, to ensure that the United States achieves its most important goals first. And the need for this reprioritization comes from the fact that Iraq is a very different place, that the United States is trying to achieve different things in Iraq than it once did, and that our ability to do so has also changed. And we desperately need to take all of those things into mind and reconceptualize our thinking about Iraq, something that we've seen as being slow to do, again, in part because the administration has been very focused on the day-to-day and has not yet been able to step back and think about the strategy as a whole.

It's worth pointing out that United States influence in Iraq remains very great, so it's not the case that this is simply dogs barking at the moon. It's not the case that we can lay out this strategy but there's really no point in doing so because there's nothing we can do about it and the Iraqis are just going to do what they want to do. There's too much of that, both here and in Baghdad. The United States remains

enormously important in Iraq and enormously influential and we have a long section in the report that talks about exactly that. But it certainly is true that the nature of American influence has changed, and it's also certainly true that the amount of American influence has declined and it will probably continue to decline as American troops are withdrawn, as American resources devoted toward Iraq are attenuated, as American political capital shifts to other problems, and as the administration increasingly focuses on other issues, both foreign and domestic.

It's worth keeping in mind, also, that the Iraqis are now fully sovereign, not just in word, but in deed. There was a period of time -- 2004, of course, we handed sovereignty back to the Iraqis, but that was largely a fiction. Since 2009, and in addition, by the events of this year, it is increasingly the case that the Iraqis are in charge of their own destinies, and the Iraqis are increasingly making decisions based on their own calculations and their own needs, for both good and ill.

The U.S. troop presence remains extremely important in Iraq and it remains important in Iraq for a whole variety of reasons, including psychological reasons. But because those psychological reasons are important, the fact that the United States is on the downward slope, because the troop presence is likely to diminish over time, and because, as we all know, in Iraq, as in many parts of the Middle East, perception is reality, that downward slope often counts more than the actual number of forces present or their capabilities.

And finally, as I've already suggested, the United States is not providing nearly as much in terms of resources to Iraq as we once did. In fact, we are in danger of providing too little.

This need for a ruthless prioritization in Iraq requires thinking about what

our goals are in Iraq, and the report starts out by setting out what America's key goals are in Iraq, and then lays out a series of sub-objectives, things that we need to accomplish to make sure that we realize those goals. I won't get into too many of the objectives, but I think that it is worth just laying out the three goals and, with a little bit of accompanying text, to think about how we ought to be thinking about Iraq moving forward.

The first goal that we came to as a result of our conversation, the paramount goal for the United States in Iraq, is to prevent a civil war. In 2005, 2006, Iraq went through a horrific ethno-sectarian conflict. It is the history of states that have undergone such conflicts that they have a very bad habit of recidivism. I can give you the statistics, if you like. You're at Brookings, that's what we're here for. But there's actually been a tremendous amount of very good scholarly work on civil wars, internal conflicts, why they occur, why they recur, and the odds and the conclusions are very frightening. And when you go to Iraq, what you find there is that all of the sources that gave rise to the fighting in 2005, 2006, are still there, and they lurk just below the surface, and it's very easy to imagine dozens of scenarios in which Iraq could slip into civil war.

And unfortunately, another important point that we make very early on in this document, it is more likely that if Iraq does not find a way to muddle upwards -- and we should remember that because it is Iraq, because of everything that has happened, because of the nature, the changing nature, of American involvement in Iraq, it's likely that upward progress will be slow, will be halting, will look more like muddling than strong, broad strides -- that nevertheless, if Iraq is not able to muddle upward, it is more likely that Iraq will slip into the abyss of civil war than that it will simply muddle downward. That's a very important realization and, unfortunately, there are a lot of people around who simply think, well, if we don't get Iraq right, it's okay. It's not terrible. It'll muddle



downward. It'll be ugly, but it won't really hurt us. It really won't hurt American interests. And what we find in Iraq and what we find from the literature on these kind of conflicts and these kind of states who have gone through it is that that's actually unlikely. It's not that muddling downward is impossible. It's just that it's not nearly as likely as either muddling upward or a descent into civil war.

And it's also important to remember, of course, and I won't get into this in too much detail, but at least some of you have heard me at this same podium talking about this same problem based on other work that we've done here at Brookings, that these kind of civil wars don't stay within borders, they spill over. So, civil war in Iraq is likely to consume not only Iraq, but potentially many of its neighbors. Civil wars have a bad habit of causing civil wars in neighboring states, and they have a bad habit of causing regional wars. And so when we think about the potential for civil war in Iraq, it causes us to be laser-like focused on it. This is a critical issue. The United States cannot allow this to happen.

The second goal that we came up with was that we do need to prevent the reemergence of an aggressive Iraq, at some point in time. Now, you may hear this, you may read our report and say, boy, the danger of that is pretty remote, and we would agree with you and we make that very clear. Right now, today, in 2010, from our current vantage point, it seems kind of unlikely that we're going to get an Iraq that is so stable, so strong, so secure, that it becomes a threat to its neighbors again, and that does seem very much the case today, but we need to think about the long term. What we are doing today is going to have an impact for years and potentially decades and, unfortunately, a lot of American decision-making toward Iraq and toward the other countries of the Gulf region has been very short term. We armed Saddam against Iran, not realizing what kind

of a Frankenstein's monster we would create in doing so. We can't make the same mistake. And we simply put this goal down there as a way of saying, look, we need to think about where we're going to be in 10 years and if we succeed in Iraq, if we get the Iraq that we dream of, we're going to perhaps wish then that we had done some things now that would prevent the recurrence of that kind of aggressive Iraq.

And finally there's a third goal that we laid out which was that the United States ought, if it could, to create a strong, prosperous, pro-American Iraq that would be an ally of ours in the region. Now, there's no question that we would all like to see this Iraq come about, but we all recognize that there are potential problems, and we put this down and we said very clearly that this now needs to be an aspirational goal of the United States of America. The U.S. is drawing down its engagement in Iraq. We've got to have the first goal satisfied. We have got to have the second goal satisfied. If we can achieve the third goal as well, we would all be much the better, but we can't allow achievement of the third goal to undercut our ability to achieve the first and second, which are absolutely critical to American interests.

Now, this may sound like an easy list. This may sound like we're setting the bar very low for what needs to happen in Iraq, what the United States needs to accomplish, but I think we would all argue exactly the opposite, because the problem is that preventing a recurrence of civil war, preventing instability in Iraq, is actually going to be a tall order. Iraq has made enormous strides, it has made tremendous progress since 2006, but there are still enormous problems in the country, problems that could easily push it into civil war.

I'd just like to read briefly a couple of paragraphs from the Executive Summary where we lay this out very clearly as to what will be necessary to ensure that

we leave a stable Iraq, one that is unlikely to descend into civil war. We say, "What is necessary to prevent civil war and ensure stability, because Iraq's domestic politics is the key to the future stability of the country and because it remains so fragile, it must be the principle American focus as the United States diminishes its involvement in Iraq. The absolute highest priority for the United States during the ongoing drawdown and for the next several years must be to see Iraq's domestic politics work out properly.

