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Iraq: U.S. Regime Change Efforts and Post-Saddam Governance

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Summary

Operation Iraqi Freedom accomplished a long-standing U.S. objective, the overthrow of Saddam Hussein, but replacing his regime with a stable, moderate, democratic political structure has run into significant difficulty. The desired outcome would likely prevent Iraq from becoming a sanctuary for terrorists, a key recommendation of the 9/11 Commission report (Chapter 12, Section 2). During the 1990s, U.S. efforts to covertly change the regime failed because of limited U.S. commitment, disorganization of the Iraqi opposition, and the vigilance of Iraq's several overlapping security services. Previous U.S. Administrations had ruled out a U.S. military invasion to change the regime, believing such action would be risky and that Iraq did not pose a level of threat that would justify war. President George W. Bush characterized Iraq as a grave and gathering threat to the United States because of its refusal to abandon its weapons of mass destruction (WMD) programs and its potential to transfer WMD to terrorist groups. After a November 2002-March 2003 round of U.N. WMD inspections in which Iraq's cooperation was mixed, on March 19, 2003, the United States launched Operation Iraqi Freedom to disarm Iraq and change its regime. The regime fell on April 9, 2003.

In the months prior to the war, the Administration stressed that regime change through U.S.-led military action would yield benefits beyond disarmament and reduction of support for terrorism — Iraq's conversion from dictatorship to democracy, it was argued, might catalyze the promotion of democracy throughout the Middle East. However, escalating resistance to the U.S.-led occupation has complicated U.S. efforts to establish legitimate and effective Iraqi political and security bodies and establish democracy. Partly in an effort to satisfy Iraqi demands for an end to coalition occupation, the United States accelerated the hand over of sovereignty. An interim government was named on June 1, 2004, and the handover took place on June 28, 2004. Elections will be held on January 30, 2005 for a transitional National Assembly, and current plans are for votes on a permanent constitution by October 31, 2005, and for a permanent government by December 15, 2005.

Although acknowledging that the insurgency is adversely affecting U.S. policy, the Bush Administration asserts that U.S. policy in Iraq will ultimately succeed as U.S., NATO, and other trainers build Iraq's various security bodies. Some believe the United States should add significant numbers of troops to the current level of about 150,000, plus about 26,000 foreign military personnel. Others believe the United States needs to take new steps to recruit major international force contributors, and yet some others believe that the United States should quickly reduce its presence in Iraq or set a timetable for withdrawal.

This report will be updated as warranted by major developments. See also CRS Report RS21968, *Iraq: Post-Saddam National Elections*, and CRS Report RL31833, *Iraq: Recent Developments in Reconstruction Assistance.*

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The United States did not remove Iraq's Saddam Hussein from power in the course of the 1991 Persian Gulf war, and his regime unexpectedly survived post-war uprisings by Iraq's Shiites and Kurds. For twelve years after that, the United States sought to remove Saddam from power by supporting dissidents inside Iraq, although changing Iraq's regime did not become U.S. declared policy until 1998. In November 1998, amid a crisis with Iraq over U.N. weapons of mass destruction (WMD) inspections, the Clinton Administration stated that the United States would promote a change of regime. A regime change policy was endorsed by the Iraq Liberation Act (P.L. 105-338, October 31, 1998). Bush Administration officials placed regime change at the center of U.S. policy toward Iraq shortly after the September 11, 2001 attacks. Operation Iraqi Freedom (OIF) was launched on March 19, 2003, and had deposed Saddam Hussein by April 9, 2003.

The Bush Administration's stated goal is to transform Iraq into a democracy that could be a model for the rest of the region and would prevent Iraq from becoming a safe haven for Islamic terrorists. Iraq has not had experience with a democratic form of government, although parliamentary elections were held during the period of British rule under a League of Nations mandate (from 1920 until Iraq's independence in 1932), and the monarchy of the (Sunni Muslim) Hashemite dynasty (1921-1958).[1] Hashemites continue to rule in neighboring Jordan. Previously, Iraq had been a province of the Ottoman empire until British forces defeated the Ottomans and took control of what is now Iraq in 1918. Iraq's first Hashemite king was Faysal bin Hussein, son of Sharif Hussein of Mecca, who led the Arab revolt against the Ottoman Empire during World War I. Faysal ruled Iraq as King Faysal I and was succeeded by his son, Ghazi (1933-1939). Ghazi was succeeded by his son, Faysal II, who ruled until the military coup of Abd al-Karim al-Qasim on July 14, 1958. Qasim was ousted in February 1963 by a Baath Party - military alliance. Also in 1963, the Baath Party took power in Syria. It still rules there today, although there was rivalry between the Syrian and Iraqi Baath regimes during most of Saddam's rule.

One of the Baath Party's allies in the February 1963 coup in Iraq was Abd al-Salam al-Arif. In November 1963, Arif purged the Baath, including Baathist Prime Minister Ahmad Hasan al-Bakr, and instituted direct military rule. Arif was killed in a helicopter crash in 1966 and was replaced by his elder brother, Abd al-Rahim al-Arif, who ruled until the Baath Party coup of July 1968. Following the Baath seizure, Ahmad Hasan al-Bakr, a military figure, returned to government as President of Iraq

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[1] See Eisenstadt, Michael and Eric Mathewson, eds. U.S. Policy in Post-Saddam Iraq: Lessons From the British Experience. The Washington Institute for Near East Policy, 2003.

and Saddam Hussein, a civilian, became the second most powerful leader as Vice Chairman of the Revolutionary Command Council. In that position, Saddam developed and oversaw a system of overlapping security services to monitor loyalty among the population and within Iraq's institutions, including the military. On July 17, 1979, the aging al-Bakr resigned at Saddam's urging, and Saddam became President of Iraq. Always repressive of the majority Shiite Muslims, Saddam's regime became even more abusive of Iraq's Shiites after the 1979 Islamic revolution in neighboring Iran, which activated and emboldened Iraqi Shiite Islamist movements that wanted to oust Saddam and establish an Iranian-style Islamic republic of Iraq.

Major Anti-Saddam Groups and Past Regime Change Efforts

Prior to the launching on January 16, 1991 of Operation Desert Storm, which reversed Iraq's August 1990 invasion of Kuwait, President George H.W. Bush called on the Iraqi people to overthrow Saddam. The Administration decided not to militarily occupy Iraq or overthrow Saddam Hussein in the course of the 1991 war because the United Nations had approved only the liberation of Kuwait, and there was concern that the U.S.-led coalition would fracture if the United States advanced to Baghdad. According to former President George H.W. Bush's writings,[2] the Administration also feared that the U.S. military could become bogged down in a violent, high-casualty occupation. Within days of the end of the Gulf war (February 28, 1991), opposition Shiite Muslims in southern Iraq and Kurdish factions in northern Iraq, emboldened by the regime's defeat and the hope of U.S. support, launched significant rebellions. The revolt in southern Iraq reached the suburbs of Baghdad, but the Republican Guard forces, composed mainly of Sunni Muslim regime loyalists, had survived the war largely intact, having been withdrawn from battle prior to the U.S. ground offensive. These forces defeated the Shiite rebels by mid-March 1991. Many Shiites blamed the United States for standing aside as the regime retaliated against those who participated in the rebellion. Kurds, benefitting from a U.S.-led "no fly zone" established in April 1991, drove Iraqi troops out of much of northern Iraq and subsequently remained relatively autonomous.

According to press reports, about two months after the failure of the Shiite uprising, President George H.W. Bush forwarded to Congress an intelligence finding stating that the United States would undertake efforts to promote a military coup against Saddam Hussein; a reported $15 million to $20 million was allocated for that purpose. The Administration apparently believed — and this view apparently was shared by many experts and U.S. officials — that a coup by elements within the current regime could produce a favorable new government without fragmenting Iraq. Many observers, however, including neighboring governments, feared that Shiite and Kurdish groups, if they ousted Saddam, would divide Iraq into warring ethnic and tribal groups, opening Iraq to influence from neighboring Iran, Turkey, and Syria.

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[2] Bush, George H.W. and Brent Scowcroft. *A World Transformed*. Alfred A. Knopf, Inc. 1998.

Reports in July 1992 of a serious but unsuccessful coup attempt suggested that the U.S. strategy might ultimately succeed. However, there was disappointment within the George H.W. Bush Administration that the coup had failed and a decision was made to shift the U.S. approach from promotion of a coup to supporting the diverse opposition groups that had led the post-war rebellions. At the same time, the Kurdish, Shiite, and other opposition elements were coalescing into a broad and diverse movement that appeared to be gaining support internationally. This opposition coalition was seen as providing a vehicle for the United States to build a viable overthrow strategy. Congress more than doubled the budget for covert support to the opposition groups to about $40 million for FY1993.[3]

The following sections discuss organizations and personalities that are major players in post-Saddam Iraq; most of these organizations were part of the U.S. effort to change Iraq's regime during the 1990s.

Iraqi National Congress (INC)/Ahmad Chalabi. After 1991, the growing exile opposition coalition took shape in an organization called the Iraqi National Congress (INC). The INC was formally constituted when the two main Kurdish militias, the Kurdistan Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK), participated in a June 1992 meeting in Vienna of dozens of opposition groups. In October 1992, major Shiite Islamist groups came into the coalition when the INC met in Kurdish-controlled northern Iraq.

The INC appeared viable because it brought under one banner varying Iraqi ethnic groups and diverse political ideologies, including nationalists, ex-military officers, and defectors from the Baath Party. The Kurds provided the INC with a source of armed force and a presence on Iraqi territory. Its constituent groups publicly united around a platform that appeared to match U.S. values and interests, including human rights, democracy, pluralism, "federalism," the preservation of Iraq's territorial integrity, and compliance with U.N. Security Council resolutions on Iraq.[4] However, many observers doubted its commitment to democracy, because most of its groups have an authoritarian internal structure, and because of tensions among its varied ethnic groups and ideologies. The INC's first Executive Committee consisted of KDP leader Masud Barzani, ex-Baath Party and military official Hassan Naqib, and moderate Shiite cleric Mohammad Bahr al-Ulum.

Ahmad Chalabi. When the INC was formed, its Executive Committee selected Chalabi, a secular Shiite Muslim from a prominent banking family, to run the INC on a daily basis. Chalabi, who is about 60 years old, was educated in the United States (Massachusetts Institute of Technology) as a mathematician. His father was president of the Senate in the monarchy that was overthrown in the 1958 military coup, and the family fled to Jordan. He taught math at the American University of Beirut in 1977 and, in 1978, he founded the Petra Bank in Jordan. He later ran afoul of Jordanian authorities on charges of embezzlement and he left Jordan, possibly

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[3] Sciolino, Elaine. "Greater U.S. Effort Backed To Oust Iraqi." *New York Times*, June 2, 1992.

[4] The Iraqi National Congress and the International Community. Document provided by INC representatives, Feb. 1993.

with some help from members of Jordan's royal family, in 1989. In April 1992, he was convicted in absentia of embezzling $70 million from the bank and sentenced to 22 years in prison. The Jordanian government subsequently repaid depositors a total of $400 million. Chalabi maintains that the Jordanian government was pressured by Iraq to turn against him, and he asserts that he has since rebuilt ties to the Jordanian government. In April 2003, senior Jordanian officials, including King Abdullah, publicly called Chalabi "divisive;" stopping short of saying he would be unacceptable as leader of Iraq.

The INC and its leader, Ahmad Chalabi, have been controversial in the United States since the INC was formed. The State Department and Central Intelligence Agency (CIA) have, by many accounts, believed the INC had little popularity inside Iraq. In the George W. Bush Administration, numerous press reports indicated that the Defense Department and office of Vice President Cheney believed the INC might be able to lead a post-Saddam regime. Chalabi's critics acknowledge that, despite allegations about his methods, he was single-minded in his determination to overthrow Saddam Hussein.

After the start of the 2003 war, Chalabi and about 700 INC fighters ("Free Iraqi Forces") were airlifted by the U.S. military from their base in the north to the Nasiriya area, purportedly to help stabilize civil affairs in southern Iraq, later deploying to Baghdad and other parts of Iraq. After establishing his headquarters in Baghdad, Chalabi tried to build support by searching for fugitive members of the former regime and arranging for U.S. military forces in Iraq to provide security or other benefits to his potential supporters. (The Free Iraqi Forces accompanying Chalabi were disbanded following the U.S. decision in mid-May 2003 to disarm independent militias.) Chalabi was subsequently selected to serve on the Iraq Governing Council (IGC) and was one of the nine that rotates its presidency; he was president of the IGC during the month of September 2003. He headed the IGC committee on "de-Baathification," although his vigilance in purging former Baathists was slowed by U.S. officials in early 2004. During 2004, Chalabi has attempted to build a popular following by criticizing U.S. policies and allying with Shiite Islamist factions; he is high up (no. 10) on Ayatollah Sistani's "United Iraqi Alliance" slate of candidates for the January 30, 2005 elections, meaning he will likely win a seat in the National Assembly.

Chalabi's positions and criticisms of the handling of the U.S. occupation ran him afoul of some of his erstwhile supporters in the Bush Administration. The deterioration in Chalabi's relationship with the United States was demonstrated when Iraqi police, backed by U.S. troops, raided INC headquarters in Baghdad on May 20, 2004. Among the allegations were that Chalabi had informed Iran that the United States had broken Iranian intelligence codes;[5] that INC members had been involved in kidnaping or currency fraud; or that the INC had failed to cooperate with an Iraqi investigation of the U.N. "oil-for-food program." In the raid, the investigators seized computers and files that the INC had captured from various Iraqi ministries upon the fall of Saddam's regime. Demonstrating the degree to which Chalabi has become

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[5] Risen, James and David Johnston. "Chalabi Reportedly Told Iran That U.S. Had Code." *New York Times*, June 2, 2004.

estranged from the United States, in August 2004, an Iraqi judge issued a warrant for Chalabi's arrest on counterfeiting charges, and for his nephew Salem Chalabi's arrest for the murder of an Iraqi finance ministry official. Salem had headed the tribunal trying Saddam Hussein and his associates, but his role on that issue ended after the warrant was issued. Both were out of the country but returned to fight the charges in August 2004; Ahmad Chalabi met with Iraqi investigators and the case was subsequently dropped.

INC Funding. According to the U.S. General Accounting Office, in a report dated April 2004,[6] the INC's Iraqi National Congress Support Foundation (INCSF) received $32.65 million in U.S. funding (Economic Support Funds, ESF) in five agreements with the State Department during 2000-2003. Most of the funds — separate from drawdowns of U.S. military equipment and training under the separate "Iraq Liberation Act," see below — were for the INC to run its offices in Washington, London, Tehran, Damascus, Prague, and Cairo, and to operate its Al *Mutamar* (the "Conference") newspaper and Liberty TV. In addition, in August 2002, the State Department and Defense Department agreed that the Defense Department would take over funding ($335,000 per month) for the INC's "Information Collection Program" to collect intelligence on Iraq; the State Department wanted to end its funding of that program because of questions about the INC's credibility and the propriety of its use of U.S. funds. The INC continued to receive these funds even after Saddam Hussein was overthrown,[7] and Chairman of the Joint Chiefs of Staff General Richard Meyers said on May 20, 2004, that the INC had provided some information that had saved the lives of U.S. soldiers. However, with controversy over the quality of the INC's pre-war intelligence on Iraqi WMD escalating, the funding was halted after June 2004.

Some U.S. funds for the INC were specifically earmarked. The FY2001 foreign aid appropriation (H.R. 4811, P.L. 106-429, November 6, 2000) earmarked $25 million in ESF for "programs benefitting the Iraqi people," of which at least $12 million was for the INC to distribute humanitarian aid in Iraq; $6 million was for INC broadcasting; and $2 million was for war crimes issues. (The appropriation stated that the remaining $5 million could be used to provide additional ESF to the seven groups then eligible to receive assistance under the Iraq Liberation Act, see below.) In September 2000, the Clinton Administration agreed to provide the INC with $4 million (from FY1999 ESF appropriated for the Iraqi opposition) to develop a plan to distribute humanitarian aid in Iraq and to gather information on Iraqi war crimes. However, three days before leaving office, the Clinton Administration issued a required report to Congress stating that any INC effort to distribute humanitarian aid in areas of Iraq under Baghdad's control would be fraught with security risks to the INC, to Iraqi recipients of such aid, and to any relief distributors with which the INC

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[6] General Accounting Office Report GAO-04-559. State Department: Issues Affecting Funding of Iraqi National Congress Support Foundation. Apr. 2004.

[7] Lake, Eli. Jockeying Begins for Control of Iraqi Intelligence Agency. *New York Sun*, Mar. 1, 2004.

would contract.[8] In February 2001, the Bush Administration adopted a similar policy: supporting INC information gathering but opposing its distribution of humanitarian aid inside Iraq.

In August 2001, the INC began satellite television broadcasts into Iraq, from London, called Liberty TV. The station was funded by the FY2001 ESF appropriated by Congress, with start-up costs of $1 million and an estimated additional $2.7 million per year in operating costs.[9] However, Liberty TV's service was sporadic due to funding disruptions resulting from the INC's refusal to accept some State Department decisions on how the INC was to use U.S. funds.[10] (A table on U.S. appropriations for the Iraqi opposition, including the INC, is an appendix).

Iraq National Accord (INA)/Iyad al-Allawi. The Iraq National Accord (INA) was founded just after Iraq's 1990 invasion of Kuwait. Supported initially by Saudi Arabia, the INA consisted of defectors from Iraq's Baath Party and security organs who had ties to disgruntled, sitting officials in those organizations. During the mid-1990s, the INA reportedly had an operational backing from the Central Intelligence Agency (CIA).[11]

The INA has been headed since 1990 by Dr. Iyad al-Allawi (now interim Prime Minister) who that year broke with another INA leader, Salah Umar al-Tikriti. Allawi is a former Baathist who, according to some reports, helped Saddam Hussein silence Iraqi dissidents in Europe in the mid-1970s.[12] Allawi is about 58 years old (born 1946 in Baghdad). After falling out with Saddam in the mid-1970s, he became a neurologist and was president of the Iraqi Student Union in Europe. He survived an assassination attempt in London in 1978, allegedly by Iraq's agents. He is a secular Shiite Muslim, but most of the members of the INA are Sunni Muslims. Allawi no longer considers himself a Baath Party member, but he has not openly denounced the original tenets of Baathism, a pan-Arab multi-ethnic movement founded in the 1940s by Lebanese Christian philosopher Michel Aflaq.

Like the INC, the INA does not appear to have a mass following in Iraq. Like Chalabi, Allawi was named to the IGC and to its rotating presidency; Allawi was president during October 2003. On June 1, 2004, after being nominated by the IGC, he became interim prime minister; he assumed formal power upon the June 28, 2004 sovereignty handover. Almost certain to win a seat in the National Assembly as the head of his INA candidate slate, he is said to be hoping to remain as Prime Minister after the January 30 election.

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[8] U.S. Department of State. *Washington File*. "Clinton Sends Report on Iraq to Congress." Jan. 17, 2001.

[9] Sipress, Alan. "U.S. Funds Satellite TV to Iraq." *Washington Post*, Aug. 16, 2001.

[10] GAO study, Apr. 2004, cited above.

[11] Brinkley, Joel. "Ex-CIA Aides Say Iraq Leader Helped Agency in 90's Attacks." *New York Times*, June 9, 2004.

[12] Hersh, Seymour. "Annals of National Security: Plan B." *The New Yorker*, June 28, 2004.

Major Kurdish Organizations/KDP and PUK. The Kurds, probably the most pro-U.S. of all the major groups in Iraq, do not express ambitions to govern Arab Iraq, but they have a historic fear of persecution by the Arab majority and want to preserve the autonomy they have experienced since the 1991 Gulf war. (The Kurds are mostly Sunni Muslims, but they are not ethnic Arabs.) The Kurds assert that their Arab fellow oppositionists promised the Kurds "federalism" in 1992, a codeword for substantially autonomy, in a post-Saddam Iraq. Turkey, which has a sizable Kurdish population in the areas bordering northern Iraq, particularly fears that the Kurds want outright independence and that this might touch off an effort to unify with Kurds in neighboring countries (including Turkey) into a broader "Kurdistan."

Iraq's Kurds have fought intermittently for autonomy since their region was incorporated into the newly formed Iraqi state after World War I. In 1961, the KDP, then led by founder Mullah Mustafa Barzani, current KDP leader Masud Barzani's father, began an anti-Iraq government insurgency that continued until the fall of Saddam Hussein. At times, the insurgency was suspended during autonomy negotiations with Baghdad. Masud Barzani's brother, Idris, commanded Kurdish forces against Baghdad during the Iran-Iraq war but was killed in that war. The PUK, headed by Jalal Talabani, split off from the KDP in 1965; PUK members are generally more well-educated and left-leaning than those of the KDP. Together, the PUK and KDP have about 75,000 "*peshmergas*" (fighters), some of whom are now in post-Saddam security organs operating mostly in northern Iraqi cities, including Mosul.

In the aftermath of the 1991 Gulf war, the KDP and the PUK agreed in May 1992 to share power after parliamentary and executive elections. In May 1994, tensions between them flared into clashes, and the KDP turned to Baghdad for backing. In August 1996, Iraqi forces, at the KDP's invitation, militarily helped the KDP capture PUK-held Irbil, seat of the Kurdish regional government. With U.S. mediation, the Kurdish parties agreed on October 23, 1996, to a cease-fire and the establishment of a 400-man peace monitoring force composed mainly of Turkomens (75% of the force). The United States funded the force with FY1997 funds of $3 million for peacekeeping (Section 451 of the Foreign Assistance Act), plus about $4 million in DOD draw-downs (vehicles and communications gear), under Section 552 of the FAA. Also set up was a peace supervisory group consisting of the United States, Britain, Turkey, the PUK, the KDP, and Iraqi Turkomens.

A tenuous cease-fire held after November 1997, helped by the September 1998 "Washington Agreement" to work toward resolving the main outstanding issues (sharing of revenues and control over the Kurdish regional government). Reconciliation efforts showed substantial progress in 2002 as the Kurds perceived that the United States might act militarily against Saddam Hussein. On October 4, 2002, the two Kurdish factions jointly reconvened the Kurdish regional parliament for the first time since the 1994 clashes. In June 2002, the United States gave the Kurds $3.1 million in new assistance to further the reconciliation process.

In post-Saddam Iraq, both Barzani and Talabani were placed on the IGC, and both were part of the Council's rotating presidency. Talabani was IGC president during November 2003, and Barzani led the body in April 2004. Neither leader is in the interim government, but their top aides and former representatives in

Washington, Hoshyar Zibari (KDP) and Barham Salih (PUK), are high-ranking officials.

The Kurdish parties have negotiated with U.S. authorities to maintain substantial autonomy in northern Iraq in a sovereign, post-occupation Iraq — a demand largely enshrined in the Transitional Administrative Law (interim constitution, see below.) The Kurds' uncertainty about the eventual shape of the post-Saddam political structure has caused the KDP and PUK to combine their political resources and to re-establish joint governance of the Kurdish regions. They are offering a joint slate in the January 30 elections.

Status of Kirkuk. One of the pressing issues for the Kurds is the status of the oil-rich city of Kirkuk, capital of Tamim province; the city and areas around it might contain 10% of Iraq's oil reserves. The Kurds assert that it is a Kurdish city that was "Arabized" by Saddam Hussein, who forced Kurdish families out of the city and gave their homes to Arabs. There is also a substantial Turkomen population in the city. The Kurds say the city is "Kurdish," and should be made part of the Kurdish region (mainly Dohuk, Irbil, and Sulaymaniyah provinces). U.S. officials estimate that, since the fall of Saddam, as many as 350,000 Kurds have moved into Kirkuk to strengthen the Kurds' position there. The Kurds are said to be hoping to win a major victory in the Tamim provincial elections on January 30, which might strengthen their ability to integrate Kirkuk into the Kurdish region. The existing council was appointed by U.S. occupation authorities and contains a balance of Kurds, Arabs, and Turkomens. Some fear that if the Kurds gain control of oil-rich Kirkuk, the Kurds might be sufficiently economically independent to completely break away from the Iraqi state and assert independence. Turkey is said to be highly concerned about this possibility.

Monarchist Organizations. One anti-Saddam group supported the return of Iraq's monarchy. The Movement for Constitutional Monarchy (MCM), is led by Sharif Ali bin al-Hussein, a relative of the Hashemite monarchs (he is a first cousin of King Faysal II, the last Iraqi monarch) that ruled Iraq from the end of World War I until 1958. Sharif Ali, who is about 49 and was a banker in London, claims to be the leading heir to the former Hashemite monarchy, although there are other claimants. The MCM was considered a small movement that could not contribute much to the pre-war overthrow effort, but it was part of the INC and the United States had contacts with it. Sharif Ali returned to Iraq on June 10, 2003, but neither he nor any of his followers was appointed to the IGC or the interim government. MCM supporters have filed a candidate slate in the January 30, 2005 elections, and it is said to attract support from those Iraqis who see the monarchists as able to broker reconciliation among Iraq's major communities and sects.

Shiite Islamist Leaders and Organizations: Ayatollah Sistani, SCIRI, Da'wa Party, Moqtada al-Sadr, and Others. Shiite Islamist organizations constitute major factions in post-Saddam Iraq. Several of them had some ties to the United States during the regime change efforts of the 1990s, but several other Shiite factions had no contact at all with the United States until after the fall of the regime. Muslims constitute about 60% of the population but have been under-represented in every Iraqi government since modern Iraq's formation in 1920. In an event that many

Iraqi Shiites still refer to as an example of their potential to frustrate great power influence, Shiite Muslims led a revolt against British occupation forces in 1921.

Grand Ayatollah Ali al-Sistani. Grand Ayatollah Sistani was largely silenced by Saddam Hussein's regime and was not part of U.S.-backed efforts in the 1990s to change Iraq's regime, but he is emerging as a major political force in post-Saddam Iraq. Sistani is about 75 years old and suffers from heart-related problems that required treatment in the United Kingdom in August 2004. Sistani is the most senior of the Shiite clerics that lead the Najaf-based "Hawza al-Ilmiyah," a grouping of seminaries; his status as supreme "*marja-e-taqlid*," or source of emulation, is recognized by many Shiites worldwide. