THE BROOKINGS DOHA CENTER

POST-ELECTION IRAQ:

A CONVERSATION WITH U.S. AMBASSADOR TO IRAQ,

CHRISTOPHER R. HILL

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P R O C E E D I N G S

([Time a.m./p.m.])

MR. HAMID: Hello, everyone. Welcome. Thank you all for coming. My name is Shadi Hamid. I'm the deputy director of the Brookings Doha Center and a fellow at the Saban Center for Middle East Policy at Brookings.

Just two administrative notes before we get started. If everyone could please silence their cell phones. And also, just a reminder, we'll be having a reception after the event, so, hopefully, you can stay with us for that.

I see a lot of familiar faces here, but I'll just say a few introductory words about Brookings and the Brookings Doha Center for those of you who are new here. Brookings is the oldest think tank in the U.S., established in 1916, and one of the largest. The Brookings Doha Center, where we are right now, was established in 2007 through an agreement with Qatari Ministry of Foreign Affairs. We conduct research on a broad range of socioeconomic and political issues facing the Middle East and hold events such as this one where we try to bring together members of government, the media, NGOs, academia, and the business community to discuss and debate the issues of the day. And like Brookings in Washington, the Brookings Doha Center here is open to a broad range of views. We don't endorse specific political positions.

And one thing that we try to do is provide for audiences in the region a window into the U.S. policy-making process and that's why we're very pleased today to have with us U.S. Ambassador

to Iraq Christopher Hill to discuss the future of Iraq after the recent elections. Ambassador Hill is considered one of America's foremost diplomats. He played the lead role in negotiations with North Korea over its nuclear program a couple years ago. He also served as a top negotiator during the Bosnia Peace Settlement of 1995, also known as the Dayton Accords. In 2009, Ambassador Hill was tasked by President Obama to assist the Iraqis with the formation of a stable democratic country while the U.S. troop pull-out is under way.

And as you'll see in the event description, the title of the event is "Post-Election Iraq," assuming, of course, that post-election Iraq will be rather different than pre-election Iraq. And as many of you know, we had a very landmark elections on March 7th, last month, where more than 10 million Iraqis voted in the country's second ever parliamentary election. It was hailed as a success with high levels of participation and minimal violence, but the story doesn't end there. And there's quite a bit of uncertainty today about forming a coalition government and it's unclear who will really come out on top of that process.

So there's some interesting questions that, hopefully, we'll get a chance to delve into tonight. Will the defeated parties accept defeat? Could violence erupt if the Sunnis and Kurds feel left out of the process?

And the backdrop of all of this is something I hope that the ambassador will be able to talk to us about, and that's the fact

the U.S. is scheduled to withdraw combat troops by this August, which is obviously quite soon. What will that mean for the future of Iraq?

The format for today will be a conversation, beginning with myself and the ambassador. I'll ask him a series of questions. And then after about 40 minutes or so, give or take, we'll turn it over to you the audience to ask whatever questions you'd like.

So with that, I'll turn to Ambassador Hill now. And could you maybe just start by sharing with us your general impressions of the elections and their aftermath, and maybe comment on what your expectations are in the coming critical months?

AMBASSADOR HILL: Okay. Well, first of all, let me thank you very much for inviting me here to Brookings. You know, those of us who live in Washington, D.C., know Brookings very well. In fact, I have the honor of actually knowing Strobe Talbott as well. Anyone who drives down Massachusetts Avenue knows about Brookings, so it's great to see Brookings here in Doha and, I think, involved in some very important work here. So thank you for all that you do. It is truly America's premier think tank and has really done great things as it is going forward.

Let me -- turning to Iraq, indeed it is now almost a month since the elections took place on March 7th. They were -- the elections were actually conducted in, I think, a pretty calm atmosphere. There was a minimum of disruptions to the elections. There were, contrary to what the international media reported, there

were no rockets. There were no mortars on Election Day.

There were some -- there were two bombs in a couple of condemned buildings, that is buildings that should not have had occupants in those buildings. Those bombs went off. It's unclear what the purpose was because they were far away from any polling sites. Some 20 people were killed in those bombs.

I think the day before the actual election there was one attempted -- a person with a suicide vest on who tried to get to a polling station; was stopped at the outer ring. The dynamited vest exploded, killing the policewoman and killing the woman who was wearing it.

There were a number of loud noises in the morning, which a lot of people thought were some sort of, you know, mortars or something, but what they turned out to be were plastic Coca-Cola bottles -- or they might have been Pepsi, I'm not entirely sure -- and they had explosives in them, but no shrapnel. So they didn't do any damage, but they sure made a lot of noise. And I think the effort was to try to create the impression that somehow the elections did not -- you know, were going to be very violent. And, in fact, the Iraqis ignored the threats and went to the polls in very strong numbers, some 62 percent.

There were some surprises that came out of the elections. First of all, in one coalition called INA, that is a coalition between the party called ISCI and the Sadrists, ISCI was expected to be the larger of the two in this coalition and turns out the

Sadrists, actually followers of Muqtada al-Sadr, actually did better than ISCI. Now, this has given rise in the international press, you hear that the Sadrists have grown tremendously. But when you look at the number of seats the Sadrists have in the -- or expected to have in the new parliament, it's some 38, maybe 39 seats out of a parliament that will be 325. They had 30 seats in a parliament of 275. You can do the math, but it comes out to be about the same thing. In the old parliament they had some 11 percent; in the new parliament they'll have almost 12 percent. So it's no big change there, but certainly their partner, ISCI, was hurt rather badly and they have become much, much smaller. In fact, ISCI is divided with another group called the Badrists. And so they have some 10 seats and the Badrists has about 10, making 20 altogether. That was a change and I'm going to get back to that in a second.

The other main event was that the Sunnis, who had boycotted the election in '05, came out in great numbers to vote. And they came out in a party called Iraqiya. And the head of that party is actually a Shia, although he is not known as a particularly -- he's known really as a very secular Shia, I'll put it that way, Ayad Allawi. And that party did very well. Certainly it's increased the number of Sunnis in the parliament, in the new parliament, when it finally convenes. They will have some -- they will be some 30 percent of the total parliament. So Sunnis have really come out and voted.

And what's most interesting, of course, is that when they

looked at the actual results, and these results still need to be certified by the court, it looks like the largest party was actually this Iraqiya Party with 91 seats. The second largest was the party, the so-called State of Law Party, led by Prime Minister Maliki, with 89 seats. And then the Kurds altogether, that is the Kurdish Alliance, has some -- when you put everyone together in it, it's some 57 seats. And then ISCI Sadrists were some, I think, 70 -- I guess 70 seats altogether, something like that.

So what was interesting about it and I think -- is the fact that Sunnis are really back in the game. The Iraqiya Party has a kind of secular tone to it. And frankly, the State of Law Party also has a kind of secular tone to it. So I think the feeling among many analysts in Iraq is that the secularists did better in the voting than the sectarian groups.

Now, a lot of people say, ah, but what about the Sadrists? Because they actually did do a little better, certainly maintained their position in the parliament. And I think most people feel that the Sadrists are not so much a party of a sectarian party, but more a party that has been well organized at local levels, able to provide services to their members, able to provide health care, other things like that. And that that was probably more the reason they did well than any particular religious side.

So what is, I think, most interesting, though, about the overall elections is that we now have something that's within the result that's probably within the statistical margin of error of the

actual elections. So for Americans who lived through the year 2000, the trauma, if you will, of the Florida recount and all of that, this is kind of familiar to us. But, you know, we have fairly old institutions that have, you know, managed this kind of thing. And even then, if you go back to 2000 when the Supreme Court got involved in it, for many Americans this was sort of terra incognito -- territory incognito.

And now, when you look at what is going in Iraq with its very new institutions, the institution of the government, of the presidency, of the police, the army, you know, the parliament, and, in fact, the courts, all of these institutions are really going to be put to the test as they try to, you know, work this through. For example, there's not a lot of -- well, the laws are as clear as the law can be. There's not a lot of precedent to fall back on. So one of the big questions is who will be allowed to form the government? Is it the election coalition that have the most seats? In which case it should be the Iraqiya. Or is it the block that is the group that comes to the parliament when the parliament is seated? So could, for example, Prime Minister Maliki get another one of the small parties who have been traditional allies of his State of Law, of his Dawa coalition in the past, could he get them to actually join his coalition as a bloc and then that would put him a couple of votes -- a couple of seats ahead of Allawi, ahead of Iraqiya? So how -- you know, who is allowed to actually be given the mandate? These questions haven't really been looked at in the past.

So this will put some pressure on the courts, on the federal court. Some people say the federal court doesn't even have the right to rule on these elections, and so the federal court really cannot -- has no jurisdiction on this. So there's a lot of -- there's going to be a lot of discussions on this.

To be sure, you know, when you end up two seats short of the plurality your instinct is to kind of look around and see where the vote was close and see whether there might have been problems in the vote counting. It's our view that the vote counting was pretty good. Does it mean it was perfect? Does it mean that there weren't some issues there? Of course not. Of course there are issues, just as there are in any elections. But overall, the United Nations brought really its first team, brought some really talented people. There was a lot of effort to train up hundreds, even thousands, of people from the high electoral commission, so-called IHEC. There were criticisms of whether the IHEC was really independent as the "I" in IHEC is supposed to be. And to be sure, the different commissioners seemed to have allegiances to different parties. And I know there's a lot of criticism of that now in Iraq. But, you know, overall, the feeling is that IHEC is supported enormously by the U.N. and, I might add, supported heavily as well by Iraqi security forces. Because this was an election whose security was guaranteed not by U.S. forces, but by Iraqis.

So I think Iraqis kind of feel proud of the process, as they should. And I think they -- there's a real feeling, you know,

as they hold up their purple finger, you know, everyone who dipped the finger into this indelible ink. It was rather remarkable talking to people for a week afterwards, you'd be having a conversation and they'd be scraping their finger to try to get this purple off, you know, some five days after the voting. Iraqis were very proud really of what they accomplished. But now we're into a whole different situation with government formation.

So while Prime Minister Maliki and his State of Law Party are particularly the ones who had some questions because they're the ones who came two votes short or two seats short, you know, other parties have kind of looked around and thought, you know, could we have done better if we had a little better outcome in certain areas. So there are going to be a number of challenges to this that have been filed and can still be filed with the courts.

Our sense is that there were no widespread cases of fraud and that it was a good and credible election, and now it's time to get on with government formation. And believe me, that is what is going on right now in Iraq. There are a lot of cups of tea, a lot of cigarettes being smoked right now as they go through to see who can put together a coalition that will give you a majority of 325, which is 163. And so even if you're Allawi at 91 or Maliki at 89, you've got a long way to go to get to that 163.

MR. HAMID: Let me follow-up with you on two points that you alluded to. The first is really the stunning comeback of Allawi, who, just a couple years ago, was really written off and

seen as part of Iraq's past and too closely associated with the Americans. And obviously he really came out of nowhere in some respect and was really -- and might very well be the next prime minister of Iraq.

And the second thing which is partly related which you pointed to is it seems that Islamists parties didn't do as well as expected and secular coalitions did better.

AMBASSADOR HILL: Yeah.

MR. HAMID: Assuming that storyline is more or less accurate, what do you think accounts for not really -- perhaps what we might call a fundamental shift in Iraqi politics and it might be emerging?

AMBASSADOR HILL: Well, first of all, I think the key for Iraqiya's coalition was the fact that no one talked about boycotts. I mean, it was rather remarkable that every time something would happen in the campaign season, the infamous de-Baathification process, the international media was raising the idea that surely now the Sunnis will boycott, and no one ever went that route. When I was out in Anbar talking to the various tribal sheikhs there and they made very clear, they said we learned our lesson before. We're not interested in boycotts. So I think that was very important.

I think Iraqiya ran, by all accounts, a very strong campaign; put together good candidates. I think having the open list, which was quite a new phenomena in Iraq and, frankly, in many countries. And perhaps that's another point that, you know, I hear

so much criticism of Iraq on this. Well, you know, some people who direct this criticism ought to look at their own country and decide, hmm, is our election any better than what Iraq has been able to do? Frequently the answer will be no.

Iraq put together -- I mean, in the election law, which was a long and painful process, they managed a sort of hybrid system where you have an election list where people are voting for the list, but they're also voting for individuals. And so they would know that the guy they wanted to vote for was number 3 on the list and they'd check number 3 because they wanted that guy. So I think Iraqiya really put together some very good candidates and that really helped them. And that's the kind of thing to be -- I think, to be encouraged.

When you look at the parliament now, some 80 percent of the new -- of the parliament are new members. So let's see if having an open list has actually brought forth better quality. It's certainly brought forth different names, so let's see if it's better quality.

Now, on the issue of sectarian lists, you know, if you look at Iraq today, it is in very difficult economic straits. I mean, it is a country that has enormous potential, but has not really gotten its economy going. I mean, when you drive through Doha and you just see the wealth here, the fact that, you know, clearly they have worked out land tendering issues and clearly foreign investors are glad to come here, and when you go through

Baghdad you see quite a different picture. So the problem that the government has had is they have not gotten the economy going at all. And the consequence is that they have trouble providing services. And I think traditionally what the Iraqis look for in a government is as a provider of services.

So as one Iraqi said to me, you know, he said we don't want our leaders to pray for us, we want our leaders to work for us and pray, but certainly to work. And so I think Iraqis want to see some practical people out there who will address their daily problems, and their daily problems are terrible.

If you look at the situation in education, I mean, thanks to the improved security I've been able to get out and see some of the schools there, I've been able to, you know, for example, visit with students in Baghdad University. You know, students at Baghdad University are not talking about Shia versus Sunni. They're talking about, you know, will my engineering degree here at Baghdad allow me to work for a U.S. oil company soon to come into Basra? And that is another huge storyline in Iraq in the last year, that is the decision to go ahead and lease oil fields out to international companies. So they have very practical concerns. And so when they look at a potential government, they want to see whether they're addressing those practical concerns. So I think that's really what is going on.

MR. HAMID: But all is not well. After coming in second in the elections, Maliki is making some veiled and sometimes not so

veiled threats, and he doesn't seem particularly interested in giving up the prime ministership. The Kurds don't really seem interested in giving up the presidency. So I think we have a really interesting test case now of what happens when powerful figures in the Arab world lose elections. Do they step aside or do they fight to the bitter end? And does some of the language you've been hearing over the last few weeks concern you that there may be a return to sectarian tension, but more than just that, but sectarian violence?

AMBASSADOR HILL: Well, the fact that -- let's say Prime Minister Maliki ultimate is unable to form a government and someone else does and it does not include him or his coalition. I think the issue for him is he does not have a lot of role models in this part of the world who have said, well, I lost, I step down, and I, you know, turn the sash over to someone else and I'll try again in four years. He doesn't have a lot of role models for that. But, at the same time, I don't think that means he's some sort of -- he's, you know, he's congenitally unable to turn over the reins of power or that there's something in the DNA in this part of the world that prevents him from doing that. (Laughter) You know, I really just don't think we should go there.

I think, you know, when you said he said some, you said, threatening things, you know, I recall when the 100 percent tallies were announced -- they're not yet certified by the court, but when they were announced about a week ago -- Prime Minister Maliki stood

up with his supporters and, you know, you're with your supporters, people are not happy about coming in second place. Now, mind you, you know, the ultimate thing is to get 163, not 91 or 92. But you're up there with your supporters and you want to show your supporters that you're kind of tough and you're going to, you know, really check this out and really make sure that indeed you came two votes short. You're not going to say, well, I guess we lost and, you know, yeah, there were reports of voter fraud in this or that place, but forget about it, we lost. That's not what a leader's going to do in Iraq or, frankly, anywhere else.

I mean, a leader is going to say, look, we're going to abide by the law, which he did say. He said I'm going to insist that everybody abide by the law and the commander in chief and that's my responsibility. That, I think, was a fair comment to make. Some people said, oh, that must mean he's calling for a coup. I think he was simply telling people he's not going to put up with anyone taking the law into their own hands.

And then he said to his very unhappy supporters, to say we're going to look very carefully and we're going to follow up on our complaints and we're going to see -- we're going to get to the truth of some of these issues. I think it's a fair thing to say.

And, you know, if I were a Dawa supporter or a Rule of Law supporter and the leader got up and -- I would be looking for that kind of message. You know, don't lose faith, we're going to work this. And, frankly, as an American who remembers 2000 very well, I

seem to remember Al Gore doing something like that. So we'll have to see.

To be sure, as I said, he doesn't have a lot of role models. So -- but on the other hand, having talked many times to him privately, having heard him many times publicly, I think he's also aware that what Iraq has done, what they have done in terms of going from really one of the worst dictatorships to something that has its flaws, but, nonetheless, is going in the right direction, and I think he understands that Iraqis are not going to go back. They have won these freedoms. They've earned these freedoms. They're not going to accept dictatorship or coups or things that went on in the past. So I think he understands that he has a very special responsibility.

And I think, too -- and I doubt he's really spent much time thinking about this, but, you know, I think someday he can look back at the fact that this time of his tenure was a time of restoring Iraq's sovereignty, of creating a democracy. And I think he understands that he has certain historical responsibilities and the world is watching very carefully.

MR. HAMID: So maybe now we can delve a little bit more into the U.S. role. I think a lot of analysts commented on how this seemed to be a fundamentally Iraqi process; the U.S. wasn't the main story. It actually seemed that the role the U.S. was playing was very much on the margins. But it's interesting to note that when the election results were announced last week, three out of the four

major alliances sent delegations to Iran, but none of them sent delegations to the U.S. Embassy in Baghdad. Now, what does that tell us? What does this say about America's declining influence vis-à-vis Iran?

AMBASSADOR HILL: Well, first of all, we have, I think, an excellent relationship not only with the government of Iraq, but with many of the political parties. We would expect that our relationship with Iraq will be very strong as we go forward.

One of the reasons, I think, we are developing a very strong and long-term relationship with Iraq is that we have made a very careful and a very strategic decision that we must respect Iraq's sovereignty. And to have delegations of politicians showing up at the embassy, like I am the Soviet ambassador in Poland in 1947 or something, I don't think would be conducive to what we're trying to do.