"Specifically, this will mean that several important standards must be met: continuing progress on democracy, transparency, and the rule of law; continued development of bureaucratic capacity; no outbreak of revolutionary activity, including coups d'état; no emergence of dictators; reconciliation among the various ethno-sectarian groupings as well as within them; a reasonable delineation of center/periphery relations, including a workable agreement over the nature of federalism; and an equitable management and distribution of Iraq's oil wealth as well as the overall economic prosperity that must result from such distribution."

Just moved the bar up a little bit, didn't I? But this is the point and this is why we say that it is a mistake to assume that if Iraq does not move upward it may muddle downward, but it won't be a big deal. The problem is that the instability in Iraq is such and the progress is fragile enough that if Iraq does not move forward, if all of those things do not fall into place, you could very easily see the entire place coming apart. You could see a very rapid unraveling and a very quick descent into civil war, again, something that we've seen time and again in other countries very much like Iraq and something that you see in Iraq today laying just below the surface.

In other words, the United States must help create a functional democracy in Iraq not necessarily because the United States likes democracies and

benefits from the spread of democracy, although that is certainly true, but because democracy is necessary to satisfy America's vital interest in creating a stable Iraq and preventing civil war. We don't have the option of, as my Israeli friends like to say, finding ourselves a nice Mubarak. A nice Mubarak is not going to survive in Iraq and if anyone tries to make himself the next Mubarak of Iraq, the chances are he is going to fail, and in failing he will tear the country apart.

It also means, as I've already suggested from that passage I read, that Iraq's domestic politics have got to be the center of gravity, the absolute focus of American efforts in Iraq moving forward because everything else is going to stem from progress in Iraq's domestic politics. If we get that right, if we help the Iraqis to get their domestic politics right, there is hope for Iraq. Their security situation should harden, should solidify. The economy over time should make progress driven by the country's enormous and growing oil wealth. Everything can move in the right direction and if Iraq's domestic politics go wrong, there is no number of American troops and no amount of oil dollars that are going to compensate.

What this means is that we need to think about Iraq differently from the way we have before, before we weren't leaving Iraq. Before Iraq wasn't fully sovereign, our resource commitments seemed limitless. All of that has changed. And in particular we need to recognize that what once seemed absolutely critical to American interests, now in some cases may be of secondary or tertiary importance and other things may have increased in their importance.

I'll close my own remarks with just two examples of that that we site in the report. The first is in the military realm where it is clear to us that what has emerged as the highest American priority moving forward is peacekeeping. It's the presence

mission. It's the fact that American troops, in some cases, stand between warring groups, like potentially the Kurdish Peshmerga and the Iraqi government's own military forces, but also because those forces which spread themselves throughout the country, albeit in thinning numbers, serve as a reassurance to every Iraqi that groups, including the government, will not be able to use violence against them; that they can and, in fact, must engage in the political process because violence isn't an option. That is an absolutely critical role. And again, if you go back to the dynamics of Iraq, if you go back to the dynamics of countries like Iraq that have emerged from civil strife, what you find is if you can get that right, the country has a chance. If you don't get it right, the country has no chance.

What that also means, though, is that other missions that were once of enormously high priority to the United States, like counterterrorism, have probably dropped on the list of priorities. It's not that they are unimportant; it's just that they are no longer as important. Today, counterterrorism is no longer a threat to the actual stability of Iraq. If things go badly, it could reemerge, but so far Iraq is far from that, and Iraq's own security forces are becoming more and more capable at things like counterterrorism operations. And so while politically it may be that the U.S. Government feels vested in the counterterrorism mission, since, after all, we got into all of this having something to do with some connection to terrorism, the fact is that what matters in Iraq today on the military side is much more about presence and peacekeeping and much less about strict counterterrorism operations.

And as just a final note on the military side, this also includes things like the training that we do for the Iraqis, where it certainly is important that we train the Iraqi security forces to build up their capacity, but it is perhaps more important that we provide

that training to Iraqi forces again as part of the presence mission. When we're training Iraqi forces, our troops are out there, they're in the field, they are with Iraqi units, they make sure that Iraqi units don't go crazy. They also limit the politicization of the Iraqi forces, they limit the likelihood of coups, they do a whole variety of things that actually relate to the peacekeeping mission that are probably more important than the strict training mission.

The last example I'll give before turning it over to Scott is economic aid. In the past we needed to rebuild the Iraqi economy because we needed to maintain Iraqi support for our presence and our military operations, our effort to transform Iraq. Then Iraqis blamed us for their misery. They were angry at us and that anger was a threat to our mission, our goals in Iraq.

Today all of this has changed. Our mission is different. We're no longer trying to stay and we're really not trying to get Iraqi buy-in for a massive American military campaign in the country or to turn them all against Al-Qaeda. Today the Iraqis blame their own government for the problems in their economy and they look to the United States for help and for assistance. Not everyone in the U.S. Government completely recognizes this and there are still people out there who are seeing the efforts that the U.S. makes towards the Iraqi government in that kind of old way of thinking of we've got to do everything for the Iraqis and we've got to get the Iraqis to do it for us.

Today, much more of the Iraqi economy is about what the Iraqis need to do for themselves and what their government needs to do for its own people.

Now, we note in the report that there are certain aspects of the economy that are critical to American interests. Certainly the oil sector, water, these are areas where severe economic problems could cause a collapse that could provoke a civil war,

getting back to our own interests. But beyond that we need to think about our assistance to Iraq's economy, all of which we believe in as being something where we provide aid to the Iraqis as a source of leverage, as a source of influence with the Iraqis to increase our ability to keep the Iraqis on the right path on the things that matter most to us.

With that, I'll turn things over to Scott.

MR. CARPENTER: All right. Thank you so much, Ken. I want to join Ken in thanking Sean and Fred for joining us -- oh, I forgot Raad -- Raad for joining us in this remarkable report.

I'm very proud of the report. It's been quite an experience in coming to the conclusions that we joined. It's been an almost always positive experience. I'm very disappointed that Raad couldn't be here because I think for those of you who know both of us, to see us on the same dais together would have been quite a statement in and of itself, as Ken has noted. But since he's not here, I do have to note one conclusion that's not in the report, but that we did reach aside from the printed copy that you have before us. And I'm just going to quote it here, "Raad has finally recognized that Scott Carpenter is right and has been right all along."

So, as I said, I'm proud of this report. I believe it manages to strike a balance between those who have been unnecessarily alarmist about Iraq and those who have been, unfortunately, too Pollyannaish about Iraq. The tone of the report is challenging, as befits a policy paper that seeks to get the Obama Administration's attention on an absolutely critical set of issues in a critical part of the world, a part of the world that I would argue -- and this is a personal note -- argue is much more central to our national security interests than Afghanistan.

As the first line of the Executive Summary emphatically states, "Iraq still

hangs in the balance.” And President Obama in his speeches about Iraq has mentioned that we have to be as cautious getting out as we were careless -- in his words -- going in. And so we felt it was critically important to raise these issues again to the administration and put them in context.

Now, Ken has discussed the ruthless prioritization that we encourage the administration to adopt when coming to creating a strategy for Iraq and some of the implications that flow from that. He has also stated, I think correctly, that our influence, though diminished, remains greater than we often assume it to be, and it is not equated on a 1-to-1 basis with boots on the ground.

What I'd like to do is to focus on a couple of the elements of the report that build on these two conclusions, specifically our concepts of conditionality. Ken began to talk about leverage, what do we use that leverage for? Our influence is much more limited, but it is still substantial and I'd like to talk about how we propose to use it to accomplish those key objectives that we've already outlined.

