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IRAQ IN CRISIS:
WHAT OPTIONS DOES WASHINGTON HAVE?

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P R O C E E D I N G S

MS. WITTES: Good morning, ladies and gentlemen. Thank you so much for joining us. I'm Tamara Cofman Wittes, director of the Saban Center for Middle East Policy here at Brookings. I'm very glad that you could be with us for what I anticipate will be a fascinating discussion of the crisis in Iraq and options for American policy.

Let me begin by making a special welcome to Ambassador Lukman Faily -- thank you for joining us -- the ambassador of Iraq to the United States.

Well, ladies and gentlemen, much of President Obama's first term was about extracting the United States from Iraq and shifting America's attention and more of its resources to Asia and to Europe, and now almost in the homestretch of their second term, the Obama administration finds themselves with Iraq, and the Middle East more broadly, being thrust back into their lap. This, I think, combined, as we heard from the president in his West Point speech, with new concerns about resurgent jihadi threats and movements in the Levant and Iraq, in the Maghreb, it's leaving the president very focused on counterterrorism and, in fact, he asked in the West Point speech for \$5 billion for a new counterterrorism partnership fund to work with governments across the broader Middle East on that problem.

Now, all of this leaves us in a somewhat ironic position. It could well be that by the time President Obama ends his term in 2016, he could have a Middle East policy that looks not a whole lot different from the policy he inherited from his predecessor, one that involves significant military investments across the region, a heavy focus on fighting terror, and a heavy emphasis on security concerns as opposed to advancing a positive agenda for relationships with states in the region. And often, as is the case when the United States prioritizes security concerns and security threats,

overlooking deficits in governance in the region that, in fact, contribute to instability.

This is, I think, the broader context that the Obama administration faces when it looks at the crisis in Iraq, which presents challenges and threats for regional order and stability, but also potentially more directly for the United States. But it also doesn't present a whole lot of good options for the United States.

So we have a fantastic panel to help us work through those options and how to assess them. I'm not going to give them long introductions because you have their biographical information in the handout you got when you walked in, but I'm really pleased to have an all-star Brookings panel here. Starting to my left, Ken Pollack, senior fellow in the Saban Center, and as you all know, a longtime expert and close follower of things Iraqi. Suzanne Maloney, also a senior fellow in the Saban Center here at Brookings, and a specialist on Iran and on energy issues in the Gulf. And Mike O'Hanlon, senior fellow in the 21st Century Security Program here at Brookings, and also somebody who worked very closely on Iraq throughout the years of the American military involvement there.

So, to lead off, Ken, let me just hark back to a conversation you and I were having yesterday, and you said, "Look, we can't kid ourselves. This is not threatening to become a civil war; this is already a civil war. Iraq is in the midst of a civil war." And you hear voices already in the commentariat saying partition was the right answer the last time Iraq was engulfed in civil conflict; it might be the right answer again.

So my opening question to you is can Iraq be salvaged as a sovereign state? Is this the right policy objective for the U.S.? And if there's something for the United States to do here in terms of trying to salvage Iraq and salvage the government that the U.S. helped to build, is that a U.S. policy that requires military force?

MR. TALBOTT: Thank you, Tammy. Thank all of you for being out here.

And I will start by saying that I spoke to Ambassador Faily before we started and I said to him he's probably not going to like what I have to say. That's unfortunate. We are in a situation in Iraq where, unfortunately, as Tammy says, there really aren't good options left to us. There were all kinds of things that we might have done earlier on, things that myself and others were recommending to both the Bush administration and the Obama administration that would have left us open better paths. It would have avoided this particular impasse. Unfortunately, those were roads not taken, and what we are left with now is some very, very bad options.

You're absolutely right, Tamara. I look at the situation now and I say this is civil war. We are not on the brink of civil war. We are not headed towards civil war. This is what civil war looks like. It is the revival of the civil war of 2006-2008.

Now, is it possible to imagine a variety of different situations for Iraq, a variety of different ways out of this or a variety of different ways of it ending? Absolutely. There are all kinds of different paths that Iraq can take. But we need to recognize these realities, and also recognize that the better paths are going to be much harder to tread. Is it imaginable that Iraq will remain a unitary actor? Absolutely. But to do so is going to require one of two things. Either a bloody, blood victory by one side that will probably take years to make happen, and certainly tens of thousands, if not hundreds of thousands of deaths. Or, a reconciliation among them.

And that is why what I have been pressing for from the beginning of this offensive, and which many other voices have taken up, would be a plan that would involve both the United States being willing to assist in a whole variety of different ways, military and nonmilitary, but only if there is a political component to it. We've got to recognize that military force without that critical political component will be, at best, useless, and at worst, could be counterproductive.

I want to say very, very clearly, because apparently I've been too subtle over the last few days and a number of people have been mistaking what I've been saying. I think it would be a mistake for the United States to embark on an air campaign in Iraq, either unilaterally or in conjunction with the Iraqi government as it is currently constituted. We need to recognize that what has driven Iraq into this state of affairs is a whole variety of actions by a variety of different Iraqi leaders, but first and foremost among them, Prime Minister Maliki, who by his consolidation of power and his arbitrary actions against a whole variety of his political rivals, has alienated important elements of Iraqi society, most obviously very important elements of Iraq's Sunni community. They have been driven into the arms of Al-Qaeda, of ISIS, of a whole variety of other Sunni military groups, and we need to recognize that what the prime minister's government is facing is not an external invasion. There is an external component to it but it is increasingly and very quickly becoming a very internal force. It is a coalition of a whole variety of Sunni military groups, including many of the groups that were fighting in Iraq in 2006 -- 1920 Revolutionary Brigade, Jaysh al-Islam, Jaish-e-Mohammed, Onsaral, Suna, the Naqshabandis. They're all a part of this. And we're also seeing increasingly Sunni tribes join with this coalition. And they do so, as best we can tell, very reluctantly, very grudgingly. They don't want to be part of ISIS or Al-Qaeda or any of these things, but they see themselves as caught between a rock and a hard place. I won't make the endless pun.

They're caught between, on the one hand, the Sunni militants, who in many cases they really can't stand, and Prime Minister Maliki, who they endlessly refer to as the Shia Saddam. And what we're seeing happening is that they are deciding that the Sunni militant coalition is the lesser of two evils.

The only way that we're going to have a unified Iraq, a peaceful Iraq, a

stable Iraq, is if those groups are brought back into it, and that is going to require very significant change, political change in Baghdad. I won't go into all the details, but I've outlined this in a number of different places. Broadly speaking, it is going to require limits on the prime minister's powers so that Iraq's minority groups do not fear once again being oppressed either by this prime minister or the next prime minister. It is going to include a more inclusive government, which unfortunately, I think means a national unity government despite the problems that will be inherent in that, and it is going to mean a thorough-going reform of the Iraqi armed forces to take them back to where they were in 2009, a time when Iraqis loved, respected, and felt safe being protected by their military. Not today where many Iraqis feel threatened by that very same military because it has been politicized over the last three or four years.

Now, that's a very tall order, and I am doubtful that it will come to pass, but if we can get that kind of political change, then under those circumstances I think U.S. military assistance takes on a very different complexion, but we've got to put the horse before the cart, and that means political reform is the key. And no military effort, either unilateral or in conjunction with the U.S. government -- excuse me, with the current Iraqi government makes sense unless we've got that political component.

MS. WITTES: I have to probe you just on one point, which is that you've talked a lot about political reform. You've been urging this more inclusive policy by Prime Minister Maliki, and of course, the United States government has also been urging Prime Minister Maliki for some time to undertake outreach to Sunnis and to take a more inclusive approach to governing. So is it your view that Maliki can lead this effort?

MR. POLLACK: As always, we don't know. My hope is that the prime minister will see this as a wakeup call and will recognize that his actions have badly alienated important elements of Iraq's society. And my hope is that he will recognize the

error of his ways and he will take this opportunity to shift gears, to accept limits on his power, to bring the Sunnis back in. And for that matter, to make concessions to the Kurds and a whole variety of other groups to create a more inclusive government.