You know, we have confidence that the Iraqi people want an Iraqi government that's made in Iraq, not made somewhere else. We have confidence that, frankly, they're insisting on that, and you see that. You see a lot of concerns expressed by people about politicians going abroad, that they want them in Iraq. And certainly, I think if we ever gave the impression that the United States was choosing people, this would be very, I think, deleterious, damaging to our long-term relationship. We want that long-term relationship and we will get that long-term relationship because we will be respectful of their processes and respectful of

their sovereignty.

MR. HAMID: But if Iraqis don't want to see foreign interference, then how do you explain that the major alliances went to Tehran?

AMBASSADOR HILL: For a visit. Well, there was a Norooz holiday visit that some six countries attended in Tehran. There were representatives from a number of the countries, including Turkey actually sent their deputy prime minister there. Two of the Shia parties from Iraq had some meetings there and came up with some tentative agreements, but upon returning to Iraq, you have not heard of any agreements being announced. And, in fact, when you ask some of the people what was agreed in Tehran, they said, well, we just -- we were there for a holiday celebration and we had a meeting in the margins.

So why is there no such announcement? Why are people kind of walking away from this process? And I think it's because the reaction in Iraq to this trip, to all kinds of trips -- and by the way, it's not just to Iran, I might add -- I think the reaction is that the people want to see their future decided in Iraq.

I think it behooves all of Iraq's neighbors to understand that at the end of the day, Iraq's politics, Iraq's system will be made in Iraq. And you can be influential, but I think you have to be influential in a traditional way, and that is not interfering. And I don't think the idea that you can go to a -- that politicians go to a foreign country and cut a deal there is going to be

accepted, and that's why you haven't seen any announcements. And indeed, having talked to a number of the players, they have a lot of work to do before there's any announcements of any new coalitions.

MR. HAMID: Okay. And the U.S., as we know, is scheduled to withdraw combat troops by August. And I think there's some confusion, particularly here in the region, about what that --

AMBASSADOR HILL: There's even confusion here in the room because you've just said we're withdrawing combat troops, and what is really happening is that after August 31, this year, combat operations will cease.

MR. HAMID: Okay.

AMBASSADOR HILL: No more combat operations. In addition to the fact that there are no more combat operations after August 31, the number of U.S. troops -- troops are, you know, men in green, wearing helmets, carrying rifles -- the number of U.S. troops will be reduced to 50,000.

MR. HAMID: Fifty thousand.

AMBASSADOR HILL: So two things: no combat operations and troop levels no more than 50,000. So 50,000 is still quite a robust force. I think people need to --

MR. HAMID: But aren't those called residual forces and not combat troops?

AMBASSADOR HILL: No.

MR. HAMID: Isn't there a distinction there?

AMBASSADOR HILL: No, they are -- they will be organized

into brigades, which are called advise-and-assist brigades. And their mission will be to advise and assist the Iraqi army.

Now, I might note to you that actually the mission of U.S. troops right now, although they do carry on some combat operations now, their mission has been transferring for many months now to more of an advise-and-assist mission. They are already doing that in a number of places in the southern part of Iraq, where the threats levels that we had have come down, so they're already doing this. And so by the end of August, their mission will be exclusively advise and assist, and it will be conducted by no more than 50,000.

The plan, of course, and -- now that is what President Obama announced at Camp Lejeune over some 13 months ago. Of course, in -- by the end of 2011, and this is according to the security agreement reached between the U.S. and Iraq in December 2008, the security agreement will end by 2011 and the U.S. troop presence will also end with that security agreement. I think, just to -- not to be (inaudible) about the security agreement, but I think it's important for people to understand that.

That security agreement that was reached in the latter days of the Bush Administration is being implemented today. And one of the key things that took place was the June 30th date, milestone, which was the date by which all U.S. troops had to be out of Iraqi cities, towns, and localities. Many Iraqis kind of wondered will the U.S. really do that? And many Iraqis wondered, well, you know, there are still problems in this city or that city. Will the U.S.

really be willing to be out of those, all of those cities? And what we made was a principled decision, a decision to observe with 100 percent accuracy our responsibilities according to the security agreement.

Now, why? Does that mean that we felt that maybe pulling out of some of these cities might not have created some -- or allowed the bad guys to go back into the cities? Indeed, there were some tactical risks involved in our full implementation of the security agreement. But we felt that the strategic gain of full implementation of the security agreement greatly exceeded the tactical risks involved. Because, again, I want to stress we want a long-term relationship with Iraq, and the best way to do that is that when we have agreements with the Iraqis, we fulfill them 100 percent.

MR. HAMID: But at the same time, at some level, does it really matter if it's 50,000 troops or 100,000? People in the region have been waiting and hoping for a U.S. -- a full U.S. withdrawal. And how do you think this will play with Arab public opinion? And is it 50 -- does it really make that much of a difference?

AMBASSADOR HILL: Well, the agreement with the Iraqis in December 2008 -- I say December; I think it was actually November -- at the end of 2008, the agreement was our forces would begin to reduce such that by the end of December 2011, when the security agreement ends and there's no basis, no legal basis, for keeping our

troops, there would be no U.S. troops. So that's the agreement.

Now, President Obama wanted to put into that agreement -- oh, and the agreement, of course, included June 30th and out of the cities because, you know, for a lot of Iraqis to see, you know, large tactical vehicles going through their towns at night and things like that was difficult for them. And so the Iraqis wanted to see us out of the cities by June 30th, which is why that was part of the agreement. But the issue of reducing to 50,000, that is putting an actual benchmark after some -- originally the concept was some 16 months, and basically a benchmark toward the ultimate goal of 0 by the end of 2011, that was something the Obama Administration added to our obligations, but made it our own obligation to ourselves.

So why does it matter when you announce that you're going to do something? I think it does matter that when you announce something you actually do it.

MR. HAMID: Okay. And before we turn it to the audience, I just want to discuss a little bit the regional implications and what this means for the broader Arab world, something which I think is of interest to our very diverse audience here.

Generally speaking, for Arabs and for others, for that matter, who are angry about the Iraq war and has continued to hold it as a major grievance against U.S. foreign policy, what would you say to them now in light of these elections? Because this still is something that people haven't forgotten and won't forget for the

foreseeable future and the anger is still there.

AMBASSADOR HILL: Yeah. Now, if someone expresses anger on that, I would want to know why they're angry. So what -- why would a person be angry?

MR. HAMID: For example --

AMBASSADOR HILL: I mean, if you're Saddam Hussein's cousin, I understand why you're angry. (Laughter)

MR. HAMID: Well, I don't think -- I think most people here in the region weren't fans of Saddam, and I think it's a very small minority who were. I think the issue is the loss of innocent civilian life, and we have the numbers and they're quite striking in some regard. So, I mean --

AMBASSADOR HILL: So people are angry from a humanitarian point of view.

MR. HAMID: Humanitarian.

AMBASSADOR HILL: Yeah. Well, you know, without going over what happened there before, I mean, before my time, I mean, this is actually my fourth assignment in a town that used to be part of the Ottoman Empire, but it's my first assignment in Iraq, and I certainly wasn't, you know, part of what was going on earlier. I will say that anybody who says that this is easy or this has been an easy seven years or anyone who, you know, wants to take a bow over what's happened in the last seven years should think again. This has been very, very difficult, extremely difficult. Civilians have been -- there's no question there have been many civilian

casualties. Just today there were three bombings in Baghdad with civilian casualties. This has been an extremely painful process.

The issue here, the issue that anyone faces is, okay, what do we do now? What's the best way to deal with this? And what I think the Iraqis have concluded is the best way to deal with this is to restore their sovereignty and introduce what is essentially a democratic system. Now, a lot of people will say, well, why a democratic system? I mean, there's never been democracy in Iraq before. Shouldn't they introduce something else? Okay, well, tell me how that works. How are they going to do that? Should they, you know, choose a dictator or something? I don't think anyone wants that. Should they have a military coup? I don't think anyone wants that either. I think it's the system which they have chosen because it's probably better than all the alternatives, demonstrably better.

And so as painful as it has been, and certainly historians will have the opportunity to go back through the events starting in just a little over seven years ago and look at why the United States did that and why other countries joined in that, historians can look at all that. My job -- I mean, historians look back, diplomats look forward. And my job is to try to work on creating a relationship with Iraq that will serve our mutual interests for decades to come, and that's what we're engaged in right now.

MR. HAMID: Okay. And you mentioned -- you called Iraq a democratic system. And that's an interesting point because with the exception of perhaps Lebanon, Iraq might very well end up being the

only democratic country in the Arab world, at least in the -- if we want to consider it that now or at least in the coming years. And that's a pretty big thing right there. I mean, how do you think that will affect the rest of the region? Do you feel that if Iraq can be perceived as a functioning democracy that's able to work out its differences peacefully, how will that affect the average Egyptian or the average Syrian who may be looking for inspiration elsewhere?

AMBASSADOR HILL: Well, the answer is I don't know. I don't think anybody knows, including that average Egyptian that you spoke of. I think Iraq needs to show that it can solve its problems. I think it needs to show that it can address the security problems. It has made tremendous strides on that, it really has. But as the events today showed, it is up against a very difficult foe in these terrorists and it needs to show that it can complete that job. I believe it can, by the way. I believe Iraqis can do that. I think they know how to manage security. So I'm optimistic on the security.

On the economy, which is also related to security, I'm also optimistic because after years and years of talking about a hydrocarbon law -- and I remember hearing about this when I was working on North Korea, and I would be sitting next to my colleague from the Near East Bureau explaining to Secretary Rice why the hydrocarbon law won't be passed until next Tuesday, and then next Tuesday would come and it would always be the following Tuesday or

Wednesday, and it never got done. But finally, I think this Iraqi government made a very good decision, that is put the weight on the hydrocarbon law, which is a law that will establish the whole framework of how they manage their natural resources, namely oil and gas, and simply go ahead and do some contracts.

And now the Iraqi government has reached contracts with 12 major companies, a major consortia of companies. Altogether, if they are successful with this 12 -- and there will be others. They haven't even begun looking for gas, for example, in Anbar; they haven't even begun with some of the Central Iraqi oil reserves there. This is mainly down in the south in Basra. If these 12 contracts are successful, between 5 and 10 years from now Iraq will be able to exploit some 10 million barrels of oil per day. These are heady numbers. These are serious numbers.

Now, I'm not speaking to the issue of, you know, building the infrastructure. They've got a lot of infrastructure to deal with. I'm not speaking to the issue of OPEC and, you know, what conceivable, you know, quotas or how OPEC will be organized. But overall, this is a country that has resources. It really has resources. You know, there are some countries, well, you know, god bless them, 10 years from now they're going to be pretty much what they are. Iraq 10 years from now, if it does this well, if it gets security, if it gets this economy going, will have 10 million barrels a day of oil. That is something, I think, to take notice.

Thirdly, I think Iraq needs to reach out to the region.

It needs to work with its neighbors. It needs not only to work with -- to have a relationship with Iran -- and by the way, Iraq will be pumping more oil than Iran probably within three years. It needs to have a relationship there. Iran wants a good relationship with Iraq. And I have one helpful hint there: respect Iraq's sovereignty. And so I don't think we should fear a normal relationship there.

Iraq needs to reach out and, frankly, its Sunni Arab neighboring states need to reach out to Iraq. And I think there can be a much better relationship with its Arab neighbors.

In addition, already there is a much improved relationship with Turkey. And I think that is really going in the right direction.

So finally, what's the fourth issue when you've solved security, addressed the economy, addressed some of your diplomatic isolation? You know, Iraq's historical problem is not just dictatorship and terrorism. It's -- the historical problem is really isolation. And it needs to really have a very affirmative policy of dealing with these diplomatic issues. But the fourth issue is the main issue, to me, and that is getting the politics right, making sure there is a sense of limits to how far you go in your competition. You know, I mean, even American football has some rules, and I think Iraqi politics needs to have some rules, too.

They had a code of conduct. Those of us who looked at the code of conduct were kind of impressed. I mean, after all, we don't

have something like that in the States. You can sure tell that (inaudible). But, you know, I think the Iraqis understand that they need to, you know, make sure the politics works.

Finally, they have a lot of -- and related to the politics, they have internal reconciliation issues. They need to deal with its Kurdish Arab questions. They need to make sure everyone understands they're in the same country and can work together.

So I really think they can be -- to get to your question -- a model for other countries. But I'm not going to say what needs to happen in Egypt or needs to happen in Country X, Y, or Z. That's for those countries to sort out.

MR. HAMID: Okay. With that, I think we'll turn it over to the audience. I want to thank the ambassador again for his remarks. I think there's a lot of food for thought there, and I imagine that you all have a lot to ask.

So I think what we'll do is take three questions at a time. Please keep your questions brief, to 90 seconds, if possible. And if necessary, I will have to cut you off. So I guess we'll start from here and work around.

Fares? And if everyone could just state their name and affiliation as well.

MR. BRAIZAT: Thank you. Fares Braizat, head of research at the Social and Economic Survey Research Institute, Qatar University.

I have just two quick points. One is about this spillover effect of Iraqi democracy or what you referred to as Iraqi democracy. In 2004, the overwhelming majority of Arabs surveyed in the region, (inaudible) a few countries, believed that the Americans will not be able to turn Iraq into a model for democracy in the Arab world. Maybe now this has changed, I don't know, but we might know soon. Do you think that will serve as a model for democracy in the Arab world?

And the second point is you know that if that happens, this is going to be threatening the very security of all Arab countries, the stability of the current regimes. Now, are you confident that those regimes will not intervene in the Iraqi process to derail it in a way that will be consistent with their own model government?

AMBASSADOR HILL: You know, it's interesting -- oh.

MR. HAMID: We'll take three at a time or do you --

AMBASSADOR HILL: Well, that's like remembering three chess positions. (Laughter) All right, all right, I'll do it. I'll try. I'm older, though. I mean, all right, I'll do my best. All right, all right.

MR. HAMID: How about we can start off answering one at a time, but we might have to --

AMBASSADOR HILL: Okay. Okay. But you'll help me, remind me what the questions are? (Laughter)

SPEAKER: Thank you for your presentation, Your

Excellency. I have three questions. (Laughter)

MR. HAMID: Can we --

SPEAKER: Ninety seconds.

AMBASSADOR HILL: I thought he said nine questions. (Laughter)

MR. HAMID: All right, go ahead.

SPEAKER: I don't like to waste time. Let me remind you in 2005, George W. Bush insisted that no one soldier, Syrian soldier, must be in Lebanon before elections; that it must be to be free. Do you think that in the existence of 100,000 American soldiers and 100 which we call security contractors, Blackwater and others, these elections or the democracy are free or true? That is one.

How do you explain to me that Iraq, Afghanistan, these the new democratic countries are at the end of the list of corrupted countries with Somalia? (inaudible) international (inaudible) list Iraq, Afghanistan, (inaudible).

The second thing, the second question, you are allied -- (Laughter) -- please, let me (inaudible).

MR. HAMID: Okay, okay.

SPEAKER: You are allied Shias. I mean, (inaudible) the Shia (inaudible) and that the leadership of this Maliki and (inaudible), but you are (inaudible) with (inaudible). You may begin to strike or you may impose sanctions. How do you explain for me that you are against Iran and you are allied to the Iraqis

(inaudible)? This is for the future that you are making (inaudible) Shia (inaudible) Sunni (inaudible).

The third question --

MR. HAMID: (inaudible)

SPEAKER: -- (inaudible) is the price for democracy: 1 million killed, 5 million displaced and refugees in Iraq, and 200,000 jailed. How you explain this (inaudible)?

Thank you.

MR. HAMID: Okay. Why don't we just take those two questions. There's a lot to chew on there. So feel free to go ahead.

AMBASSADOR HILL: Okay. First of all, on the first issue, this polling of can America introduce a democracy, you know, if someone asked me that question I'd probably say no because I don't think we are doing that. I mean, we introduced some of the concepts, maybe. But, frankly, when you look at the election law, when you look at how these coalitions form, in fact, when you look at the overall system it's not really American, it's, you know, the parliamentary system. It's sort of an international model that's not American. So I would -- first of all, I just don't think it's fair to say that we have kind of designed a democracy for them. I mean, to be sure, you know, there were some American lawyers who helped with their Constitution, but there were lawyers from all over the world helping with their Constitution. So I think the notion that we created something, I give more credit to the Iraqis on that.

And I went through this election law where I was dealing with them all the time, and it was funny, I was at times -- I mean, I'd be over at the parliament talking to the politicians and some people would say, well, that's too much. You know, America shouldn't be so involved. And then I was getting all this criticism that somehow my predecessors had really imposed things and that what was I doing standing around allowing the Iraqis to come up with things.

Well, first of all, I'm not sure my predecessors ever did impose anything. For example, they never seemed to get the hydrocarbon law done, to take one of my favorite examples of something that went on for four years not getting accomplished. I think these are issues that the Iraqis have to deal with. And I think we made the decision that they should do them. And when they're completed, when they get them done, they will mean more that they've done them rather than we do them.

Whether it's a model for -- you know, I dealt with that question earlier whether it's a model for other countries in the region, I mean, you know, other countries in the region have, you know, different systems, different histories. I think it would be -- I'd be surprised if, you know, Country X said, well, gee, we want what Iraq has. You know, I mean, Iraq has a very unique history. The -- as the second question or set of questions implies, there's a lot going on in terms of sectarian communities there that I think you're hard-pressed to find countries in -- other countries in the

Middle East that are -- have this kind of similar historical, cultural, anthropological endowment.

So I don't think anyone needs to fear anything from Iraqi democracy, let me put it that way. I think they did and did indeed, and maybe this is a good segue into my second questions, did indeed have to fear something from an Iraqi dictatorship. And I think Iraq as a strong, stable, and democratic and peaceful element in the Middle East should not be a threat to anybody. Whereas Iraq as a brooding dictatorship under Saddam Hussein murdering people on a daily basis -- and I must take exception to the second set of questions that somehow death and destruction came to Iraq after Saddam. I mean, I think Saddam is really up there in terms of the list of 20th century dictators for the number of people that he murdered, the number of families he destroyed, the lives he destroyed, the destroyed economy. I think people -- I think countries in the Middle East should feel invested in the democratic future of Iraq and not worry that somehow that democratic future will be some sort of infection that they will have to worry about. I think on the contrary, it is a much better way for -- it is a far more stable element than what they faced before.

You know, and with regard to the second question, we are not allied with Shia. And, you know, by the way, without going into the sort of history of Shia in Iraq, it's a much -- sir, you know probably much better than I the complexity of Shia tribes in Iraq. And sir, I don't think you should give some kind of cartoon image

that this is all -- you know, Shia in Iraq are all about Iranian influence in Iraq. I think there's far more complexity to that, which I know that you know.

So we are -- the United States supports what the Iraqis can come up with in a -- using democratic processes, using a model of inclusiveness, which is why we were -- we did express concerns about the de-Baathification process, which we felt was politicized and being used in a non-inclusive way. But, you know, we are not allied with any sectarian group.

With respect to Iran, I think our policies toward Iran are very well known indeed, and it starts with the fact that the Iranians are engaging in activities that are wholly inconsistent with their international obligations in the nuclear area.

MR. HAMID: Okay. Well, I think we'll take two questions now. Go ahead.

MR. AZZAWI: Jassim Azzawi from Al Jazeera.

When do you expect Iraq to come out of U.N. Security Council Chapter 7, and in what way the U.S. will help Iraq to come out of that chapter?

AMBASSADOR HILL: Yeah.

MR. PRASAD: Thank you. (inaudible) Prasad , the Center for (inaudible) Studies.

Sir, I just want to ask a bit of a technical question. You mentioned that the American forces will be pulled out from their combat duties by the end of August, you mentioned. And all the

50,000 advisors in an advisory capacity will stay in Iraq.

AMBASSADOR HILL: Initially it would be as advisors, yes.

MR. PRASAD: I just ask do you think that the Iraqi army will be quite competent as a fighting power to preserve the security and the, you know, borders of Iraq? Taking into consideration that we have seen during even the past year that there are certain conclusions on the part of the Iranians on the Iraqi borders in Diziljah and Paca and (inaudible) and Khoramayah . So I just want to hear your comment about that.

Thank you.

AMBASSADOR HILL: Yeah. With regard to Chapter 7, we are obligated, according to Article 25 of the security agreement, to assist in the process of bringing Iraq out from under Chapter 7. Overall, Iraq is not a threat to regional peace and security. But in coming out from Chapter 7, the U.N. Chapter 7, it needs to fill certain obligations. There is, for example, a weapons of mass distribution obligation to be -- there is a -- and there's progress being made on that type of issue, which is really more a technical issue related to international obligations.

I would sat that one of the key elements, though, in coming out from this will be a full normalization completion of the issues that are outstanding with respect to Kuwait and with respect to the Iraq-Kuwait border, both land border and maritime border.

Now, Iraq has recently named an ambassador, a person who will be going to Kuwait. This has not been done before. They

actually have named the person and the person is going to be going shortly. And so I think that will be a very important sign.

They have also tried to work with Kuwait on some of the missing persons issues. They've worked with Kuwait on some of the archives issues. And there are a number of things that are underway.

I think one of the big questions will be how to manage the border, especially the maritime border as delineated by the U.N. back in 1991. So I think that needs to be worked on.

We have been working with the Iraqis with respect to these international issues, the WMD provisions, for example, the enhanced protocol issues regarding to the IAEA, et cetera. We would certainly like to be helpful in the issues with Kuwait with the understanding that we greatly value our excellent relationship with both Kuwait and Iraq.

The second question was about -- oh, well, you know, the Iraqi army has come a long way. It has -- there's tremendous improvement and capabilities in the Iraqi army. They have absorbed some new equipment. They've certainly absorbed some new doctrine. Their organizational structures have dramatically changed from the previous time.

They have issues. They have some issues that affect that border, especially with respect to tactical error and their ability to maintain their border with regard -- from the point of view of, you know, having a tactical error necessary. These are issues that

are being very carefully studied and remediated between the U.S. and Iraqis. We have a pretty robust NATO training mission in Iraq. We also have the British continuing to provide maritime training. But we are trying to address those gaps so that by the time 2011 comes, we can believe that we have addressed the gaps.

I think Iraq's capacity, though, to protect itself will depend not only on, of course, the rather significant improvements in their military that they have made and that they must make in the future as well, but it should also involve efforts to -- diplomatic efforts to work with these other countries. So there has been a lot of progress, especially in the area of the build-up and provision for a new Iraqi army.

MR. HAMID: Okay. Do we have any questions over here?

MR. TORY: Thank you very much (inaudible). My name Iata Tory , lecturer of criminal law, Qatar University.

It depends on international law you have responsibility. That's the reason I will ask you a question to support our choice, Iraqi people's choice, and all Iraqi people now they want to change. So do you think you can support our choice, especially this is very important opportunity? If we lose this opportunity, we don't want to lose -- or two wait seven years, another seven years, from our life to wait another opportunity. I think now this is a very important opportunity to support our choices. So you can support (inaudible) or not.

AMBASSADOR HILL: You mean support the choices in the

election?

MR. TORY: No, no. Last election, we -- in 2005, we went to Imarat and we fought and we lost our (inaudible). But in 2010, also we went to Imarat to give our votes.

AMBASSADOR HILL: Yeah.

MR. TORY: And we think we -- something happened in this last election. There is --

AMBASSADOR HILL: You mean the counting of the votes you're talking about?

MR. TORY: Yes.

AMBASSADOR HILL: Yeah.

MR. TORY: Yeah. I'm not talking about what the process. Everything it's okay for processing election. But my question, there is a very good opportunity now in last elections in Iraq to change. So you can support this change in Iraq or you cannot.

AMBASSADOR HILL: Just support the change.

MR. TORY: I mean, can I explain in Arabic, please?

AMBASSADOR HILL: Yeah, sure.

MR. HAMID: Yeah, sure, feel free.

MR. TORY: Okay. (Speaking Arabic.) Sorry.

AMBASSADOR HILL: No, go ahead. Maybe someone can (inaudible).

MR. HAMID: I'll be able to translate it.

MR. TORY: Okay. (Speaking Arabic.)

MR. HAMID: Okay. I'm not understanding. He said that

the choice of Iraqis is clearly for change. All Iraqis want change. According to the U.S.'s international responsibilities are they able to commit themselves to assisting the Iraqis to encourage their desire for change? Is that --

MR. TORY: Yes, exactly.

MR. HAMID: So what do you -- just define what you mean by "change" here. Government?

MR. TORY: We don't -- (speaking Arabic).

MR. HAMID: Oh, okay. We think last time what we had was two parties coming together forming an alliance and then leaving out other parties, and that that is a concern that he's raising. Now is there potential for a national unity government where all parties will be included?

AMBASSADOR HILL: Yes. I think, you know, if you talk to people in Iraq today of all -- from all parties, and we're in close contact with all the different groups, there is more and more of a sense that there should be a national unity government. Now, this is not unusual in other parliamentary systems when two parties have come so close, so it's not unusual that people are talking this way that there should be a national unity party that includes all.

I think, for example, the two Shia groups, that is two Shia -- predominantly Shia groups, certainly the State of Law Coalition and the ISCI (inaudible) INA Coalition have talked about being together, but, at the same time, they've talked doing it with the Kurdish Alliance and with the understanding that they need the

Sunni-based or Sunni majority Iraqiya Party. These coalitions include lots of different parties. I mean, the Iraqiya Coalition, I think, has about 40 different parties. The State of Law has some 30 different parties. So it might be that some of these parties are not included in the -- in an eventual all-coalition government.

But what most people are talking about is that all four main coalitions need to be included. But, you know, that's a lot of bargaining, too, because they have to figure out, all right, who will get the president position? Who will get the speaker position, speaker of the parliament, which is a very powerful job? And the feeling is it will go to someone from one of those four groups, not from the Tawafuq group as it was last time.

So -- and then, of course, the prime minister position is the most sought after. And I think Prime Minister Maliki very much wants to hold onto his job, so there'll be -- you know, there'll be quite a negotiation on that. And then they'll figure out the various ministries.

What -- you know, we all want to make sure, you know, I think the Iraqi people especially, they want to see competent ministers. They want to see -- you know, this is a moment in history for Iraq on its oil. It's a moment in history. So whoever -- you know, if they keep Minister Shahristani or, you know, they look for someone else, the person better be good because, you know, Iraq, this is a crucial moment not only for the political process, but for the economy.

MR. HAMID: Okay. We'll take over here and then we'll move back over here.

MR. WILSON: Thank you. Nicholas Wilson from the Burson Marsteller Communications Agency. On the issue of democratic power-sharing, the principle of peaceful transition of power rests in the faith among any given party that their appointments, despite having different political beliefs, have the best interest of the country and possibly the people at heart. Is there an honest sense among the different political blocs in Iraq now from either ISCI to the Sadrists that an opposition leadership structure is, at the very least, an unfortunate but powerful circumstance?

AMBASSADOR HILL: You need to oppositionists. Is it --

MR. WILSON: Meaning are any of these parties comfortable enough with an opposition structure led by a different political party?

AMBASSADOR HILL: You mean to have someone in a ruling coalition and then an opposition?

MR. WILSON: That's right.

AMBASSADOR HILL: You know, when you talk to Iraqi analysts of this there are some who say, you know, if we really showed we have a strong democracy we'd have a loyal opposition, to use the British term. Loyal opposition. And then others say, as I suggested in answering the last questions, it's like, no, we probably need everybody, a national unity government where everybody joins in the government and you essentially don't have an

opposition. You have everybody in the government given that this is a crucial moment in history, given that the vote was so close, and that, therefore, everybody should be in.

You know, different countries have grappled with this. Certainly Israel has grappled with this many times in recent years. Certainly countries in Europe deal with this as well, those with parliamentary systems.

Most analysts in Iraq are saying probably you need everybody in because the concept of a loyal opposition, which is -- you know, you want an opposition that's going to be a full participant in the process, not, you know, taking to the hills. You want them as full participants. And most people feel to be a full participant at this stage, they need to be actually in the government. So we'll see. It's, you know, it's -- you're asking a question that Iraqis are asking every day and as they have these conversations.

I mean, every combination is being discussed right now: Shia-Shia, Shia-Shia-Kurd, Iraqiya-Kurd, Dawa -- you know, every combination is in play. And people sometimes say to me, oh, but that's the -- you know, that won't work because those two people hate each other. Well, one thing I've learned in Iraq, people hate each other until they don't hate each other. (Laughter) So I don't think there are any show-stoppers in terms of analyzing who can team up with whom.

There are a lot of bargains going on. They have to talk

about who gets what ministry, things like that, regional issues come up. But, you know, this is what the process is for.

What we want is -- you know, we don't want to hurry the process, you know. And a lot has been made of the idea that the Americans, you know, want them to do this yesterday. We understand this is going to take time, which is why President Obama said this process will take months not weeks. We want them to take time because we want them to get it right. But there are a couple of things that also need to happen.

First of all, they need to get it done because I think the Iraqi people who braved threats, who went out there and voted despite, you know, threats from various people, they're going to demand that their political leaders put together a government. And again, they're not asking them to do it yesterday, but they're going to demand that it get done in some timely way.

The second issue that's very important and, frankly, I've spent some time on it myself, is to make sure that the ministers who are there now, who probably will not be ministers in the new government, nonetheless understand they have a duty -- a duty -- to stay in their ministries and get the job done. They have a duty to make sure the country is being run during what is essentially a kind of caretaker period.

So, you know, that's -- these are -- I said at the outset, this is close election is testing all of the institutions in this country. And I do believe that when they get through it, and I'm

confidant that they will get through it, Iraqis can look back and say we did it. We did it. We kept a caretaker government going. We managed to security problems. We did not re-litigate the economic issues or, you know, go back to zero on oil. I think they understand what they need to do. And it's a tremendous responsibility, but it's a responsibility for everybody there, and I think people get it.

MR. HAMID: I saw two hands in the back in the middle section. Okay, you want to go ahead? And then we'll take in the front.

SPEAKER: Okay. Thank you. What's the role of the United States to suppress the effect of Iran on the Iraqis' issues?

AMBASSADOR HILL: Did we -- what's the rule?

MR. HAMID: Suppress the rule of Iran?

SPEAKER: Suppress the effects of Iran on the Iraqis' issues.

AMBASSADOR HILL: You know, we don't need to tell Iraqis that they need their political processes made in Iraq. I mean, they know that. I think we don't need to be telling -- explaining to Iraqis about Iran. They know Iran very well. They know if they want -- they've had -- you know, they're neighboring countries. Neighbors have certain relationships. I think Iraqis know that. They don't need my help on that.

I think what Iran needs to do is to think what's the best way to have a future relationship with this very different Iraq?

Because it's a different Iraq. And I think, as I've said three times now and I'll say it a fourth time, they need to respect Iraq's sovereignty. And if they do that, they can have a good relationship. And if they don't, I think the Iraqi people won't stand for it.

MR. BUSHTRA: Asta Bushtra , civil engineer, project manager.

My question is what's the main reason behind the United States' presence in Iraq? You obviously spent millions, billions, probably trillions of dollars. You sacrificed the lives of Americans. Are you simply humane benefactors, philanthropists who came all the way to save Iraqis from a dictator and build a democracy for them? Or what makes more sense for me, you have some certain interests?

Many people say it's oil. When I do the math, the returns of Iraqi oil for many years they're not commensurate to the -- what the United States has spent in Iraq.

AMBASSADOR HILL: Thank you for noticing that, yeah.

MR. BUSHTRA: So what is the main reason for the presence of United States in Iraq?

AMBASSADOR HILL: First of all, it's not about the oil. And the oil is not ours, it's the Iraqis'. And frankly, we get our oil on the world market, like everyone else does. It's -- you know, Iraqi oil belong to Iraqis. And Iraqis should develop the oil sector, but not for us. They should develop it for themselves.

Secondly, I'd point out that when you look at those companies that got contracts, there is I think one -- no, two American companies and then there are many other international companies. So it's not about the oil and thank you for pointing that out.

You know, again, I don't want to re-litigate 2003. I mean, a lot of people have a lot of different ideas. I would say one of the ideas that I find compelling and, you know, if you live in Iraq and if you go around and see what happened in Iraq, that Saddam Hussein had to go. He was a threat not only to Iraq, he was a threat to the neighbors. He was a person who had no concept of restraint. He would do whatever he had to do. He never -- he wouldn't be content to kill 100 people, he'd kill 1,000 people. He wouldn't be content to kill one member of a family, he'd kill the whole family. It was sort of -- he was the type of person, a leader, who is dangerous not only to his country, but I think to the region.

And, frankly, you know, again, there are different people who had different motivations, but, at the end of the day, there's a certain morality that I think we all have to be aware of. And, you know, how can we just stand by and allow this person to behave that way when we have the capacity to do something about it?

Now, this gets into a lot of cosmic discussion of, well, if you do something about Saddam, what about so-and-so here and so-and-so there, et cetera, et cetera? And it's endless and not very

productive discussion. But certainly when people looked at Saddam, they looked at a lot of different reasons and they looked at the problem from different angles, and many people came up with the same view that this guy has to go.

I come along in 2009. I mean, in 2003, I was not dealing with this. I was still recovering from the wounds of having dealt in the Bosnia issues for so many years. I was living in a very -- a wonderful country, Poland. I was up in Warsaw. So I come along in 2009, and what's my job? What should I be trying to do? Should I be re-litigating the events of 2003? Should I be, you know, exploring whether we should have done this or should have that?

I certainly looked at some of the mistakes, which I think is fair to do. But my feeling is my job is to look forward and to try to make sure that we don't get another Saddam. And I think the best way to do that is to have this democracy, which no one is claiming is perfect and no one is claiming is somehow going to be turned into some new kind of aggressive imperialist force in the region. I don't think it is. I think it's -- Iraqis have settled on a democratic model because there's no other choice. And believe me, over the centuries Iraqis have tried just about everything. So I think it's the right way to go.

And I think if we can be helpful to the Iraqis, show them -- you know, be helpful with the understanding that, at the end of the day, it's their country. I think it's the right policy and that's what I'm trying to implement.

MR. HAMID: If I could just abuse my position as moderator just to kind of follow upon this question, I think there's a difference between means and ends, that most people agree that Saddam had to go, but I think the major contention is the means with which the Bush Administration chose to do it. And it's interesting that you say there's a certain morality to it. But it's interesting to note that the majority of populations in allied countries, you know, throughout the world were against the war and called it a very immoral undertaking. So how do you kind of square that circle there?

AMBASSADOR HILL: Well, again, you're asking me to re-litigate 2003. To be sure, you look at the cost, as the questioner pointed out. It was trillions of dollars. And, you know, you run the numbers and you say, well, you know, from a cost-benefit analysis it doesn't make sense. And I would argue it wasn't about economics, certainly not about oil. I would argue it was a combination of several factors.

And again, you know, as long as we're on the record here and tapes are rolling, I'm not sure I'm going to give all my views on this subject, but I do believe that many people looked at what Saddam Hussein was and what he represented and felt that if one has the means to take care of that, one should do something about it. Again, there are many, many, many honorable people who were opposed to that war and still believe it was mistake.

My job, having arrived there exactly one year ago, is to

deal with where we are and to take it forward, and we'll leave it to others to take it backwards and look and see, you know, whether we should have been there in the past. But, you know, my job is to make sure I leave it better than where I found it and heading certainly in the right direction. And I feel confident, especially after this extraordinary election, extraordinary moment in regional history and certainly in Iraq's history, that it is going in that right direction.

MR. HAMID: Okay, here.

MR. ABUSI: Hello. Fareek Abusi . I am a communication advisor. There are two parts to the question.

First, thank you for coming and taking an Easter day to come and share with us, you know, your thoughts about Iraq. But you came from a very similar situation. You were dealing with North Korea. Don't you think, you know, the North Korean leader is as worse as Saddam, you know, in his own country and threatening the neighbors and the region security?

AMBASSADOR HILL: Yeah, yeah.

MR. ABUSI: The other question is just more (inaudible). I mean, when we look at the role model, I am from Lebanon and there was a war. It took a long time. And after the war, of course there are factions like what happened in Iraq, the big mosaic of constituents, like in Lebanon. But at the end, you know, it takes Doha, everybody to come here, with Big Brother's support to convince them to sit on the table and bring the coalition government that is

-- with no loyal opposition as is happening now.

AMBASSADOR HILL: Yeah.

MR. ABUSI: I mean, now in Lebanon, everybody is inside the government and they are struggling and it seems so far working a little bit. Don't you think a model like this, a very similar and not necessarily , but what happened in Iraq, we have a country that had a war, we had factions, many constituents, mosaic of religious factions, political and what-not, sitting together and helping or serving the country?