But before I do that, I want to come back to something Ken has already mentioned, to echo it and stress it, is that everything that we talk about flows from this critical conclusion regarding the centrality of Iraqi domestic politics to achieving our vital interests and this has a number of implications.

As we look at Iraq today, whatever we may think about the long delays in forming the next government, there is a political process. As we've talked about in the report, it is stumbling forward, it's not yet consolidated. It is messy, it is tendentious, but it is happening. There is a political process involved and the solution is probably much more political participation, not less.

We believe that there are challenges that remain that need to be



addressed, whether in the constitutional or other sorts of reforms -- and I know Sean's going to touch a bit on those in detail later -- but whatever we conclude about what those necessary reforms are, I think we need to acknowledge that it is unlikely at this stage that the Iraqis, on their own, are going to be able to come together and address them. We need to be at least available for those discussions. We can help broker some of these discussions, we can convene, but we have to not make the same mistake that I think we've been making which is to prioritize security over everything else. Security over everything else, building the Iraqi armed forces and devoting them to missions that we see as critical.

I think this has given Iraqi leadership an excuse to consolidate the status quo and not take the necessary steps to move the political process forward because we've been so focused on that that we're not prepared to really engage them on these other questions. And as we draw down and as we leave Iraq, these issues become much more critical. We cannot be neutral on them if we're going to preserve our vital interests in Iraq.

For us, therefore, the U.S. must see clearly that it cannot be confident of preventing civil war or instability unless continuing progress on democracy, transparency, and rule of law take place. If Iraq's domestic politics fail to gel further, indeed if the current domestic political framework were to collapse, then security gains that have so far been evident will evaporate completely. So, this is re-echoing Ken's point that if it's not going to stumble forward, it's not going to stumble downward. It's going to quickly disintegrate. It has to continue to make progress.

If that were to happen, obviously, the economy would also go into a tailspin. And if that were to happen, then who knows what else could happen? Who

knows what openings would be created for Iran, for other regional actors, and whether or not -- what implications that would have for the United States? We all conclude that they would be bad. Whatever they are, they would be bad.

Now, for this reason, we believe that it is in this area that the U.S. should exercise its influence in precisely the areas that Iraq's political leadership will not want us to exercise influence. Hmm, Gordian Knot, it seems.

Well, it leaves us with this startling implication: the U.S. should subordinate virtually every other aspect of Iraq policy making sacrifices in these areas, including in security, if necessary. Almost every element of our U.S.-Iraq relationship needs to be seen as leverage to get Iraqis to what is necessary in the area of further political development. That's in this report. It's a pretty startling conclusion based on what we have to say.

As we put it dramatically in the body of the report, we, the United States, are interested in a partnership with Iraq, not a suicide pact. Iraq is a sovereign entity. It has elected leadership. It can choose in what direction it wishes to go, but we do not have to go with it. And that's what brings me back to this issue of conditionality.

As long as Iraq's leaders guide Iraq in a direction that broadly serves what we believe to be in their own interest and in our interest, we should remain willing -- and should -- generously help the Iraqis. But if they prove unwilling to act in a manner consistent with their own constitution or engage in policies that we think will contribute to instability or to civil war, then the U.S. should reevaluate its commitments, across the board.

Gone are the days in which the United States could dictate to Iraq, clearly, and we do not want to mistake control for influence. We want to exercise

influence, but better governmental and economic performance is now something the Iraqi leadership, as Ken points out, needs to maintain its own legitimacy to hold on to power, and this does provide some leverage.

Since, after the provision of security, the two most critical standards by which a political system is judged are the delivery of essential services, and in Iraq, especially those services related to electricity, increased employment, and economic and good governance. Our assistance should be conditioned to creating mechanisms of oversight and accountability in those specific areas. As I say that, we have this mechanism, this negotiated agreement, called the Strategic Framework Agreement, which is, going forward, supposed to set the basis of U.S.-Iraqi relations. And it's within the context of the Strategic Framework Agreement that those discussions should take place. And Sean's going to be talking a bit in more detail about the Strategic Framework Agreement.

But what's important about that agreement from my point of view is that when I say to exercise influence in these areas, this is in partnership with Iraq. Why do we have a Strategic Framework Agreement in the first place? Did we, the United States, want a Strategic Framework Agreement with Iraq? No. We wanted a SOFA, that's what we wanted, that was what we considered to be in our critical interest. The Iraqis said, look, we don't want to have a relationship with the United States strictly and only on the issue of security. We want it to be broader than that and the United States should want it to be broader than that, too. But so far our level of interest and the resources we committed have been toward the SOFA and not to the Strategic Framework Agreement.

So, we need to do more in this area also to create leverage, but what about the SOFA? Since Sean's going to talk about the Strategic Framework Agreement,

I'll talk a couple minutes about a SOFA. What is clear as we draw down our troops by December 2011 is that we are going to have some folks remaining, which means we're going to need a new agreement to govern the relationship of our forces on the ground in Iraq. This is a vital interest to the United States to have this agreement, but it can't be an agreement just for the sake of having an agreement. It can't be because we're desperate to have it. It must be the right sort of SOFA. And so in our report we establish that there should be three criteria going forward with SOFA negotiations with the new government once it is finally in place.

First, we believe very strongly that the new SOFA should preserve American forces' ability to serve as peacekeepers in Iraq, and frankly, to preserve American ability to serve as the ultimate guarantor of Iraqi rule of law. We can no longer be complicit in many of the things that we have been complicit in in recent years; a level of impunity that would exist within Iraqi armed forces, whether it's related to corruption or human rights abuses, the United States cannot be party to that. And as we put it in the report, "An American presence cannot become a fiction or a façade to cover up an increasingly violent or abusive system."

Number two, Iraqis must understand that the entire Strategic Framework Agreement is tied to the signing of a new SOFA that meets American needs. This is what the Iraqis want. They want the Strategic Framework Agreement and the economic assistance and diplomatic assistance that comes with it. This, therefore, forms our greatest leverage and we should use it as such.

Number three, and perhaps most controversially, the U.S. must be ready to walk away from Iraq altogether if the government of Iraq is unwilling to agree to such a SOFA.

If we are right that the conditions that we've laid out, that Iraq -- of the ruthless prioritization that Ken mentioned are critical, then we need to see Iraq moving in the right direction, not the wrong direction. And any Iraqi government that is not interested in some kind of adequate military presence after 2011 to act as guarantor of Iraqi stability, sovereignty, and continued development as a democracy, is not a government that I believe, or we believe, that we state, that the U.S. should want to support.

Put simply, when it comes to the SOFA, we cannot want a SOFA more than the Iraqis do and that, too, I believe, is a source of leverage.

The final point I'd like to make in regards to the leverage we have on the economic side of the ledger -- and Ken talked about some of this so I'm not going to go into too much detail -- but again, the Iraqi government wants to see services delivered, not because we want them to -- I mean, I see General Mark Kimmet out there in the audience. He remembers when we used to sit around in Baghdad and look at these endless charts with green, red, and yellow, and every basic service delivery system in Iraq, whether it was oil, electricity, water, this, that, the other thing, education -- how were we doing? How were we doing? Because we needed to secure public support at home for our policies in Iraq. That's no longer the case.