But I share your skepticism, Tamara, and I think it's very unlikely. And that's why I think the more likely course of action, and this is kind of coming back around to your first question to me, I think the more likely course of action, when I put my analyst's cap on -- I take off my policymaker's cap and I put my analyst's cap on -- I think the more likely outcome is that you are going to see a de factor partition of Iraq for the foreseeable future. I think it is going to be very difficult for the Iraqi government to retake the territory that has been lost to the Sunni militant coalition. I think that it is going to be very difficult for the Sunni militant coalition to advance much beyond what they have already taken. And this is something that's very common in these ethno sectarian civil wars. Typically, the stalemate, the battle lines harden along the interethnic and sectarian boundaries within the country.

Think back to the Lebanese Civil War. Look at the Syrian Civil War today. That's typically where the frontlines stalemate. And you get little bits of movement this way or that way. One side takes this city. It loses another city. Somebody else grabs a portion of land. But for long periods of time, the battle lines remain largely where they are and thousands, and tens of thousands, and even hundreds of thousands die.

MS. WITTES: Okay. I want to come back in a few minutes when we get to Mike, to the question of partition and what that might mean, but first, let's stay on the political side if we can.

And Suzanne, I think we all know that Iran has been a major player in Iraq. It is today, seemingly, getting involved more directly in the conflict that's underway. And there have been a number of voices calling for the United States and Iran to try and

cooperate, forge common cause to salvage Iraq and perhaps to salvage this Iraqi government.

Now, this wouldn't be entirely unprecedented. We saw some tactical cooperation between the U.S. and Iran on Afghanistan a decade or so ago.

So, the first question, is it possible -- do you think it's feasible for the U.S. and Iran to cooperate based on your understanding of what Iran's interests are in Iraq right now -- how Iran views ISIS, how it views Iraqi Sunnis, is there a way forward?

MS. MALONEY: I think cooperation is probably the wrong word, and I think that you saw in the comments of various spokespeople around town shortly after Secretary Kerry referenced the possibility of a dialogue with Iran and the possibility of cooperation with Iran, that much of the U.S. government really can't contemplate the prospect of direct cooperation with Iran. And there are a number of reasons for that.

The first is ideological, and that really derives from the Iranian side. If you've been paying attention to what the Iranian leadership is saying, particularly the security bureaucracy, there's really no appetite for any kind of direct cooperation with the United States on Iraq. This is partially because the Iranian security establishment views the emergence of ISIS and of these Takfirian groups amongst the Syrian opposition as an explicit tool of American influence and effort by Washington and the West to try to break apart Syria, to try to destroy the Middle East regional state system, and ultimately, of course, to try to weaken Iran. So there's absolutely no appetite on the Iranian side for any kind of direct or sustained cooperation between the two sides.

There's also a bit of a hangover from the cooperation that did take place somewhat tacitly with respect to Operation Enduring Freedom and Afghanistan. You've heard it from Iranian reformists for a number of years that we helped you in Afghanistan, and instead we were named part of the "Axis of Evil." And in fact, Kayhan, one of the

hardline newspapers revived that very theme just this week. So this is still very much in the minds of the Iranian leadership that cooperation with the United States in situations of civil war is not necessarily terribly productive for Iran's interests.

There are also, of course, some fairly obvious logistical hurdles to direct cooperation between the United States and Iran, one of which is that the most important components of the Iranian military, the ones that play a direct role in Iraq, are actually designated as foreign terrorist organizations. So there's really no sort of explicit way that you could imagine military to military cooperation.

And I think ultimately there's a real divergence in the aims between the United States and Iran with respect to Iraq. Both sides have an interest in a stable Iraq. Both sides have an interest in curbing the influence of jihadist groups. And in fact, to some extent at least, in containing the sectarianism, it appears to be fueling much of what we've seen over the course of the past few weeks.

But ultimately, the Iranians can live with a Shia rump state in Iraq. They can live with a prime minister who inflames Shia passions and alienates Sunnis, precisely because they don't trust the Sunnis. They don't view what's happened over the course of this period in Iraq as sort of -- as Ken said, not an external event. But really, they look at the resurgence of the Baathist component of this, the groups that were active as Ken said back in 2006 and 2008, as a perennial threat to their own security, and they are determined to, in fact, ensure that that threat does not revive itself.

MS. WITTES: You know, thinking back to what Ken was saying about trying to achieve a grand political bargain between Shia and Sunni in Iraq, it seems inevitable that for such a bargain to be achieved, much less to succeed in implementation, it would require at least the acquiescence, if not the support, of Iran. But also, on the other side, Saudi Arabia and the Sunni states of the Gulf who have never

been particularly comfortable with Prime Minister Maliki, who have been concerned about Sunni rights and inclusion in Iraq and feel a keen interest and perhaps a degree of ambivalence as they watch this ISIS-led insurgency move forward.

So are you suggesting that -- you said Iran could live with a Shia rump state. At this point, is that its preference? Or if there were a political bargain on offer, might they get behind it?

MS. MALONEY: I don't think that's their preference by any stretch of the imagination. And, in fact, you've heard more moderate voices, including President Rouhani, former President Rafsanjani, try to put some language out there that appears to be bringing people together. Rafsanjani, in particular, noted that this is not sort of a Sunni insurgency. It's just an expression of violence against all Muslims.

And so, you know, there is this pan-Islamic attempt on the Iranian part to speak to Iraqi nationalism, which of course they know firsthand can be quite a powerful force. And I think there has been for some time a willingness on the part of Tehran to reach out to their adversaries and unwilling partners in the Gulf, particularly the Saudis, for some kind of a more sustained dialogue on Syria and on the concerns that they see regionally.

But the Iranians harbor sort of no illusions about what the Saudi aims are. They perceive the Saudis as determined to try to weaken and even destroy Iran, and they believe that these groups have been tools of Saudi influence to do that.

And so, you know, I think there is a role here for regional dialogue, and in that there is a role for the United States. When I dismissed the idea of direct military-to-military cooperation between Iran and the United States, I didn't mean to suggest that, in fact, there isn't some room for a dialogue or, in fact, even coordination. There's a long history for this that stretches back even well before Afghanistan and the U.S. invasion of

Iraq back to the first Gulf War when the Iranians provided, at least indirectly, some assurances about how they would conduct themselves during that crisis in a way that was supportive to U.S. aims. And I think that we can find a mechanism for some kind of a regional dialogue. And I think we perhaps need to be the ones to lead that effort at this time, given our investment in Iraq, given our relationships with our partners in the Gulf, and given, ironically, the fact that we're now engaged in this very direct and sustained and urgent dialogue with Iranians on the nuclear issue.

MS. WITTES: Okay. So if I may, Ken, just come back to you for a minute.

America's partners in the Gulf have been looking to -- asking for greater American engagement in what they see, not just as a sectarian struggle in the region, but a big struggle for power and dominance as the regional order has been shaken up in the wake of the Arab revolutions. And they've been asking the United States to come in, to get involved, but to get involved on their side, if you will, of that competition. Iraq doesn't seem to offer those easy options for the United States of coming in on one side or the other, if you will.

Do you think that the United States' partners in the Arab Gulf would be willing to sign onto this kind of regional dialogue effort?

MR. POLLACK: I think conceivably they could. And I want to be very careful about this. Let's start with the fact that this is at a moment in time when the Gulf has lost all faith in this administration. And it didn't have a whole lot of faith in the previous administration either. So there's just a growing disenchantment with American leadership across the Gulf, and a great deal of skepticism that the United States will do anything like what it proposes to do.

Again, in theory, you could go to the Gulf States and say to them, look,

what we are going to try to do is we are going to try to create a new political dynamic in Baghdad, one that will curb the powers of the prime minister, make it more difficult for this prime minister or another prime minister to oppress the Sunnis, the Kurds, anyone else. We're going to bring the Sunnis back in. We're going to change the dynamics of the Iraqi military so that it is a more political force, and this would be the ideal solution because I think that the Gulf states on the one end, you're absolutely right. They want to fight the Shia. They want to fight the Iranians. And I think Suzanne is absolutely right. They see this as a fight against Iran.

But right now, if the present trend continues, and if I am correct, and I think the evidence is supportive of this, that what we are looking at is de facto partition. What that means is the Iranians are going to become more and more and more influential in Baghdad and Southern Iraq, which quite frankly are the most valuable pieces of Iraq and the pieces of Iraq that border on the Gulf States. So I think again there is an incentive for the Gulf States to say that's not a good option for us. We do not want to see Qasem Sulaimani as the military governor of southern Iraq. And if that's where this is headed, that's not a good outcome for us.