AMBASSADOR HILL: Yeah. Well, first of all, let me just say with regard to North Korea, I mean, we could -- believe me, I'd be happy to sit here all night and talk to you about North Korea and talk to you about my own views of the Korean Peninsula and the utter tragedy. I don't think most people can begin to understand what happened on the Korean Peninsula through no fault -- no fault -- of Koreans. They were divided. They were divided in a moment where people really didn't give it too much thought. They made decisions about accepting surrenders of Japanese troops in a certain place and Japanese troops north of the (inaudible) on the 38th Parallel. It was a tremendous tragedy.

And again, you know, having engaged in negotiation with them and, you know, my successors are engaging in negotiation, I'm not going to sit here and tell you what I think of North Koreans because I don't think it's fair to my successors who have to deal with this problem. And, you know, I think when you engage in

negotiations, you should respect people who follow you because it's not easy. And you should also respect the people who came before you.

So let me just say the types of options that were available with respect to Saddam I don't think are so readily available with respect to a North Korean state. And again, there's a lot more to talk about that, but not on television.

With regard to how to put together this coalition, how the Iraqis need to put together this coalition, you know, they're going to have to work through this. And I think the way -- if they can work it through, they will be stronger for having done so.

Now, you're suggesting, you know, maybe they all ought to get on an airplane and go somewhere and sit down and do it in a foreign country somewhere because it's worked for other countries. I was at the Dayton Peace Accords, and Dayton was really about putting together a government and a structure from people who were in even worse positions with each other than the Iraqis are. You know, if the Iraqis want to do something like that, they can certainly -- that's their sovereign decision to do it. I certainly don't think they're there yet, and I think they want to see what they can do in their own country. And I think the concern is that if they go to another place, they will actually raise suspicions on some of the parties of why they're going there, so they would need some kind of neutral venue. Doha obviously was a neutral venue for Lebanese politicians.

I think the Iraqis need to -- you know, would need to make that decision if they want to do that. It's a model. It's out there. It's been used in Lebanon. It's been used in many other countries. But that's for them to decide.

I think they -- clearly the Iraqi people get a little concerned when they see some of the parties going to a country and working deals. And that's happened and there was clearly a negative reaction to that sort of thing. So, you know, we'll see.

I do believe the Iraqi people want to see a government formed. I mean, they went out there and they voted in great numbers and now they want to see their politicians get on with it. So how they get on with it, where they meet to get on with it, I think they have to work through. But you're quite right, there are a lot of models for this.

And, you know, as unique as Iraq is, I do caution Iraqis on thinking that their problems are unique. You know, okay, it's a very unique country. No one can duplicate their DNA. But to look at some of the problems they have in government formation are problems that have been faced and resolved in many different parts of the world, and they should look at some of these other models.

MR. HAMID: Okay. I think we have time for a couple more questions. James, did you have a question back here?

SPEAKER: Mr. Ambassador, James (inaudible).

Earlier you said something more -- hi. Earlier you said something regarding education and really just the students, the

younger kids growing up now, really want to make sure they have a strong, stable government in place. And we have to make sure that those institutions are strong enough to support these students and to build -- to provide them the skills that they can become qualified -- future qualified employees of, let's say, the oil and gas sector. What type of policies are in place? Is there any type of pressure from the U.S. side to make sure that, one, institutions recruit these individuals and, two, that the institutions are strong enough in terms of, you know, academically institutionally to allow these students to really, you know, be strong enough to contribute to the local economy?

AMBASSADOR HILL: Yeah. I mean, the Iraqis have a great tradition of education. I mean, it's, you know, obviously world famous and it goes back thousands of years, so there's no problem with the sort of historical endowment there. I think the issue is that Saddam did a lot of damage to their current institutions. Many of their -- many people left Iraq during his time and even in recent years have left. So I think they do need to rebuild the education system.

I think the good news for Iraq is they're going to have the funds to do that. And as I was suggesting earlier with the oil contracts, I suspect that a good part of that will go toward rebuilding the education system and to developing a system that can produce the people that they need to manage this -- what will be a complex and very large economy.

Thanks to the security situation, we have been able to get out two universities and we're doing a lot more of that. I mean, it was extraordinary to me that I was -- I turned out to be the first U.S. ambassador to get just to the University of Baghdad, which is -- you can all see it from my house. So I was the first ambassador to get there. Well, I'm not going to be the last. I mean, we'll do a lot of that. We have a pretty robust program run by our public affairs side, or what used to be called U.S. Information Agency, which will involve U.S. universities sort of partnering with Iraqi universities, and there are considerable funds behind this effort.

What I am a little concerned about is I noticed that some of these Iraqi universities have had memoranda of understanding with Iraq -- with an American university and sometimes the American universities have not followed up. It's not just American universities, it's other countries. And so what I've started to do, because I'm getting a little grouchy about this, is I read what was in that agreement and then I have actually gotten in touch with the American university and said how are we doing on this? And -- because I really think, you know, when you see like a one-page memorandum of understanding done with an Iraqi university and the Iraqi university is really hoping that this will lead to something, you know, they want their students to sense that they're breaking out of this isolation, that they want their students to believe that if they study hard and do well, they will be able to, you know, have an opportunity to maybe to go to graduate school. And, you know, we

have a Fulbright Program, it's never large enough. So -- and then to see some of these memoranda, which, you know, they were signing ceremonies, and they need to be followed up. And I tell you, I'm really going to be pretty tough on that.

I think the Iraqi government and also the Kurdish regional government has been pretty good about putting funds toward getting students abroad, you know, for graduate school programs. We have, I think, the largest Fulbright Program in the region in Iraq. And maybe as importantly, the Iraqi government is the largest donator to the -- matching funds donator to the Fulbright Program of any country in the region, which I think is a very good sign.

But I hope that, you know, that next government, and I mentioned, you know, the importance of addressing economic issues, I hope educational issues are right up there because that's clearly the -- you know, what they need to do for the future.

MR. HAMID: Okay. We have about 10 minutes left. Can I just have a show of hands to see how many questions we still have?

AMBASSADOR HILL: I'll try to shorten my answers.

MR. HAMID: Do you want to take two at a time or you'll stick to one at a time?

AMBASSADOR HILL: Oh, all right, we'll try the two at a time.

MR. HAMID: It's up to you. (Laughter)

AMBASSADOR HILL: Okay.

MR. HAMID: One here and then you over there. Oh, yeah.

SPEAKER: (inaudible)

MR. HAMID: No, I --

SPEAKER: (inaudible) (Laughter)

AMBASSADOR HILL: Are you the first woman to ask a question? Wait a minute.

SPEAKER: Yes.

AMBASSADOR HILL: Oh, gosh.

SPEAKER: (inaudible)

MR. HAMID: Yeah, yeah, how about --

SPEAKER: (inaudible)

MR. HAMID: Yeah.

SPEAKER: My name's (inaudible). I work at (inaudible).

AMBASSADOR HILL: Yeah.

SPEAKER: It's a project of Her Highness and we're expanding to Iraq. And we -- you know, it'd be good to have some additional funds. I worked in Iraq and I know about the TDP grants, which is under the discretion of the U.S. ambassador. So is that --

AMBASSADOR HILL: The what grant? The T?

SPEAKER: The TDP something, Technical Development Program? They were available until January last year.

AMBASSADOR HILL: Oh, the targeted.

SPEAKER: Targeted.

AMBASSADOR HILL: Oh, yes, yes.

SPEAKER: Sorry, sorry.

AMBASSADOR HILL: Yeah.

SPEAKER: Is that still available?

AMBASSADOR HILL: Yeah, that's there.

SPEAKER: But I Googled it and couldn't find anything. Is it possible to -- who do I contact?

AMBASSADOR HILL: See me afterwards and I'll -- give me your card and I'll have someone get back to you.

SPEAKER: Okay. Thank you.

AMBASSADOR HILL: But it does exist and we are giving grants.

SPEAKER: Okay. Thank you.

MR. HAMID: So over here and then also over there.

MR. ABDUL: Sir, my name is Ali Abdul . I'm an architect. I'd like to ask a very simple and quick question. What is an American point of view, how can you define de-Baathification? And when will hear an ending of this story? When it will be used wisely?

AMBASSADOR HILL: Whether de-Baathification will be used wisely?

MR. ABDUL: Yeah.

AMBASSADOR HILL: Yeah.

MR. ABDUL: Thank you.

AMBASSADOR HILL: You know, de-Baathification is addressed in the Iraqi Constitution. It's also addressed in Iraqi legal code. I mean, there is an issue and essentially the concept behind it, of course, is to prevent people who were involved in the previous

regime, the Saddam regime, from assuming high positions, and in particular assuming elected positions in the parliament. So it's a very -- it's a concept that is not unique to Iraq; many countries have that.

The problem with it is, of course, in the application. And the fact that this de-Baathification list that came out courtesy of Mr. Chalabi very late in the process I think certainly gave rise to the concern that maybe politics are included in this process.

You know, I think the Iraqi courts -- and when I -- again, I keep coming back to the point I made about all these institutions are being tested. One of the tests for the Iraqi court system was to deal with this, and I think they did a pretty good job of managing this issue and they still have some additional de-Baathification issues to deal with.

Now, if someone were asking my advice on de-Baathification, I think, first of all, you need to be respectful of the fact that people feel very strongly about Baathism. I think you need to be respectful of the fact that people had their entire lives destroyed, their families destroyed, their -- everything destroyed in the name of some sort of totalitarian phony concept, false concept, whose purpose now is really hard to remember. You know, I -- in short, the point I'm trying to make is people are very angry about it. It's an emotional issue.

That said, other countries have had emotional issues to deal with along those lines. I served in Poland, and, you know, if

you look at Poland today, it's, you know, one of the great countries of Europe today. I mean, it's back. It's back. It's a big member of the European Union, big member of NATO. They're growing every year. And yet for 50 years, you know, 50, you know, wasted years, they had to live under this communist system. You know, this dirty, smelly machine, this communist system. It had no -- whose purpose no one can understand now. It was -- you know, it was catastrophic. So you don't think Poles were a little emotional on the subject of communism?

And so when some former communist would come forward and say I want to be, you know, a member of the parliament and then go off and live in Brussels or something, people would get very angry on this. But I think Poles understood that they needed to resolve this and so they set up a process called lustratsia , which was an effort to try to have people come forward, talk about what they -- explain what they did in the system, and then put it behind them. As Prime Minister Mazowiecki said, "Gruba kretska ," meaning thick line. You know, zzzz, over.

In South Africa, you know, the process of apartheid also had a truth and reconciliation process.

Again, Iraq is a unique country. Its problems are not unique. And there are models for addressing de-Baathification that I would urge Iraqis as they go forward and look at how de-Baathification came up just I think it was 45 days before the elections; I think it was in February, if my memory serves me

correctly. They ought to look at that and decide how are we going to handle that in the future, and I would suggest there are plenty of models to look at.

MR. HAMID: Okay. We have one question here and then a question here.

MR. SHARIF: Hamid Sharif , diplomat.

Actually my question is concerned about the sustainable development in Iraq. Actually I don't know if we are too early or too late to ask about this question, but anyway, even -- or at least within the framework of the moral responsibility of the United States. In your opinion that United States -- to what extent that United States congruent or incompatible with the international principles, charters, and conventions that are firming the sovereignty of the people and nations of their national resources, including ecological aspects, heritage of the mankind, and, of course, the development and the natural resources?

Thank you.

AMBASSADOR HILL: Yeah. I think whenever the Iraqis are contemplating some kind of environmental law, some kind of exploitation of natural resources, for example, I know that the advice that our lawyers are providing to them is of international standards, is very much geared to the sustainable development. One of the areas -- this has come up in the most -- probably from Iraq's point of view, the most important area is water and how water resources -- 90 percent of the water comes from Turkey. Some of it

flows through Syria, but originally it originates in Turkey. They have had problems where Iran, for example, has redirected rivers and just dried up rivers so that part of the destruction of the marsh area in South Central Iraq is caused by Iran's water use and misdirection -- redirection of rivers.

I think Iraq needs to do a lot more on its salt intrusion problem where it needs to build some actually underwater structures to prevent the intrusion of salt, which is coming up in the Basra area. So these are tough issues. Our Army Corps of Engineers has worked tirelessly on this and we have been generous funders of various projects to try to deal with this.

You know, if you fly as many times as I do over Iraq, you know, going up to the north or wherever, you see how fragile the ecology is based on these two rivers that we all know about from our childhood and reading about the Cradle of Civilization. And so you are really struck by how fragile that is. And I tell you, nobody looks at it without thinking of sustainable concepts. And certainly I would say agriculture and water resources is number one in that regard.

MS. DOCTOR: Thank you for this evening. I'm Stephanie Doctor . I'm a German journalist based in Doha.

And I noticed this evening that what you were saying about Iraq is very optimistic. And to me, sometimes it feels like you're talking about an Iraq that is completely different from the Iraq that I know through the interviews that I did. I've done many

interviews with Iraqis over the past three years: some Iraqis who hated the Saddam regime as much as you just pointed out; others who now love it even though they were in prison under Saddam; others who kind of think that -- who have some nostalgia for that time. But anyway, what I have noticed during all these interviews is that I have hardly ever met an Iraqi who has been in the country during the war and who is not traumatized until today. I have hardly ever met so many people who are really psychologically totally destroyed.

So for me, when I hear all this, like very optimistic, but these people don't really care about the 10 million barrels of oil nor do they really care about the elections. They don't even talk about these subjects to me.

So what I am wondering is that, of course, you have to remain optimistic because otherwise you really wouldn't enjoy your job.

AMBASSADOR HILL: It's not about enjoying my job. If I wanted just to enjoy my job, I wouldn't be there.

MS. DOCTOR: I understand. But how do you relate to that country? And do you actually have the opportunity to talk to average Iraqis? I suppose that you can't really, and it's certainly not your fault, go out without security personnel. So have you ever been invited to dinner at an Iraqi family's place? Do you feel that you are actually in touch with the society of that country or are you only in touch with politicians who have their different opinions?

AMBASSADOR HILL: Yeah. Well, those are fair questions. I mean, I -- the ability to get access to average Iraqis is a challenge, there's no question. The security issues are major.

I was over -- I met with Hussein al-Sadr the other night, the Grand Ayatollah, in Baghdad. It was actually (inaudible) Muqtada al-Sadr in a neighborhood. I remember, you know, as we got out of the car and drove through the neighborhood, there are kids running around playing in the neighborhood. And I'm thinking to myself, wow, I don't see enough kids, you know, because I -- too often you are in this bubble that you describe. And so I think that is -- it is a challenge to break out of that bubble and try to talk to people as much as you can. And I would acknowledge that it's not what I would like it to be.

But I think the -- I think what's important and, you know, over the course of, you know, my -- it's embarrassingly long now. I've been a diplomat for 32 years and, I mean, I graduated from college, I went into the Peace Corps and then I joined the Diplomatic Service. I am very aware that you cannot just talk to politicians and get clear answers on things. So I'm very aware of this.

And I might add that I'm also very aware of the degree of -- you described it as trauma, and I think that's probably accurate. I would also say pessimism out there. And you can see this by talking to some people, as I have, but you also see it in polling data and that people don't necessarily share an optimistic view of

the future.

But here I fall back on some other parts of my career. If you talked to people in Kosovo right after their homes had been destroyed, back in 1999, you would not have found everybody as optimistic as Hashim Thaci was or Ibrahim Rugova was. I mean, you would see a lot of people whose sole hope in Kosovo in the summer of 1999 was not to think that you're building a new Kosovo, but rather to leave. So you had a lot of people who just didn't feel it was going to go in the right direction.

I would mention, too, having been in -- you know, dealing in Bosnia, and, you know, after the Dayton Peace Accords -- which was in November '95 -- and then going to Bosnia right afterwards in December, right after the signing actually in Paris in December, and then going to Kosovo again in -- I'm sorry, to Bosnia in March, you didn't get this welling up of optimism from people. I mean, you hear it from the politicians, but you -- you know, I remember meeting with the widows of, you know, people killed in the Srebrenitsa massacres. You know, you certainly didn't get any optimism from there. I saw them in, like, March '96.

You know, I could continue. And my point is in these post-conflict environments optimism is not the first thing that springs out of people. Rather it's a -- and it's almost a -- there's a sort of cathartic release, to be sure, but there's this sort of sense that, you know, I survived, but why?

And so, you know, I think it is important for politicians

to understand the depth of these feelings, of the trauma that you accurately described. And I think it is important that those politicians try to have a sense of optimism and maybe even a sense of duty to these people to say, you know, we're going to do it together. We're going to get this done.

Show me a pessimistic politician and I will show you someone who's probably not going to get a lot done. I mean, it's -- you know, and I think it works in my line of work. If I went to Iraq and I said, you know, these people are hopeless. They've been fighting all these years, nothing will ever happen. Do you think I could really get stuff accomplished if I felt that people there are incapable?

You know, I've been rather disturbed, frankly, by some of the international press. And, you know, I read these articles about the role of violence in Iraqi political life. And I guess I understand why some press people will talk about that, but it was very interesting to see some Iraqi -- and I talked to some Iraqis about this, and I'm not talking about politicians here, and they were kind of personally offended, saying, you know, who are you? Who are you to -- you foreigners barely know us and you're saying that our only contribution to human civilization is violence? I mean, who are you to make that statement?

And it's -- you know, to me, it really -- that was not a particularly optimistic thought that the person was expressing. But if you think about it and you drill into what is that person trying

to express, that person is trying to express, damn it, we -- we Iraqis -- we can be something better. And so don't tell us that we're doomed to violence because it's somehow in our DNA.

So I think those of us from countries like the United States, where, you know, the biggest problem I might have is whether my baseball team is going to win today, those of us, you know, who go to these conflict situations, you know, there may be reason to be pessimistic. But I think there's an obligation for us to give these people, you know, a sense of hope. And so, you know, sure -- I mean, I'm sure you can take down, you can note down and research, or, you know, all these kind of sad forlorn people. I see my job as to try to get them beyond that and say together we can do it.

MR. HAMID: I think we've reached the end of our time. Do you have any final thoughts before we close?

AMBASSADOR HILL: I think I just did it. I think I just did it.

MR. HAMID: Yeah. So I just want to thank Ambassador Hill once again for joining us and sharing his perspectives, and thank all of you for coming. And please join us at the reception in the adjacent room. Thank you so much. (Applause)

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

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