Iraqis want these things for themselves and Iraq's political leadership requires them to be able to guaranty their own legitimacy. So, for that reason again, we have some leverage and we should try to use it.

Ken pointed out and talked a little bit about the oil and water sector so I'm not going to do that, but as our report makes clear, it is in Iraq's interest, for instance, to produce oil. It's not in our interest. We don't have to convince them that they need to

produce oil. They want to produce oil and we can help them produce oil, but the balance of our attention should be on the process that transforms a barrel of oil into the goods and services that the Iraqi public desires, like increased electricity output and water and sewerage networks, et cetera. We should focus on that process so that this issue of how oil revenues are shared, how oil revenues are dedicated within -- to creating these essential services, is clear to the Iraqi public so that they can also make decisions -- political decisions -- going forward.

So, this means, in my view or our view that the key assistance areas under the Strategic Framework Agreement should focus primarily on capacity building to provide technical advice, consulting services, and technology and knowledge transfers in areas that are key to Iraq's economy. Again, agreeing to provide assistance of this type should be made contingent on Iraqi authorities at both the national and provincial levels taking specific steps to put in place transparency, oversight mechanisms, and accountability mechanisms that aim to mitigate, not eliminate, but mitigate, corruption.

Thankfully, again, this is not something that we are demanding. This is something that Iraqis have already outlined in the new Iraqi National Development Plan. This is something they have done. We can support it or not. If we don't support it, we know in what direction things will likely flow, but if we come behind it and look for ways to reinforce it, we may be able to help those who want to see Iraq stumble forward and upward.

So, in closing, I'd simply like to reiterate the basic point that I've been making. We should ensure that whatever the Iraqis want -- from combat enablers, like intelligence, to help with the Kuwaitis or with the development of sewerage networks across the country -- that whatever they want, that we be able to use that as leverage

over Iraq's domestic politics, which is, as Ken correctly notes, the center of gravity for Iraq and for America's interest in Iraq. It's there that our vital interests will ultimately be determined.

So, thank you very much and I look forward to your questions.

MR. KANE: I'd like to start as well by thanking Ken for convening this group and all the effort and work he put into it. He kind of glossed over that a little bit, but it often involved people on multiple continents in very different time zones at all hours of the day, and to thank Ken for all the time he put into this.

I'd like to also underscore and build on some of the points that both Ken and Scott made, and to focus on the long-term picture. There has been a tendency we've had to focus on individuals, to focus on specific parties, to focus on who's going to get what ministry, and I'd like to talk about two areas which I think are of long-term importance, one externally about the relationship between the U.S. and Iraq and one internally.

The first subject, which we've touched on, is the Strategic Framework Agreement and the relevance it has to how the U.S. and Iraq work together.

The second issue is the constitution, and its importance not only in setting out institutions and the relations among them, but also as a kind of peace treaty between the various communities in Iraq and what is in essence intended to be a compact to share power and resources.

In starting and in thinking about these things, I think it's worthwhile to reiterate something which Scott has said and which we all know, but that the U.S. is not in a position to control events in Iraq. It is no longer, if it ever was, in a position to dictate courses of action or outcomes. Iraqi nationalism is a very strong sentiment, it is

particularly strong after Iraq's history over the last couple decades, and it is something that the U.S. always has to be aware of, particularly since we are, as a country, quite recently had the formal status of an occupying power inside of Iraq. And so there is an obvious tension here as we talked about what we see is the center of gravity of the U.S. effort in Iraq domestic politics and an area where Iraqi leaders, particularly when they see us as perhaps acting against their own interests as narrowly defined, may bristle at outside interference. And this is where we come back to the Strategic Framework Agreement.

If the U.S. is to maintain leverage inside of Iraq and an ability to influence domestic politics, it must be the case that the Strategic Framework Agreement delivers outcomes that Iraqis want and Iraqis value.

As Scott mentioned, during the negotiation of the 2008 Status of Forces Agreement, the Iraqi government approached the U.S. asking for a Strategic Framework Agreement. This was not just because the Iraqis value U.S. diplomatic assistance, technical assistance, trade, economic ties, but also because they wanted to make the Status of Forces Agreement more politically palatable by showing to their own domestic audience that the relationship was not just about security, that it was not just about a relationship between the former occupied and the occupier, but that it was about a much broader relationship that touched on the political realm, the economic realm, the diplomatic realm, trade. So, therefore, going forward, and one of the priorities which we believe the current U.S. Administration should have for engaging with the new Iraqi government, is to flesh out and to fully actualize the Strategic Framework Agreement.

That agreement covers a number of different areas including technical assistance, information exchanges, diplomatic assistance, security, economic, and what



it essentially is and ultimately is, is a basic scaffolding for developing a long run and long-term partnership between Iraq and the United States, but it is yet to be fleshed out.

In terms of technical assistance, both Ken and Scott have touched on areas which are of vital importance and which are listed in the Strategic Framework Agreement. One is the agricultural sector, traditionally extremely important to Iraq in terms of the major private sector employer. A second is the water sector. Iraq has for millennia been Mesopotamia, the land between to rivers, but is currently facing extraordinary water shortages and needs tremendous help, both in domestic water management and conservation, but also in trans-boundary water negotiations with some of its upstream neighbors who, because of substantial damning activity over the last couple of decades, has resulted in substantially less water flow within Iraq. This has potentially wide-ranging consequences both in the north and the south of the country with the rural sector forcing urban migration, which is something both from a stability standpoint could lead to unrest, but is also something from a political standpoint extremely important to any Iraqi government in how it will be perceived by its own population.

As an aside I might say while Iraq is the furthest downstream of its neighboring countries, within Iraq it is the south, of course, and where this government and the national alliance receive most of its votes, which is downstream within the country. And it has always been a priority for politicians from a lot of the Shiite Islamist parties to focus on the water issue. This is something that's identified within the Strategic Framework Agreement as something Iraqis were requesting assistance from the U.S., and this is one of the things we point to when we talk about the type of technical assistance that we could provide that would be of value to the Iraqi government and is an

example of our changing type of influence.

A second changing type of influence that I'd like to also highlight is diplomatic assistance. Iraq has a status within the international community of certain obligations, sanctions, and reparations under Chapter 7 of the U.N. Charter that goes back to Saddam's disastrous invasion of Kuwait in 1991.

Later this month -- or this month, the U.S. holds the rotating presidency of the Security Council in New York, and later this month will be chairing a meeting that aims to close certain of those files related to the weapons of mass destruction programs, resolutions related to them, resolutions related to oil for food contracts, and protection for Iraqi assets from lawsuits stemming from some of Saddam's actions. It is really only the U.S. that is prepared to do the heavy lifting in the Security Council to see these types of obligations lifted.

Similarly, with Iraq's outstanding issues with Kuwait, which include both reparations and disagreements over land and maritime boundaries, it is really only the U.S. which could hope to bring about a resolution to those issues, both in terms of in the Security Council, but also because of our relationship both with Kuwait and with Iraq, helping those two parties to speak to each other. And in that sense, the Strategic Framework Agreement and the long-term partnership with the United States is Iraq's ticket to reintegration in the region, but also into the international system, for example, with extension to the WTO, which is something which the United States could also help with.