So an American-brokered effort to put Iraq back together again, to rebuild the political process would be a better outcome than that. The problem is I think that they're going to want more than just words from us to actually demonstrate that we mean it, that we're going to try it, and that we have some expectation of reasonable success. And I think that you will see them jump ship if they don't see any of that stuff. And they will default to their second best option, which is to wage this war as aggressively as they possibly can as a way of diminishing Iran's hold over southern Iraq.

MS. WITTES: Okay. So there's a challenge to American credibility here

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MR. POLLACK: Absolutely.

MS. WITTES: -- regardless of which policy option it might choose, in essence.

And Mike, I want to bring it to you on that, because obviously there's a lot of background to that credibility question between the United States and its Gulf partners. But I think the Obama administration has been clear since it came into office that it had the intent of rebalancing away from the Middle East because there are opportunities and challenges elsewhere that the United States needed to grapple with. And also, of course, it's been operating this foreign policy rebalance in a domestic atmosphere of constrained budget resources, public exhaustion, and some cuts to the military that, you know, as you've tracked very closely, has presented some challenge to that rebalance.

Is it even feasible in light of all of that, in light of what's already been done to Shafri sources to Asia in light of what's on the table, in light of the exhaustion in the military after 13 years of war, is it feasible for the United States to contemplate some kind of military reengagement in Iraq or in the broader Middle East?

MR. O'HANLON: Thanks, Tamara. And good morning, everyone.

First, I want to agree with Ken, that I don't favor it personally now for all the reasons that he mentioned, and I'm not also suggesting personally, and I know the administration wouldn't suggest, that there should be any big American involvement regardless of what kind of political reform might occur in Baghdad to make some greater cooperation feasible.

Having said that, I think the answer to your question is yes, we can do both. We can do the rebalance and we can do what's needed in the broader Middle East because the rebalance, the military component of the Asia-Pacific rebalance is primarily about big Navy ships and big Air Force capabilities. And to some extent, Marine Corps

and regular army capabilities. And with Korea always there, you always have to worry about the possibility of a good old-fashioned fight, heaven forbid, that would involve all the services.

But in the first instance, the Asia-Pacific rebalance, militarily speaking, is about the Navy and the Air Force, and the Middle East is about Special Forces and limited specific capabilities. Obviously, there are going to be competitions and constraints over specific drones, specific satellite usages, specific specialized aircraft. But for the most part I don't see a dilemma, especially because in the Asia-Pacific the basic strategy is not to fight. The basic strategy in the Asia-Pacific is to remind China and everyone else there we're there and that we're looking for a way to integrate China into the new structure of the system or to take count of China's rise and find a role for it but a role that's consistent with our longstanding interests. And this doesn't preclude the possibility of conflict, but in the first instance it doesn't involve any active, day-to-day application of kinetic military power. Whereas, I think the Middle East does but with limited numbers of personnel.

So having said that, I would just be more specific and point out that, for example, on Afghanistan, where I think the administration has generally done okay but made a mistake in declaring this preference for a zero option in 2016 all the way out, that takes away our ability to hit Al-Qaeda targets in Pakistan with drones operating out of Afghanistan. That's a mistake. And it's not a mistake that's necessary to preserve the rebalance, because the rebalance is not about using drones to hit Chinese fishermen in the Senkaku Islands or anywhere else. The Asia-Pacific rebalance is about, you know, working with allies and using big capabilities to make sure that China's aware that we're still there. And frankly, in the first instance, if there were to be an escalating series of problems, using some of the same tools in the Asia-Pacific that we've been using vis-à-

vis Putin over Crimea. I don't think the first application of American power, if there were a skirmish of a little greater magnitude than we've seen so far, I don't think it has to be or should be, you know, the Marines retaking whatever little eyelet the Chinese might have grabbed overnight. The better approach, I think, in most scenarios, would be to orchestrate international pushback using economic and diplomatic tools against China.

And so, in that sense, and to conclude on this point, I think that most of what we're doing with the other tier one foreign policy challenges of the day -- and I would not just go to the Asia-Pacific Rebalance; I would also include Ukraine and Iran and its nuclear capability. Most of these tier one issues don't require the Special Forces, the drones, and the other specific limited assets that I think we should be talking about in regard to Syria, Iraq, and Afghanistan.

So I think in military terms, in terms of assets, it's doable. Intellectually, it's harder. And intellectually is where you sense -- conceptually, rhetorically is where you sense this administration is having some trouble right now. But in terms of the actual resources to apply the policies, I don't believe there's a fundamental, zero sum character to it.

MS. WITTES: Okay. So in terms of military tools, there might not be a one-to-one tradeoff, but there is a bandwidth issue, isn't there? I mean, we had Tom Donilon, when he was national security advisor, describing the logic behind the rebalancing. The U.S. is overinvested in the Middle East relatively thinking and underinvested in Asia. That's not just about military tools and presence. It's also about diplomatic attention. It's about high-level visits. It's about spending time in the White House, thinking through, developing, raising resources for and implementing multi-faceted strategies to build up these relationship. Right? So in that sense, is the rebalance under real challenge here given Ukraine as well, but also now this explosive

crisis in the Middle East?

MR. O'HANLON: Yes. It is under challenge, and even though it's theoretically possible to do all these things, I wouldn't argue that they're necessarily pulling it off at the moment. I think part of the -- and part of my interpretation here is that, first of all, I think the administration on balance is doing a better job in foreign policy than it's being given credit for right now and a better job in its policies than the president articulated in his speech at West Point, which I thought was actually a fairly mediocre speech that sort of knocked down straw men and didn't really explain what he's up to as well as -- if you look at the policies themselves, I think they hold together reasonably well with regard to Ukraine, the Asia-Pacific Rebalance, and Iran and the nuclear program, at least in terms of where we are at the moment.

But having said that, the administration, I think, is getting itself a bit distracted on a couple of things, some of which you all are much better equipped to discuss than. For example, did Secretary Kerry overinvest in the Israeli-Palestinian peace effort? Did he overinvest in the Geneva process for the Geneva process for the Syrian Civil War, to the point where he, himself, was not spending as much time in the Asia-Pacific as he could have? My instinct is that the answer would be yes, that he did make some of those mistakes. The president thankfully got back to Asia, and I think his April trip was good and generally well received, and he basically hit the right things. He's got to keep that up. He's got to get his secretary of state as engaged in that region as he is, and otherwise, I think Secretary Hagel, by the way, is doing a pretty good job on the Asia-Pacific. And I would give him credit. I think, you know, as sort of the lower profile guy in this top national security team, he's starting to really elevate his game and show that he's up to it. And he's keeping alive some of the key themes in the Asia-Pacific that we need.

But the last point I would make, and this is a bit of a criticism, is that on a few of the issues, beyond where Secretary Kerry may have overinvested in his own personal time, the administration is just picking fights it doesn't need to pick because the policies are actually not as complicated as it needs to or wants to make them. For example, Afghanistan. When you've got some of the best military commanders in our nation's modern history all aligned in terms of a long-term, gradual drawdown policy, you've had ambassadors like Ryan Crocker involved in this, and the basic essence of the policy -- I don't want to speak for all these former commanders and ambassadors and so forth, but the basic logic of the policy is to preserve a partnership going forward with at least a minimal amount of American capability. And President Obama spends months deliberating and agonizing over whether to keep 2,000 or 4,000 troops, and he ultimately decides to go to zero. He's spending too much time torturing a policy that would have been fairly straightforward to come up with if he had actually deferred to the expertise that he had already deployed against that problem in the forms of the McChrystals, Petraeuses, Allens, Dunfords, Crockers, the logic of which did point towards a much simpler policy decision than the administration came up with. If they had spent less time agonizing over that, they would have had more time to think about the Asia-Pacific.

And I could make that same analysis for a couple of other issues as well, but on balance -- to conclude this, sorry, long tour of the world, I think that overall, despite these critiques, despite these problems, I think they can do it, and they should keep trying, and that they should not see these two theaters as in fundamental competition.

MS. WITTES: Thanks, Mike.