These are all differing sources of leverage, differing from what we've had in the past, but is something which in the Strategic Framework Agreement Iraq has requested assistance from us and which they highly value. So if we are to try to maintain

leverage both in Iraqi domestic politics and if we are to receive a request and be able to have a negotiation about the type of new Status of Forces Agreement, which we believe to be important, it is vital that the Strategic Framework Agreement delivers. Much in the way that the Strategic Framework Agreement was important to the original SOFA, any continuing relationship is dependent upon the SFA actually delivering.

The second issue I wanted to turn to was the internal set of issues and specifically the constitution. As I mentioned when I started, the constitution is important because of all the different types of sectors and institutions we've talked about, it governs the relationship between these institutions, it governs the different parts of Iraq's executive, the legislature, and the judiciary, what their rights are, what their authorities are, what the checks on their power are, and because in this very specific situation in Iraq, the constitution was intended as a peace treaty between different communities, and in many ways the constitution is a remarkable document. Iraq has a history of a highly centralized government, which engaged in (inaudible) repressive acts against a large part of its population. The constitution sets up a federal system with some beginnings of the decentralization of power. It has greater separation of power between the legislature and the executive in the courts than was previously the case.

However, it is also the situation that the Iraqi constitution has not always fully succeeded in living up to these objectives. In a large part this may, perhaps, be due to the circumstances surrounding the drafting of the constitution. It was a highly rushed process. There was an extraordinary set of circumstances in the country and instability at that point in time, and as a result there are gaps in the constitution, there are ambiguities, and there are, in some places, flat out contradictions. And what this has allowed and led to is differing interpretations, contradictory interpretations, and a set of

disputes across a whole different range of areas. Each of those could fill an entire panel discussion, but I might list some of the most important.

The first is the question of federalism. In the context of Iraq this is often mistakenly understood as being limited to Arab-Kurdish issues, whereas, in fact, it is a much larger question. The first is indeed what authority should Iraq's only existing federal region, the Kurdistan region -- how should power, resources, and territory, be distributed between that federal region and the national government?

The second question which is related, and perhaps has received less attention, is should the relationship between Baghdad and Arbil be a template or a model for the relationship between Baghdad and the rest of the country -- between Baghdad and Basra, between Baghdad and Najaf, between Baghdad and Ramadi? And that isn't the case in the constitution currently, or is it the case that given the difficult history of the Kurds in Iraq, their high levels of capacity, their experience with autonomy, should the Kurdistan region be a constitutionally protected exception to the overall structure of the country and should there be a different set of arrangements that develop in the rest? Should federalism be a one-size-fits-all model or should there be differences between different regions given their capacity and history? In the report we suggest it might be useful to think about a more asymmetric system of federalism to allow Baghdad-Arbil issues to be dealt with on one track and then to allow the rest of the country to consider various ways that power could be shared rather than just the model of -- as exists currently, provinces being administrative units of the federal government or being fully autonomous regions.

Other issues within the constitution which we've seen as sparking high levels of dispute is the separation of powers, that's both between the different branches

of government -- the executive, the legislature, and the judiciary -- but also within the executive between the prime minister and the president, between the prime minister, the president and the council ministers, and now following government formation, a new body, the National Council for Strategic Studies. How will these bodies relate to each other? What sort of checks and authorities should there be on the powers of individual positions particularly given the concerns about an overly empowered and ambitious prime minister? How will these things be sorted out and how will they be codified into institutions as opposed to backroom understandings?

Finally one other area we identify in the report is the processes and procedures behind government formation. Both in 2006 and 2010, we see in extensive periods after the certification of elections, before a government is stood up, and continuing disputes over who has the authority to first form the government and then the timelines and procedures behind that, we suggest it may be useful to consider clarifying these issues.

To take all this back to where I started, though, these are obviously highly sensitive and sovereign matters. It's not the case that the constitution should really be changed. Any amendments or changes to the constitution must, and it's indeed of paramount importance that it comes through the mechanisms which the constitution itself sets out for amendment, and so that the idea of a constitutional democracy is respected. Similarly, both in the constitution and in the Political Reform Agreement, which was passed along with the Status of Forces Agreement, Iraqis have called for constitution reform and constitutional amendments, and it's worth pointing out that these two things are not synonymous. There are a lot of gaps in the constitution. There are a lot of laws which the constitution requires to be passed which have not been. And what

we think and where we think the U.S. could play a helpful role is to sit down with the new Iraqi government after government formation and to look at the gaps, ambiguities, contradictions in the constitution and try to parse out what can be dealt with through political understanding, what can be dealt with through legislation, and what will ultimately require codification in constitutional amendments.

We want to stress, however, that this is a long-term effort, probably multiyear, and will require patience, unlike, perhaps, what we saw in the constitutional drafting process. It has to be, in terms of the theme of the overall report, something where we take the long view and look at it as part of a partnership, rather as something that we try to achieve in three months or six months.

I think with that I'll leave it and we're all looking very much forward to your questions and comments.

MR. POLLACK: I hope that what you got from this was at least a sense of both the breadth and depth of this report. We tried to cover both the big picture issues, the broad strategic issues, but in a number of instances, because we felt it so important to flesh things out, we actually did get quite a bit down into the details. And I think that you'll find that a number of important categories, there's a great deal of detail in the report mostly because we believe it's necessary, because you can't really understand the strategic issue if you don't understand the details that underlie it.

So, let me open it up to questions. If you will please identify yourself before asking a question and, if you could, please ask a question when you ask your question. So, we'll start here with Bob.

MR. DREYFUS: Yeah, hi. I'm Bob Dreyfus with the Nation magazine and I'm very disappointed that this is the consensus that you came to. But I guess my

really brief question is, you say in your report that -- in the section about Iran, that the United States has a critical ace in the hole called Iraqi nationalism. And I guess I agree with that in some degrees, but I don't see it as an American ace in the hole. And I'm wondering how you think Iraqi nationalists might respond to the way you treat Iraq as well: we think you need to be an American ally and get all your arms from us and become, you know, America's ace in the hole in the Middle East. I don't think that's how Iraqi nationalists see Iraq. And it seems to me it's specifically calculated to get Iraqi nationalists mad at the United States when you propose that kind of continuing, let's say, occupation or deployment.

And so when you laid out the priorities, one, two, three, at the beginning, Ken, you said, well, first is no civil war; second is -- and then third was American ally. So, does that mean, I hope, that you're willing to sacrifice the American ally part in order to get the stable Iraq part? Because if so, that makes sense to me and then you can accommodate Iran's growing influence in Iraq in a way that makes sense and maybe a U.S.-Iran agreement on top of that. But if we're going to insist on the American ally part, it seems to me that you're explicitly creating the conditions for the civil war part.

MR. KANE: Sure. Thank you for the question and the comment. I mean, this is actually something where there was a fair amount of discussion during the working group and one of the conclusions which -- or one of the key passages in the text which we have is that the United States should be very cautious about trying to push Iraq into explicitly anti-Iranian coalition for a number of the same reasons which you mention: one, that it would use up virtually all of our leverage if that's where we invested it; second is that it could backfire inside of the country in terms of provoking a response from Iran and perhaps some of the destabilization and fragmentation of the politics into more of the

sectarian dynamic as we perhaps have seen in the past. So, that was something which we were very conscious of and why I think, in part, also, that that third goal we did not put down as an irreducible necessity, but as a "good to have," that we should not sort of condition everything upon a pro-U.S. Iraq at the cost of the first two goals, and particularly the overriding goal of preventing a return to civil war.

MR. DREYFUS: Yeah, but it sounds like Scott is saying if the Iraqis don't go along with this, well, we'll just walk away. If we don't get the SOFA we want, then screw you.

MR. POLLACK: You're conflating a bunch of things there. Go ahead, Scott.

MR. CARPENTER: Well, I was just going to say the same thing. I think there's a conflation of two separate things there. What we're saying is that there are vital interests that the United States has in Iraq. If we aren't able to preserve those vital interests, then we should not simply agree, for instance, a SOFA with a government that is committed to goals that are going to lead to greater instability in Iraq or civil war in Iraq. So, stressing the security point to have a SOFA for the sake of having a SOFA is not something we're after.

We make clear -- I mean, the report makes clear when it talks about this goal that ideally it would be a stronger and prosperous ally, and as Sean just quoted -- he has a better memory than I do -- that this last objective should be seen as an aspirational goal rather than an irreducible necessity, and these things are not in conflict. It's just to say that we should have a clear understanding about what our vital interests are in Iraq. And we -- there is a section that we discussed at great length about the role of Iran and no one is saying that there should be -- that we should set up a dichotomy where it's an



us against them phenomenon.

SPEAKER: Thank you. (inaudible) newspaper. Thank you for the report. I'd like to ask a couple of questions. My first is what is your assessment of the Obama Administration's policy in Iraq so far? And what would be your, you know, number one challenge to the current administration's policy, especially as they're so concerned with Afghanistan, the Middle East peace process? How much attention are they giving to Iraq?

My second question, probably to Sean since you addressed this, but briefly, about the power sharing between the Executive Branch, this idea of the new national council, how much of an impediment is this national council going to be for this government to actually get things done? Thank you.

MR. POLLACK: Let me start by saying that the report is addressed to the United States broadly and obviously there are aspects of it that are relevant to the administration, but we did not address ourselves directly to how is the Obama Administration doing. We felt that the report needed to go well beyond that question to more broadly, what should the United States be doing in Iraq. I think we all have our own personal opinions on the Obama Administration. My colleagues can feel free to share theirs or not as they see fit. I'd say from my own perspective at the moment, I'm giving them an incomplete. I think that there are certainly some positive aspects to what the Obama Administration has done in Iraq. There are other areas where I'm still waiting to see what it is that they're going to do, and in particular one of our reasons for putting the report out is to spell out all of the many steps that the United States does need to take to secure our interests in a stable, prosperous Iraq, one that the Iraqis want, one that we want to see happen, which is far from secure at this point in time. If there's anything

about -- and many of my very close friends are in the Obama Administration making this policy, and if there's anything about what I hear from them that makes me uncomfortable, has been this sense of triumphalism, that Iraq is solved, that Iraq is in great shape, and that it's just a matter of kind of, you know, closing things out that we're, you know, at the one-yard line or the five-yard line and we've just got to punch it in.

There is still a tremendous amount that needs to happen in Iraq before we can actually say Iraq is stable, Iraq is secure, the United States can now reduce its interest and its efforts to help Iraq.

MR. CARPENTER: Yeah, I just want to echo that last point that Ken made. I think that what we heard, and part of the reason why we decided to come together to focus on the report, was what we were hearing from people within the administration, but also within the U.S. military, that, look, they want to get out, I understand that, we understand that, but it can't -- we have to be, as the President said, as cautious getting out as we were, in his words, careless getting in.

So, we have to think through these things. We can't simply get out and let whatever happens happen. We have to have a strategy. So, to the extent that I would have a criticism, it's simply that when the administration surveys Iraq, they see things pretty solid, everything's great, no dangers of military coups, you know, civil wars. They really don't repeat themselves very often, there isn't this -- Iran is a kind of marginal player in Iraq. It has influence, but not too much, and we don't really need to be too worried about it. The situation in the south is stable and as we withdraw it's fine. So, there are a number of issues that we think just demand more attention and that may all be true from an analytical point of view, but let's really get to it and explore it and not just trumpet it.

MR. POLLACK: Sean?

MR. KANE: You know, I think in my view, the administration has had a very strong focus on implementing the SOFA and I think that's an important focus. And they're sort of showing that the U.S. will stick to this agreement and has no permanent claim on Iraq's territory or resources and that I think it's important to demonstrate that in terms of if we can expect to ask for the Iraqis to request an extension. I think the sort of feeling of unease I have is that I haven't heard a longer-term vision expressed from the administration about where 5 years or 10 years down the road, and that's one thing which we tried to lay out in some detail in this report.

And just quickly in terms of the question about the new council and what impediment it might be to getting business done that is one thing we talked about in the report. Certainly there is a perspective that you need a strong executive, you need a strong prime minister because of the gaps in the constitution, because of the large size of the government, to have a strong executive authority in the prime minister to get things done.

My own personal view, and from speaking with people and even from speaking with some MPs in Iraqiya recently, there's not a high level of expectation for what will happen with this council. I probably would have focused more on the Council of Ministers, which is a body established in the constitution which the constitution has -- already requires the law to govern its work and which was always intended to be a check on the prime minister and is something which might be more broadly acceptable, particularly within the Shia community.

MR. POLLACK: Okay. Let's start grouping questions since there are a number of them. We'll take Siad and then Mark.

SPEAKER: Yes, my name is Siad (inaudible) from Irkutsk Daily Newspaper, to Sean Kane. We all know how emotional the oil issue is. How far or how close are we to passing a hydrocarbon law? And elaborate, if you will, on the oil for soil segment that you have there.

And to Ken Pollack, you know, it seems like governing Iraq today along sectarian and ethic lines has been really cast in stone, so to speak, which is a recipe for perpetual low-grade civil war. How do you propose to get out of that? Thank you.

SPEAKER: First of all, I think all of us thank you for doing this report because I suspect if you're in this room, you sort of have the same feeling that an important issue like Iraq does deserve this kind of analysis and I'm glad to see that Brookings is doing it.

Look, Ken, you know I completely agree with you on the sense of the SOFA and I applaud you all for your great diagnosis, but I have a question about your prescription with regards to the SOFA. It reads as if you're not suggestion that there's a SOFA negotiation, but that there's a SOFA ultimatum, take it or leave it, especially if it's not as good as the one that last weak group of negotiators negotiated. Do you got something more than accept this or we're walking out the door? Is there something in between that you can help the negotiators with? Because, number one, I don't find the take it or leave it conditionality to be plausible. Number two, I think the first thing that's going to happen -- I'd rather be sitting on the other side of the table this time because I would enjoy the laughter when the Americans proposed take this or we're walking out the door.

Is there something a little more nuanced in there that you can offer us?

MR. POLLACK: Actually, why don't we take a third one just to add --?

MR. AKMAN: Saif Abdul Akman, two quick questions. Actually I want to follow up on the SOFA question because I think -- I wonder if you could address whether we actually need a SOFA or we can use the Strategic Framework to extend the SOFA? That's something, Scott; I think maybe you can touch on, because there's a security aspect to the Framework Agreement that could actually be used to extend the SOFA without getting into the problematic negotiations or renegotiations of the SOFA. But the second thing is, your points that you've listed, interestingly enough, number one and two would actually agree with Iranian interests in Iraq. The lack of return to a civil war as well as the continuation of a political process, except the third point, obviously, there would be problems with it. I wonder if you can identify which countries in the region would agree with the points that you've outlined as national interest and which countries would actually help or be a hindrance to the policy that you guys have articulated.