You know, it strikes me that the nature of military engagement you're predicting for the U.S. and the Middle East going forward is this sort of standoff, special operations, drones, you know, limited targeted applications of force against targeted

terrorist threats, and indeed, that's what the president seemed to be describing in his West Point speech. But one of the challenges, and I think one of the lessons coming out of the bitter American experience in Iraq and Afghanistan, is that successful counterterrorism involves not just the application of force, but also the holding and building. And if the United States isn't going to be involved in that directly, it has to rely on partners on the ground who are going to do that. So there's a tight link here between the political and the military, and it suggests that even if on the military side American engagement in the Middle East can be reduced, on the political, perhaps on the economic side, there still is a requirement for some intensive American engagement.

And in that regard, you know, in terms of what's going to keep the United States there when there are other things pulling it away, I want to spend a few minutes before we open it up on the question of oil. Because we have seen just over the last couple of days, fierce battles over Iraq's largest refinery. We know that ISIS has been able to earn income from seizing oil-producing territory in Syria. We know that in the last iteration of the Iraq war, access to oil resources proved to be an important revenue source for people fighting on the ground. And while the United States may be importing less oil from the Middle East, it's still a global market and the United States has a keen economic interest in not just the global price of oil but in the economic health of Europe and Asia, who are still largely dependent on energy resources from the region.

So how do we think about the energy dimension of this? There is the sort of local level, the access to resources level, but there's also the way in which the possibility that extremist groups might hold oil producing territory could, in a way, help to galvanize international action around this issue.

Suzanne, I wonder if I can start with you on this and if you could talk a little bit about what we see on the ground right now. What is this doing to markets, and

how does it affect the calculation of other major international actors?

MS. MALONEY: Yeah, it is a big dimension of what's happening today in Iraq -- how it will impact the market, how it will impact future planning for both energy and security. You know, I think what we've seen is relatively modest price increases consistent with the reality that the conflict right now is not impacting the most important areas for Iraqi oil production or export. Even Baiji is largely directed toward internal consumption, and so, you know, it's going to be an increasing domestic problem for Iraq, but it has not yet produced the kind of price spikes that we've seen in prior occasions of Middle East conflicts in major oil-producing states.

But, look, for the long term, Iraq is the place where most of OPEC's growth, or about 60 percent of OPEC's growth over the course of the next five years is expected to come. If, in fact, we see a sustained situation of chaos and disarray in Iraq, if we see some prospect for a de facto partition of the country, I think that much of that growth is called into question, and that puts pressure on other oil suppliers around the world. It creates, certainly, an opening from the perspective of the Iranians who have been watching what's happened with the Russian gas situation in Europe, and now here in Iraq, seeing potentially, in fact, that they may have greater leverage, or at least they believe they may have greater leverage as a result of some of these potential cutoffs. And I think it also will call into question U.S. strategy. Are we in a position where we're going to be able to, in fact, export oil, and will that be politically palatable?

So it raises any number of questions, but in fact, at least in the short-term, we've seen this sort of shifting market patterns that have sustained the ability to knock a considerable degree of Iran's exports off the market through the sanction strategy over the course of the past four years. Those same market forces have, in fact, contained the damage, contained the impact from what's happening in Iraq to the market

in the short term.

MS. WITTES: Thanks.

Now, Ken, I don't know if you want to add anything on the energy piece, but I do want to come back to the question of partition, because when the United States had troops in Iraq, when Iraq was mired in sectarian conflict in the mid-2000s, there was an intense policy debate here in Washington about whether partition was the solution. I know that was an issue that both of you engaged on at the time, and I think Ken was suggesting, Mike, that partition might not actually bring an end to the violence in Iraq today, or that it might be the de facto solution, but it's not necessarily a recipe for stability.

I wonder, you know, if you think back on other cases of identity-based conflict, and even if we look at the recent history of the war in Syria, what could we say about the likely impact of partition in Iraq?

MR. O'HANLON: Well, a couple of things, and I know you all have thought about this a great deal. First of all, of course, partition can mean a couple of different things. What it can mean is a de facto, you know, relocation of some populations, and maybe some more autonomy within Iraq for the Sunni population in the north and west, akin to the Kurdistan concept. It could mean a redrawing of formal state boundaries. It could mean that the individual autonomous zones each have their own military force as the Kurds essentially do, or it could mean that they're really governing themselves in terms of economics and policing and day-to-day operations of government, but they still all contribute to a national security force. Anyway, you all know this, but it's worth reminding people that partition can mean many different things. So that would be point one.

Point two is when Ken and I thought about this in '06 and '07, it was just before -- and the surge had really kicked into in Iraq and I was writing a paper with Ed

Joseph for Ken, and Ken really pushed us in a very useful way to underscore the difficulties of implementing partition successfully. So it is not necessarily a policy I'm adverse to on first principles, but it's not easy. And one of the reasons, of course, is if you have populations that need to relocate, then who is going to protect them as they relocate? How are you going to handle the issue of property that is being vacated? And presumably people would like compensation so they can go buy another home. There are all sorts of very hard, practical questions to make partition work. And I actually respected the fact that then-Senator Biden put out this idea, but what Ed Joseph and I tried to do was to actually get into the nitty-gritty, and the nitty-gritty is pretty complicated. So even if you can do it well in theory, in practice it's hard.

Just two last thoughts. I remember on a different issue, on the same general subject, visiting Kosovo and the former Yugoslavia in 1999, just after the Kosovo War and we visited with at that time I think Foreign Minister Papandreou of Greece. And Greece, of course, was the one NATO member that had big reservations about the Kosovo War, given that they were often close to Serbia. And we asked Papandreou if he thought partition, independence for Kosovo, could be acceptable. And we expected him to push back very, very hard. And what he said was it could be an option when it matters less.

And I thought about that a lot for 15 years, because what he basically said is if people want to cooperate in making this happen, or they get to a point where there are new political forces and new political priorities people are focused on, then maybe it's not quite as destabilizing. If you just do it right now in the heat of conflict, it actually creates as many problems as it may solve, or at least it could.

And the very last thing I'll say is -- this time I won't quote the official that I spoke with, but it was a high-ranking American official in Iraq in 2007, and Ken and I were

visiting in July of that year just as the surge was kicking in, and I was still -- at that point I was sort of shifting from belief that soft partition could be the right option to believing in the surge based on the evidence that Ken and I saw in that.

So I was handing out the paper that Ed and I had written. And I handed it out to this official, and I said, "This might be a plan B for Iraq if all else fails, if the surge does not work." And this person said to me, "Well, I'll be a lot more interested in plan B when it becomes plan I." In other words, when the Iraqis themselves advocate it collectively, not just as one group saying we want to be off separately, but when the three major groups together get serious about how they would make it work and recognize the challenges to do it right. So I think that's a fairly nuanced answer to your question. I don't think we should be necessarily ideologically against redrawing boundaries or federalism, but it's really hard to do.

MS. WITTES: It's really hard to do, and it seems to me you're suggesting that in order for it to be a recipe for stability, it has to come through a degree of political consensus; it can't come about through violence if it's going to be successful. Whereas, Ken, what you seemed to be saying at the outset is it's happening, but it's happening through violence.

MR. POLLACK: That's right. And first, I want to strongly agree with everything that Mike just said right there. I think he's put it really nicely. It's funny, because I ran into Ed Joseph the other day, and I was saying to him, "You need to get that paper out, overhaul it, put it out there."

MS. WITTES: Did you bring it with you, Ed?

MR. POLLACK: Look, part of it at the time was exactly what Mike was saying, that I recognized that there would be problems, and there will still be problems with going down this route. And it is very much a plan B as Mike put it out. The better

outcome is effectively what I outlined. But let's also recognize part of the reason why I was skeptical of what Mike, and Ed, and ultimately Joe Biden and others were trying to put out there was that I felt there was that better alternative. I was an advocate of the surge going back to -- long before it was ever thought of as the surge. Right? 2003-2004, I was arguing for that. It was recognized as a better example, and I recognized that the United States had both the resources and the commitment to Iraq to make what we call "the surge" possible.

But let's keep in mind what happened, and that's what you have to think about when you're thinking about plan A for Iraq. In 2006, Iraq was in civil war. It was in basically the same civil war that it is in today. And in 2007-2008, the United States made a massive military political effort that pulled Iraq out of that civil war. That's effectively what would be required this time around, only this time around the United States clearly is not going to commit the same level of military forces to do it, and I don't think that we are going to be in a position to commit the same level of political resources because so much of that political capital, so much of that political influence stemmed from the military presence in the country. And so if we're not going to do it, that has to come from somewhere. That lies at the root of my points about what needs to happen within Iraq itself, that the Iraqis are going to have to make that level of political military effort. It is also why, like Suzanne, I'm willing to explore the possibility of what assistance Iran can provide in this because we need all the help that we can get to get to plan A for Iraq, recognizing full well, as Suzanne has so eloquently portrayed, that at the end of the day we, in Iran, still have very big differences when it comes to Iraq, and we need to be very aware of those as well.

But if we're not able to get plan A, I fear that we are going to see this protracted stalemate, this bloody de facto partition of Iraq. I am skeptical that the

government is going to be able to retake this land unless it gets massive assistance from the Iranians. And I am very skeptical that ISIS is going to be able to overrun the country. I also think that it would be a disaster if the Sunni militants overran the country.

And so for that reason, I think that partition may be a plan B, but exactly as Mike has described it, that's only going to -- we only see it happening historically either when some third power comes in, like NATO did in the Balkans, and is willing to put its power behind partition, or else we get so far down the road the parties are so exhausted, they're so tired, they're so bloodied that they finally decide, you know what, let's just separate along the lines of what's happened in Sudan. And that, unfortunately, I think is a long way off in Iraq.

MS. WITTES: Thank you.

There are a lot of issues we have not yet touched on, and I have confidence that those of you in the audience will help us get to those in the Q&A.

Let me just reiterate the ground rules. Number one, wait for the microphone to come to you. Number two, please identify yourself before you ask your question. And number three, make it a -- that's singular -- question. It needn't be directed to a specific person on the panel, but we would actually like it to be an interrogatory.

So let's begin right up here if we can.

QUESTIONER: (Inaudible), I'm an Intel analyst.

Two points. The biggest long-term effect of all this may be the hundreds of millions of dollars that have been taken over conquered banks, and that's perhaps the longest shadow of this. Second of all, this may be Kurdistan's best chance in human history.

The question, is it possible that we could at least deconflict forces with

Iran? The worst thing that could happen here is we volunteer to bomb and we wipe out 200 IRGC guys and Iran wants to go to war with the Great Satan.

MS. WITTES: Right. So how do we avoid a confrontation if, in fact, we decide we need to take a kinetic approach. Ken?

MR. POLLACK: Well, first, let me start with your first one, which I think is an excellent one, and I kept thinking I need to make this point and then kept forgetting to make it, which is, I think you're right, that these are the circumstances in which the Kurds have been talking about among themselves. Even the most conservative and pragmatic of Kurdish leaders have for years been saying that the right time for Kurdistan to declare independence would be when the rest of Iraq falls into civil war. And I think that over the next 12 months there is a very high risk, even a likelihood, that the Kurds will declare independence. I think the real key question for the Kurds is going to be Turkey, and whether Turkey is ready to recognize an independent Iraqi Kurdistan.

With regard to deconfliction, I think you're right. I think that it will be difficult. I think that it gets to all of the points that Suzanne made, and I invite her to come in. At some level though you might say that it could be easy if we could get a meeting of the minds on what we want to see happen. We're going to be in the air and they're going to be on the ground. Right? So that makes deconfliction a lot easier, as long as they're not shooting at us, and as long as we're not bombing their troops or bombing the Shia troops who they will be supporting, that makes it relatively easy.

I think the bigger issue with deconfliction that you're bringing up is exactly what Suzanne talked about, which is what are we bombing and what are they shooting at on the ground. Right? And do we like who they're shooting at on the ground, and do they like who we're bombing in the air? Because, again, that's where the differences in objectives can come in. You know, we may want to go after groups that

they don't want us to go after; they may want to go after groups that we don't want them going after.

MS. WITTES: Suzanne?

MS. MALONEY: I agree with everything that Ken has said, and I think deconflict is really the right word for it. It was unfortunate that the word "cooperation" was put out there early because I think it mischaracterized what's possible. We know, in fact, that we have experience with working with the Iranians, both indirectly and directly to deconflict where we've both been engaged in a similar or contiguous military theater.

I think the bigger problem though is the lack of shared political objectives, and to the extent that what we're doing militarily is directly tied to a political long-term plan for Iraq, as Ken has advocated, then I think that's where we're going to see greater distance. But, in fact, we're lucky -- luckier today in the sense that we have been in any of these previous periods where we've been engaged at the same time with the Iranians because we've never had this sort of direct bilateral channel. It's a bilateral channel that's really busy right now, and in terms of the bandwidth problem that Tamara raised earlier, I think, you know, this is a crunch time for the nuclear issue. And it's obviously also a crunch time for Iraq. But the fact that we can sit across the table, that we have sustained, and I think fairly constructive relationships with all of the Iranian senior foreign ministry officials, is a plus. The question is how and whether we could actually have a similar channel that, in fact, works on a continuing basis with the other elements of the security establishment.

MS. WITTES: Right. I mean, there was this very tentative effort to work with the Iranians on Syria that fell apart quickly when it became clear that these foreign ministry officials who were empowered on the nuclear file don't seem to be empowered on these other regional security issues where the IRGC and Suleymaniye seem to play

the leading role.

MS. MALONEY: They're not empowered, but I think the message that Zarif delivered when he rebuffed Secretary Kerry's overture on Syria late last year was also the sense of deep mistrust that emanates from the experience over Afghanistan. There's a conviction; this is the absolute shared narrative across the political spectrum in Iran that they went to extraordinary efforts to assist us both with the military campaign and with the diplomacy that followed to construct the Afghan government and that they were burned in response for that assistance, and they were determined not to be burned again.

MS. WITTES: Thanks.

Mike, do you want to add anything?

MR. O'HANLON: That's okay.

MS. WITTES: Okay. Ed Joseph's name has come up several times, so I feel compelled to give him the mic.

MR. JOSEPH: Thank you, Tamara. Thanks for the kind mention.

Ed Joseph with -- next door with Johns Hopkins SAIS. Great to see everyone.

Quickly on partition, and not to belabor it, but just to say quickly that I think the idea would be that a lot of the population displacement has already taken place, particularly in the capital, Baghdad, where the number of Sunnis has dropped dramatically. It's in the low double digits. So that, I think, is the concept. And also, just to note, that it is in their constitution, so it's not completely something that would have to be imported into Iraq.

But my question comes back to what Ken was just saying about Kurdistan because it's quite possible we may be confronted with a question of --

existential question of Iraq and partition, whether we like it or not. And this is my question, if the Kurds -- and there would seem to be, as was mentioned in the prior question, this is their historic opportunity -- if they move for independence, is there any possibility for a rump Sunni Shia Iraq state to remain together? And then quickly, just wondering if any of you think that the crisis in Iraq will cause a rethink of our Syria policy.

Thank you very much.

MS. WITTES: Okay. Do you want to kick it off on partition?

MR. POLLACK: Sure. And just one point of clarification. Ed, you're right, federalism, of course, is in the constitution. Partition is not. But, yes, you can imagine a federal solution that would. And ultimately I think that plan A will require some movement toward federalism to make the other ethno sectarian groups more comfortable.

On the question of Kurdistan, I think that it is, as I said, it's going to be very difficult to keep the Kurds in. I will say that I think that if the Turks are ready to recognize an independent Kurdistan, so should the United States of America. I think we need to recognize the Kurds are an independent nation with all the attributes of nationhood. They've never really wanted to be part of Iraq. They have fought multiple wars to leave Iraq and have typically been brought back by enormous violence, including by the Anfal campaign. The U.S. government argument against Kurdish independence has always been that doing so would provoke a fight with Baghdad and would provoke a fight with Ankara. And those were very good reasons to oppose it. But Baghdad may no longer be -- in fact, right now it is not in a position to pick a fight with the Kurds over independence. And Ankara and Ankara's policy toward Kurdistan has changed dramatically over the last three or four years. If the Turks are also in that position, I think it would actually be better for all involved. I mean, one of the great lessons of the 20th

century is that national self-recognition is a very good way of avoiding wars, and many of the worst wars of the 20th century were fought over exactly that question. And many of Iraq's internal problems have been a result of the Kurds being kept as part of a country that they don't want to be a part of.

But that brings me to the second part of Ed's first question, which is, is it possible to imagine an Iraq without Kurdistan? Yes. Absolutely. And in fact, over the course of history, and in particular, back when Mike and Ed first recommended this, you know, what you saw with Arab Iraqis, whether they be Sunni or Shia, they didn't want to be a part. What they were fighting over was who was going to control Arab Iraq. Now, if that continues to be the case, and I think that that is probably, if you kind of really push Iraqis, that is still their first preference, if that's still possible, I think that would be terrific.

And again, that brings me back to my plan A. But recognizing that plan A may be very difficult, and if this situation continues, if the government is not able to reassert control and drive out the Sunni militants, I think you will have a de facto state of partition. And under those circumstances, of the course of time, perhaps Arab Sunni, Arab Shia will decide that they don't want to live in the same state and it is easier to live apart.

So I can imagine both sets of circumstances. As I said, I think that we're in a difficult set of circumstances because I think what Iraqis would most like in their heart of hearts may not be what is possible given the realities on the ground.

MS. WITTES: Thanks.

Mike, I want to ask you to pick up the Iraq and Syria question because as far as we can tell, the questions President Obama has been asking himself about the prospect of greater engagement in Syria have been can we do anything that would make a meaningful difference in achieving our policy objectives and that doesn't carry a

significant risk of making things worse rather than better?

Well, if those are the two questions he's asked about Syria and he's never been able to answer them in the affirmative to his own satisfaction thus far, if those are the questions he's going to apply to Iraq, it's very hard to see, I think, options that he could answer affirmatively. But if perhaps because of the clamor from the region, perhaps because of the degree of threat that they see in what's happening today they decide to get military involved in Iraq, doesn't that, in essence, bring the United States into the Syrian War through the back door?

MR. O'HANLON: I suppose it does. I would begin though by observing that the president has made a policy choice on Syria and Iraq, which is to do not very much, which is itself a choice. And I think we've seen what, you know, I don't want to relitigate the decisions of 2011 in regard to Iraq, or 2012 in regard to Syria very much because even though I probably on balance have some slight disagreements with the president on Iraq 2011 and some bigger disagreements with him on Syria 2012, I think that it was understandable at the time why he took basically, you know, a limited role in both cases. But empirically, it just hasn't worked. And he's a smart guy. Smart people have to be empirical.

So the Syria policy of not doing anything, as you put it, is, in effect, doing something. Because as I've read in reading all of you, it's deferring to the other regional actors to run the show instead of us, or a U.S.-led coalition. And so I think that -- anyway, there are a lot of things obviously one could get into on this question, but I think that, yes, it's time to reassess, and I would hope that the Iraq debate would affect Syria policy. The president himself implied, as he's done several times before but always with uncertain follow-through, that we are changing our Syria policy, in his West Point speech. As you mentioned, he created this or proposed this \$5 billion counterterrorism fund, and

he talked about applying it to Syria, as I recall from the speech. I don't know what that means, just as I haven't known what it's meant before when the president said, "We're going to do a little more in Syria."

Now, Ken has very usefully and very thoroughly written about how, again, the president is in a difficult spot -- Ken can correct me if I'm paraphrasing incorrectly -- but there are no easy options in Syria. I'm willing to nonetheless run some risks that recognizing what we've done hasn't worked; that we've got to be willing to help other elements of the insurgency because the Al-Nusra and ISIS pieces are even worse, and they're obviously doing just fine at accessing resources. So we've got to work to help the other insurgents do better.

One very last point on this question of precedence and essentially anticipating what could be a critique of a soft partition or federalism concept or even a Kurdish independence concept. I think it's okay for the reasons Ken said. Some people worry what's it going to do to the old Taiwan-China debate? But all the circumstances that we've been talking about here are not relevant there. Taiwan and China are essentially working pretty well in partnership, and they're both getting most of what they want in the short to medium term. And under those circumstances, there's no justification for either one to disrupt the status quo. Taiwan has a big presidential election coming within a couple of years. It's conceivable since the incumbent has a nine percent popularity rating that the DPP, the pro-Independence Party, would win, and that's going to make a lot of people worry, well, are we creating precedence now for East Asia going back to the rebalance question. But I would say, you know, people will always reach their own conclusions and inferences, but on balance I'm willing to run that risk because, again, the conditions here are so special and so disrupted compared to what we had previously seen that I don't think they would apply to the Taiwan case. So I don't think

we have to worry about that precedent, and therefore, I'm open-minded to the idea of Kurdish independence as well, and to federalism.

MS. WITTES: Is there anything you wanted to add?

MS. MALONEY: I just wanted to jump in on the Syria question because, you know, I think as Mike has said, what's happening in Iraq has to provoke some kind of a reassessment of the decisions that have been made, the policies that have been pursued, and what we're currently doing vis-à-vis Syria.

But for a president who has been skeptical about the utility of American engagement and the constructive application of U.S. resources and force in the region, what's happening in Iraq is also a powerfully negative example because the argument that I imagine that occurs to the skeptic is simply that trillions of dollars, thousands of lives, a decade of intense engagement did not produce an Iraqi military that could hold together, did not produce a political compact that was durable. And so how could what would inherently be a far less substantial effort in Syria in a much more arguably difficult set of circumstances produce a better outcome? So it's not inherently obvious to me that the president is going to take from what's happened in Mosul and beyond the lesson that he needs to double down and expand U.S. involvement in Syria.

MS. WITTES: Good point.

Ken?

MR. POLLACK: I just want to jump in very quickly on this broader issue of American foreign policy under Obama and particularly to the Middle East just to make the point that while I agree with Mike that when I look at how the Obama administration has handled certain crises, I find myself in kind of grudging agreement with what they're doing, and right now I'm kind of in uncomfortable agreement with what they're doing on Iraq, and that was also the case for Ukraine. But I think that the problem that I have is

that while I can look at it and say, well, they're not bad when they find themselves in a hole as to what to do when they get in a hole. The problem with their policy is they keep falling into holes. And this is my problem. And myself, and any number of other people, have been saying for years if you continue to try to disengage from the Middle East, if you try to ignore it, you are going to keep falling into holes. And it is much better to put in a lesser level of effort beforehand to look where you're going and avoid the holes or avoid creating the holes than it is to keep falling into holes and then to try to find your way out of them.

Our disengagement from the region has been disastrous. The region has gone to hell. I could not agree with Mike more. I've got a piece that will hopefully be appearing in Foreign Affairs in a couple of months arguing for a much greater effort to help the opposition in a much more sustained, protracted way than even we're talking about now because at the end of the day it is going to require some degree of American effort to deal with the problems of the Middle East. And again, an ounce of prevention is better than a pound of cure. And ignoring the problems don't make them go away. They make them worse and you wind up paying pounds or tons rather than the ounces that you should be.

MS. WITTES: Okay. We're going to take a few questions in the back, and we'll start back here. Adrianna, back corner. Thank you.

MR. BORROWS: Hi. My name is Nick Borrows. I'm with TD International.

The ISIS advance in Iraq could arguably be described as the most elaborate bank heist in history, the \$425 million. How has this helped ISIS to consolidate its financial base? Thanks.

MS. WITTES: Okay. And along with that I guess we can ask is ISIS

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interested in governance or is this just getting money to fight farther?

And let's see. Right here in the glasses.

MR. STACEY: I'm Jeff Stacey, formerly of the State Department, now consulting for the Defense Department.

In 2007, I wrote an article in National Interest. The title was "Reoccupy Iraq?" And it talked about a lot of the things that have unfortunately come to pass a little later than might otherwise have. The panel has laid out some very key important goals that there's a surprising amount of consensus for today in this room, but in terms of means to these goals, how do we get this political consensus, reconciliation settlement? To cut right to the chase, how do you sit on Maliki? What leverage do we have on Maliki? Is that even viable?

MS. WITTES: Okay. Why don't we take those two? And who wants to lead off?

Mike?

MR. O'HANLON: I'll start with the first question and leave others to comment and then to take the second one. I think that it's unlikely the ISIS group has any great interest in governance. I don't think this is their initial payment for reopening schools or improving hospital care in Mosul or anything like that. This is -- but I still like your phrase -- it's the amount of money that we typically see insurgent groups and terrorist groups do a lot with. It's in the ballpark of what the Taliban have tended to be able to earn in Afghanistan, and they've been very resilient for many years with about that much financial resource. I think it's comparable to what some of the Al-Qaeda affiliates and other extremist militia groups have been able to come up with through smuggling and other kinds of extortion schemes, and sometimes direct pay rolling or financing by others in the broader Middle East. And so I worry about it a lot for those

reasons. It is enough money to be quite a nice war chest, and that's the way I would view it.

MS. WITTES: Ken?

MR. POLLACK: I'm going to start by disagreeing with Mike. I think they are interested in governance. It's right there in the name. They are the Islamic State of Iraq and Syria. Okay, and they've made it clear over and over again. They want to establish their caliphate in this part of the world.

Now, I agree with you, Mike, that schools are probably not their first priority, but nevertheless, they do seem to mean it when they say they want to establish a state in this part of the world. And I think that this is important because I think that we have to distinguish between ISIS as a terrorist group and ISIS as the lead dog in a larger Sunni coalition that is looking to carve out a sphere of Iraq, maybe all of it. I mean, we should also note that when ISIS has kind of laid out its military objectives, they include Baghdad, Karbala, and Najaf. Karbala and Najaf are overwhelmingly Shia cities. They are the holiest cities in Shia Islam. If all you were interested in doing was carving out a Sunni state, I don't think you would include Karbala and Najaf, which tells you something else about what their goals are, which are certainly not complementary of Shia goes. In fact, one could argue it's not a hard extrapolation to suggest that they may actually be genocidal in their goals and that this is about destroying the Shia. Let's remember, these guys are Takfiris. They believe that the Shia are infidels, and what you do with infidels is you slaughter them. And we have seen them practice this elsewhere. So I think that that is a very important element of this.

But again, when you think of ISIS as a terrorist group, \$425 million is a lot of money. If you think of them as a conventional military, part of a larger Sunni militant coalition that is looking to carve out an independent state in Iraq and Syria and perhaps

conquer as much of Iraq as it can, \$425 million isn't a whole lot of money. And you have to expect that they are getting more, and I think that there is at least circumstantial evidence that they are getting money from the Gulf. And as we were talking about beforehand, that money could increase the more that the Saudis and the other Gulfies see this as the wider war between the Sunni and the Shia, between the Gulf States and Iran.

To your question about how do we make this possible, I think it's going to be exceptionally difficult. I think we handed out a paper that I wrote last summer called, "The Fall and Rise and Fall of Iraq." I think it's -- I'll put it this way, I am proud of that work. I think that it describes the narrative arc of Iraq over the last 11-12 years and it kind of situates what is happening now in the wider scope. The mistakes that the United States made right from the beginning and then at every step of the way, and I think where it gets you to by its end is the United States really has very little influence left in Iraq. We squandered and surrendered all of the influence that we've had.

And so I think that you're absolutely right, Jeff, that our ability to make my plan A happen is very limited. It's why what I have been suggesting is to say we have to hop that Prime Minister Maliki recognizes that a number of his policies have actually undermined his own rule over Iraq and that this will be enough to bring him back and say I made a mistake, therefore, I'm willing to do some things that I wasn't in the past. And I think that the other component of that is to be able to say he clearly does need some degree of external assistance, and to the extent that the United States can be of aid to him, to condition that aid on his going farther on those critical, domestic, political comments.

I think those are the two pieces of leverage that we have. And if you say to me, "Ken, those are really weak grades," I would say to you, "Jeff, you are absolutely

correct." And it's why I think that plan A is the right solution for Iraq and for the United States -- that's my policymaker speaker. As an analyst, I say I'm not going to bet that that is going to be what happens.

MS. WITTES: Okay. Anything to add?

Okay. Let's take three down front. Jen, we'll start right behind you.

MR. SUMAIDAIE: Samir Sumaidaie. I am the former ambassador of Iraq to the United States. I heard excellent presentations here. Thank you very much. But I did not hear certain words, like governance, like corruption, and I think they are important factors in the current situation. Yes, the Sunni areas in Iraq are up in arms and they are now cooperating with unfortunately the worst kinds of terrorists in the world. But they are disenchanted not only because of sectarian pressure, but also because of the issues of governance. And in that sense, a lot of Shia are unhappy. Evidenced by many of the leaders of the other main Shia components in Iraq wanting this government to reform.

Now, I didn't see any -- that is important at least in understanding the dynamics of the situation. I didn't see any treatment of that. The way out of this, yes, there is room for outside contributions, but it's primarily a job for the Iraqis to put together a coalition of people who will walk the country back from the sectarian confrontation into a state in which the emphasis is placed on national goals, improvement for the lives of the people and so on.

On the question of separation, or partition as you call it, I want to pose a question. How do you partition families? Thirty percent of the people living in cities are mixed marriages. Are you going to draw the borderlines through every bedroom in Baghdad? What are you going to do? How do you treat it? There are cities in the north which are predominantly Shia. There are cities in the south which are at least partially

Sunni. How are you going to treat it? Is it going to be a rerun of the Pakistan India partition with all the blood that flows through it? There are a lot of issues that really have to be looked at in depth in order to arrive at practical solutions.

Thank you very much.

MS. WITTES: Thank you, Mr. Ambassador.

And next we'll take Sayid.

QUESTIONER: Thank you, Tamara. My name is Sayid. I'm a Palestinian journalist, but I also spent a number of years with (inaudible) in Iraq, and I got to know it. And I can tell you that the only Arab-Kurdish contention over partition is really Kirkuk. So, unfortunately, you know, partition is there in the draft of the constitution.

My question is very simple, and it's to Michael. After spending \$20 billion training and equipping the Iraqi Army, the Iran-Iraqi Army, how can it collapse so quick before a few hundred irregulars? Thank you.

MS. WITTES: Thank you.

And we'll take a third question here from Gary.

MR. MITCHELL: Thanks very much. I'm Garrett Mitchell from the Mitchell Report.

And it occurs to me that there are probably two people whose earlier predictions have come to be true, one, then-Senator Joe Biden as we've talked about, but let's not forget Paul Wolfowitz, who said that you could finance this war with oil revenues, and it looks like ISIS is doing that.

I'm interested to know, and I don't mean the question facetiously, but given what I think I've heard this morning, if one were to apportion responsibility for the condition of Iraq in mid-2014, between Prime Minister Maliki and President Obama, decisions made by both, who -- what do the numbers look like? What does the ratio look

like? And attached to that, because I don't think we've talked about it, Fareed Zakaria has claimed and others have supported the notion that the reason that we could not get a Status of Force Agreement was because the Iranians basically said to Maliki, "Over your dead body." And I'd like to know if Suzanne can enlighten us on that.

MS. WITTES: Okay, thank you. And then I think we'll take one more question in the third row right here.

QUESTIONER: (Inaudible), Center for American Progress.

I just wanted to ask since we've been talking about eternal affairs and cooperation between Iran and the U.S., what do you see Turkey's role in all of this? And could there be like a cooperation between Turkey and the U.S. on this issue?

MS. WITTES: Thank you. And there's no question that Turkey is disturbed by this ISIS advance and they've been dealing with ISIS's impact on Syria for quite a long time.

So a lot of meaty questions for our panel. Why don't we start with Mike and we'll work our way back.

MR. O'HANLON: I'll be quick. I want to touch on three, but also, I'm glad Ken has a chance to speak about Iraqi and Arab armies. He's the real expert on them, not me.

But let me quickly say on the partition question, Mr. Ambassador, I take your point. That's part of why I said this could only happen if it were a consensual agreement among different Iraqi groups, and Ed and I wrote about this in our paper, trying to wrestle with some of these very questions, you're never going to get complete population separation, so you have to have a collaborative enough spirit of this whole thing where families can still work together. And that just underscores the challenge. I don't think it rules out the possibility but it does underscore the challenge.

Secondly, my quick take on the Iraqi Army, and again, Ken may want to give more detail, is they chose not to fight. The groups in the north chose not to fight because they were disenchanted with their leader and they didn't believe that he was actually morally or politically in any meaningful way their appropriate leader any longer. I don't know the percentages on the extent to which these units were primarily Sunni -- Ken probably knows more about that than I recall, but that's my overall sense. So it didn't boil down to technical competence or weaponry. It started at a higher level of political allegiance.

And then finally, on the issue that Gary raised, if I could just briefly offer my two cents, with all due respect to Iraqi friends, and there's some very good Iraqi friends, in this particular situation I feel like we Americans have beaten ourselves up enough and that by the end of 2011, the Iraqis did have a pretty good basis for moving forward. As Suzanne pointed out, we struggled very hard, put in a lot of money, a lot of American lives, a lot of high level attention, and I believe that the Iraqi political system at-large squandered the opportunity. Now, the blame within that is primarily Mr. Maliki, so I'm not blaming other Iraqi friends necessarily, and certainly not the ones in company today. But I'm not personally inclined to blame either George W. Bush or Barack Obama that much. I think by the end of 2011, the Iraqis had a fair chance. And yes, we should have done more. We should have stayed engaged. We should have listened to Ken. We should have sustained the energy that Joe Biden applied to this for the first two and a half to three years. There are a lot of things we could have done better. But fundamentally, I would give 90 percent of the blame to Maliki and company and only a modest amount at this point to the United States.

MS. WITTES: Thanks, Mike.

Suzanne?

MS. MALONEY: I have no reason or information to refute the presumption that the Iranians weighed in heavily against the extension of the Status of Forces Agreement or the continuing presence of American troops in Iraq, although there are certainly many players within the Iranian political establishment who have, in fact, spoken publicly about the stabilizing role that U.S. forces did play in Iraq at different points during the occupation.

I actually just want to push back on this notion of the blame game entirely. Who broke Iraq, who lost Iraq is effectively irrelevant today. We have a political system in Iraq that is clearly broken. We have a security situation which is profoundly dangerous to which I think there is an enormous amount of blame that can be spread all around the region, including toward our allies in the Gulf whom were pressed for years to engage constructively with Baghdad and who have found greater opportunity to be supportive of groups that are involved with destroying the Iraqi state than those that are involved with stabilizing the Iraqi state. And so I think that, you know, focusing on to what extent Maliki is to blame, to what extent George Bush is to blame, to what extent President Obama is to blame is really asking the wrong question. The right question today is how do we put it back together?

MS. WITTES: Thanks.

Ken?

MR. POLLACK: Let me see if I can offer quick answers to all the different questions raised.

Samir, first, you're absolutely right about not talking about the grievances that span all of Iraq. And I think it's important to bring that up because, as you point out, there are Shia groups that are just as disaffected. And again, that creates possibilities of a different internal solution. Again, back to that plan A, and that is an important element

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of that. I think you're absolutely right.

I also agree with you, partition will be exceptionally difficult and painful. It is why I see partition as perhaps the practical reality of a future Iraq, but not my policy prescription. I would not be advocating that this is what we should be trying to bring about. My issue is more if this is what happens, can we find a way to make it less bloody, less palatable, less awful for the people of Iraq. And I think that's a worthwhile question to ask, and that's really what Ed and Mike were trying to get at even back in 2006.

Sayid, for your question about the Iraqi military, let's go have coffee. You know that I'd love to -- I can talk for hours about this. But to quickly tick it off, first, I think that Mike is right. The prime minister had undermined the morale of large segments of the military for a whole variety of different reasons. First, you had Sunni -- you did have a very heavy proportion of Sunnis and Kurds up in the north in those divisions and in one division in particular, and I just don't think that they were going to fight for Prime Minister Maliki, who most of them regarded as the Shia Saddam as they called him. You also had Shia troops up there, and I think that those Shia troops, first of all, were surprised. And let's remember, surprised -- the militants certainly a tactical surprise if not strategic surprise. Surprise is an enormous advantage in warfare. Beyond that though, when they saw their Sunni and Kurdish brethren deserting, I think that undermined their morale, and add to that the fact that they were fighting for what were largely Sunni cities. And I think it's very hard to ask Shia soldiers to fight and die for Mosul, for Baiji, for Tikrit. But I think that what you're seeing is now that they are fighting for their homes and their families in the Shia cities of Iraq, whether it be Baghdad or Samara, I would centrally expect for Karbala and Najaf, you were seeing their morale stiffen. And they are regrouping.

Last point that I think is very important to understand, and I have already

alluded to this, starting in 2011, one of the problems that Prime Minister Maliki contributed to the circumstances of Iraq has been a very through-going politicization of the Iraqi armed forces. The United States made a painstaking effort from 2007 to 2009 to build a modestly capable, but quite apolitical and quite well integrated Iraqi military that went from being something that most Iraqis feared in 2006 to being a force that Iraqis overwhelmingly welcomed and took pride in by 2009. But by replacing large numbers of officers with his own people, by pushing out many of the Sunnis and Shia, and there were still -- sorry, Sunnis and Kurds -- there were still Sunnis and Kurds, but not nearly as many as there once were -- he increasingly politicized the military to the point where, again, you had large numbers of Sunnis and Kurds and even Shia who referred to the Iraqi military by 2014 as Maliki's militia. Okay, and that was also very problematic. And as part of that, they just stopped training. We built these massive training ranges. We instituted all kinds of training procedures. They just stopped training. So that's onto that one.

Gary, you know, first, I completely sympathize with Suzanne. I think that we need to think more about going forward. To the extent that I do think about this, and I confess that I do, I think the answer is all of the above. I think we are all to blame. And for me, you know, I think that President Obama made a series of terrible mistakes in Iraq, including some issues around the SOFA. I think that it is a wild -- Fareed is a dear friend of mine, but I think it is a wild exaggeration to blame what happened on the Iranians. What we have consistently seen is Prime Minister Maliki doesn't like the Iranians. The Iranians don't like Prime Minister Maliki. Whenever he has been in a position to push back on the Iranians, he does so. He is very much his own man, except when he gets in dire straits and he has no alternative as he is in today.

But as much as I am unhappy with the decisions that President Obama

made, many of them have their antecedence in mistakes that President Bush made, and you cannot separate the two. And Mike is also correct that Prime Minister Maliki did things that he didn't have to do that exacerbated the situation. And Suzanne is right that there are any number of other states in the region that contributed to this. We are all to blame. I mean, you in particular, for you I'm thinking of Pope's wonderful remark. You know, "As not for whom the bell tolls; it tolls for thee." Ask not who is to blame for the fall of Iraq; we all are. And again, that's one of the themes. That's one of the dominant themes in this essay that I wrote last summer on "The Fall and Rise and Fall of Iraq," is how all of these different factors contributed to it.

The last point that I will make there though is that while there is no question that Prime Minister Maliki made his own mistakes, we created the political incentive structure, and it is worth keeping in mind that when we were doing the right thing, he did the right thing. He didn't always do it willingly. He did it often grudgingly, but he did do the right thing whenever we were. Both under Bush and Obama, we weren't always doing the right thing. But all of that is worth keeping in mind.

And then last, your question in Turkey, as I indicated beforehand, I think Turkey is a very important element of this. First, in dealing with the Kurdish issue, making sure that comes out well, but again, to go back to my plan A, Turkey has influence in Iraq in the region, bringing them in as part of this. And again, trying to find a better political solution for Iraq, I think is going to require all of the neighboring states. At the very least, we have to make sure that the neighboring states aren't undermining what we are trying to do in building a better political system. That behooves us to try to bring all of them into the process.

MS. WITTES: Thanks, Ken.

And I think that's a great point to end on because let me take us back to

where we started. This isn't just about Iraq, of course. This is about the region. And the conflict that we see within Iraq, I think we've heard today, is not just about sectarian politics or identity politics; it's about politics. It's about power, the distribution of power and resources. And in that sense, the conflict that is reenergized in Iraq today is part of this broader struggle over the future of the region and who gets to determine that.

Now, obviously, the United States has a stake in that, but the greater stake is held by the people of the region and the governments of the region. And so one can hope that the current degree of crisis which bleeds across borders, which is having profound effects and posing profound challenges to good friends of the United States but to key states all around the Middle East, one hopes that this will focus the minds of regional actors, as well as folks here in Washington on how do we reestablish regional order. And rather than thinking about this as a zero sum game where people are looking to take advantage in an environment of disorder, it's about how do we get back to regional order.

So with that, I thank you all for coming. I know that this conversation will continue in the weeks and months to come, and we hope to have you with us.

Thanks to our panel.

(Applause)

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