MR. CARPENTER: I'm trying to remember all the questions. I left my pen up on the podium. I guess let me take on the SOFA question, and I think Ken can add some nuance to it.

Look, I think the point here is to make clear, again, when it comes to the SOFA agreement, whether it's in the context of the Strategic Framework Agreement, which I admit there is some temptation to resort to to keep things easier -- may be easier to obtain politically, but that doesn't, I think, obscure the need to have a clear focus as to, again, what our vital interests are related to the SOFA.

I think that there's a temptation if, again, if there is a political consolidation that is going in a direction that we perceive to not be in a good way, whether civil-military relations continue to deteriorate or not, that there are a number of aspects to our continued presence in Iraq that will begin to influence that process to a

great extent that we already have. And so, Mark, the issue of take it or leave it, I think that what we need to convey and what we hope to do with this recommendation is to make clear, is that we can't want this more than the Iraqis do.

I know you say that, well, you can sit on the other side of the table and laugh it off, but I do think that this administration has made very clear that it wants to get out of Iraq. I hear a lot of people say, well, you know, they don't really mean it. You know, we'll have -- obviously we're going to have to be there. There's no obviously to this. So I think that if we're going to sit down and negotiate a SOFA with the Iraqis, we have to have pretty clear ideas about why we want to do this and what we're going to be doing.

So, I think obviously in the negotiation there's going to be a variation between take it or leave it, but I do think that the United States has to come to the table with the notion that, look, we don't need this at any cost, we're not going to pay any price for this, because I think that that would be deeply problematic.

MR. KANE: Just speaking on a couple of the other questions, on some of the other topics, the one on the oil issue, this has been something which when press reports in the last few days -- as something that's going to be at the top of the agenda of the incoming government and is something which has been part, obviously, of the negotiations and something that was in the 19 point proposal which the KRG put forward.

Having tracked those negotiations for some period of time, there have been plenty of points where the hydrocarbon law and the revenue sharing law, their passage has been imminent. There are certainly incentives for that to happen. KRG oil exports have been included in -- monies from the KRG oil exports have been included in the draft 2011 budget. There is substantial negotiation right now over who will be the oil

minister. And that's something which the KRG has, for example, indicated that if they don't -- or if they give out the foreign ministry post, that would be something they're interested in.

I still think it's a little too early to say. We've certainly seen what looks like an agreement or agreements between -- at the executive level fall apart once they get to parliament, so I think the jury is still out. But there does seem to be some interest to move there and that's actually one of the issues we point at when talking about our Kurdish negotiations of revenue-sharing law, in particular, could be an early step where there might be a possibility for some progress.

On the question of sort of Iran agreeing with our first two points, where I think I would make the distinction is we not only talk about avoiding a civil war in Iraq, but also having a strong, self-reliant, and stable Iraq. And in our view -- and one reason why we caution against pushing Iraq into an explicitly anti-Iranian coalition is that a strong, stable Iraq will naturally, for historical reasons, serve as a check on Iran. And that's where I think there would be a difference between what we're advocating and what perhaps others are advocating.

MR. POLLACK: Let me just echo a couple of points. Full agreement, as always, with my co-authors. Mark, I think that Scott really delivered the point which is -- the point is, first, I'm not going to -- you know, I have some ideas about the negotiations. I'm sure as heck not going to lay them out in a public forum. I'm also not going to go into any kind of a negotiation and say here's our agreement, take it or leave it. No? Fine, we're out of here. It is as Scott suggested. The point is we can't want this more than the Iraqis do, and that was the mistake that we made the last time around. We were so desperate to get them to agree that, you know, they took us to the cleaners. They said

you'll agree to that? Hell, here's another one. Okay, you'll agree to that? Fine, here's another clause.

We can't do that. We're in a very different situation now. We need to make sure that the Iraqi government is going to do the right thing. We need to make sure that they want the kind of relationship with us that is going to allow them to move in the right direction and allow us to help them to move in that direction, so I think that's the critical thing.

Siad, you made a really important point about the potential for sectarianism in Iraq to continue, and this is something that we talked about a great deal in the conversation and you'll see it, I think, throughout the report. It's a very big problem. We don't want Iraq to become Lebanon, and that's one of the real risks that's out there. And I think that we would say, you know, what needs to happen and what's in the report is two different sets of things.

First, an emphasis on process. Iraq actually has some very good processes out there at least in the abstract. The constitution is not a terrible document. There's a lot of good stuff in the constitution. The key is to make sure that they follow the constitution.

The second thing gets to some of these issues that we were talking about before and Sean's point in response to Saif in terms of what it means to avert civil war, that list that I read off about stability, transparency, accountability, ultimately democracy, all of that has to be followed not just, you know, in word, but in deed. It has to be the case that the country is equitably taken care of, that all different parts of the country are represented, that all different parts of the country get their fair share, and it isn't a matter of patronage networks taking over different parts of the government.



Now that's difficult, that is where we are at the moment, but we feel that that's part of what the continued U.S. engagement in Iraq needs to be focused on. We need to be focused on helping Iraq move; it's going to be a long, slow, hard process. We missed, as you well know, some opportunities early on that could have taken us in a different direction, but that's water under the bridge. We are where we are. We don't feel that it's impossible to get Iraq to the place where the Iraqis want to be and where we'd like to see it to be, but it is going to require a lot of constant attention from the United States, from the United Nations. We talk a lot about the importance of bringing UNAMI into it, other countries in the region, and, you know, with that (inaudible). I think that if you put not just the list of three goals, but also the longer list of sub-objectives, first to the Iraqis, I don't think they'd like many of the things on the list. But that's of less concern to me than the fact that I think that the Iraqis would agree with most of what's on the list, certainly the average Iraqi, I think, would agree with almost everything on the list and I think that many of our allies in the region would basically agree with it. And in particular, you know, what I found with even those who aren't terribly happy with the idea of building democracy in Iraq, what they will admit to is, we certainly don't want instability and you're probably right that it's going to be necessary for Iraq to move in the direction of democracy to avoid the instability. So, it's grudging, but it's there.

All right, let's take a last round of questions and I'm afraid we'll have to end it there. I'll take the gentleman up here.

MR. SHALOUB: Rick Shaloub, (inaudible) Newspaper. How worried are you about the neighbor and their ability to handle this process and mainly the Iranian one?

MR. POLLACK: Thank you. We'll take -- okay, let's go across the aisle

to Amatsya.

MR. BARAM: Amatsya Baram. Your general direction seems to make sense to me, but you implied also -- more than implied, Scott certainly -- that you are also ready to just let it go, which, again, would make sense to me. I'll just tell you that when my sister complained about her husband once to me, I told her if you want to tell him to behave, you'll have to threaten that you'll leave him, but the threat has to be credible, so,

MR. POLLACK: Did she leave him?

MR. BARAM: No, no. She threatened him, it was credible, and he behaves like a pussycat now.

MR. POLLACK: Mark, you got that?

MR. BARAM: The question I have for you is this. I give it 51 percent, I don't know what you'll give it, that your general outline will actually work, that is more or less, but there is 49 percent it will fail. You haven't yet said a word about Plan B. Now, Plan B cannot be, as I see it, just dropping the whole thing, going home, and that's it. So, you must have another session, a few more dinners, and think about Plan B.

MR. POLLACK: Thank you, Amatsya. Let's go to the back to David.

SPEAKER: All three of your presentations seem to assume that the Iraqi government is going to ask us for a military presence of some kind after 2011 and that they will want it enough for us to have some leverage because of the strength of their request. Can you explain that to me?

MR. POLLACK: Sure. And we'll take a last one. The lady over here, please. Quick answers.

MS. SPANDEK: My name is Geordette Spandek, and I'm a consultant. And kind of branching off of that question, I was -- had a couple of questions about the

implementation of this strategy. And as we see the drawdown going on, we're going to see the shift in authority for what's going on on the ground in Iraq from DoD primarily to State. And if what I got out of your presentation is correct, and from what I've heard in the report, it seems like you're kind of favoring more of a military presence to carry on a lot of these security activities that are so crucial to the peacekeeping goal that you guys identified. So, I was wondering how does that factor into this transition from DoD to State authority. And if so, how does the role of private contractors play into all of this?

MR. POLLACK: Okay, quick answers. Sean, you want to start us off.

MR. KANE: Sure. I mean, I think I'll start with the question from back there. I don't necessarily -- I think it's going to be a very delicate and, you know, a potentially dicey proposition. I think it's incredibly important that the request comes from the Iraqi government. And that's one reason why we've put so much focus on the Strategic Framework Agreement and other aspects of the relationship of what we do for Iraq, which is so important to its government because the Iraqi government has to see a benefit from a continuing partnership with the U.S. if there's going to be a chance that we get this type of request. So whether that's diplomatic assistance at the United Nations, whether that's technical assistance, whether that's the issues around external defense of Iraqi borders after 2011, which as currently stands it will be difficult for them to do on their own, all these sorts of things, we have to demonstrate value to the Iraqis of what we're providing if we hope and can expect to see such a request.

And also, I mean, I think tying into Amatsya's question about the credibility of being ready to leave, I mean, there's a difference between the Bush and the Obama Administration. President Obama was not elected to stay in Iraq. There was not a widespread expectation in Iraq that we or U.S. troops would leave Iraqi cities in June

2009, and we did and I think that stood up and caused some people to take notice. I do think there's still an expectation on the Iraqi side that the U.S. isn't really going to leave after 2011. And I think the administration is actually quite serious about it, if it's not requested, that it's more likely that they'll leave than not. So I think there is actually a credible threat ever since we (inaudible) out there.

MR. CARPENTER: Yeah, in answer to David's question I'd like to answer Amatsya's is that this is Plan B. I mean, I think plan -- there maybe will have to be a Plan C, but Plan A right now is to get out. I mean, it's a credible thing. Whether people believe it or not, that's the problem. I think that the administration is committed to getting out of Iraq. I mean, when we -- I remember talking with some people and saying, you know, we should have like, I don't know, 18, 19 military advisors in the Ministry of Defense. That would be sufficient. I don't believe that and I know Fred Kagen doesn't believe that and a number of others don't believe that and our group doesn't believe that. So I think that the problem with the credibility is if they don't believe it, then I don't think they will ask. And if they don't ask, then there's a problem because we can't want it more than they do. But they have to believe that we're prepared to draw down, and I think that they have been surprised. They were surprised by us getting out of the cities, they were surprised when we drew down to 50,000 troops, and I just wonder and worry that they will be surprised by the fact that we're gone and how potentially destabilizing that is.

So, I think we need to convey -- and that's part of the reason we talk about this -- we need to convey our seriousness about our interest and desire to see this move forward. So, I believe it is credible. And part of the reason we came up with this is because it is a Plan B, in a way, and whether there needs to be a Plan C or not, Amatsya, I don't know yet.

MR. POLLACK: I'll give some quick responses.

MR. CARPENTER: I want to add one more thing because I was remiss in not doing this at the outset, but I wanted to thank Ken for pulling us all together.

As many of you know, in Washington, you get together, you have a dinner, you say, hey, you know what, we should either have lunch -- let's have lunch or let's get together and do something. And out of one particular dinner I said to Ken, hey, look, that was pretty amazing. He said let's -- we should do something, and he didn't just leave it at that.

MR. POLLACK: I actually suggested a miniseries, but we ended up with a report.

MR. CARPENTER: But he did, you brought us all together, and I think that was -- and you didn't leave it alone. So I just wanted to thank Ken because he really has put a lot of time in and I was really remiss in not doing that. So, I wanted to do that publicly. Thank you.

MR. POLLACK: And I was actually remiss in not thanking one other person who was very helpful to us, and that was Joost Hilterman, who participated in a number of our conversations, gave us a lot of great input, but ultimately was not able to sign on to the report. So we have a great deal of thanks for Joost as well for his participation and his insight.

Amatsya, I appreciate you're always looking for things for me to do. You're always very kind to me and, yes, okay, that can be the next project.

I think you're right to focus on the neighbors and we have an entire section on that. And I think that part of the report is actually meant for the neighbors to say, look, do you want to live with the state in chaos? Do you want to go back to 2006 or

worse, or would you like to see an Iraq that will be functional, that will be stable, that might even be prosperous and be helpful to you?

You know, there are countries out there like Turkey, who have been enormously helpful in Iraq. I mean, just the Turkish influence in Iraq is absolutely profound. I just got back from Baghdad on the Wednesday before Thanksgiving and it is absolutely unbelievable how helpful Turkey has been in every aspect -- security, economy, politics -- that's been extremely helpful to Iraq. You know, if we could get Saudi Arabia and Jordan and a variety of other states to play that same kind of a positive role, wow, we'd really be cooking with gas.

SPEAKER: (inaudible)

MR. POLLACK: Right, well, that's part of the reason we need to deal with that.

David, you know, my own answer to you is I'm not convinced we're going to get a request from the Iraqi government. But, you know, I think -- and this is also a partial answer to your question, my own perspective, and here I'm just speaking for myself, so, again, having just gotten back from Iraq, boy, it is going to be hard for the Iraqis to get where they and we want them to be without that continuing progress -- without that continuing presence, excuse me. You know, the embassy, I give them tremendous credit. Jim Jeffrey and his team have done an unbelievable job in terms of the amount of work and the amount of creativity that they are putting into this to try to figure out how, you know, they, with a much smaller staff, try to do everything that 50,000 military personnel, and before them 150,000 military personnel, were able to do. And the truth is, you know, as good as those people are -- and they are really quite good -- they are just not going to be able to handle it, and it is going to be a huge challenge moving

forward.

And I will simply say that, yes, this issue of private contractors, if there is no U.S. military presence, wow, is that ever going to be an issue. I can't wait for the first moment when there is some kind of a security problem and the State Department tries to go and head it off by inserting an officer into the situation and triple canopy has got to get between two armed groups. That's going to be an exciting moment and one that really, I hope, we never have to see happen in Iraq.

I hope you've all found this useful. I hope you find the report interesting. Thank you all very much for attending and we look forward to seeing you at our next session.

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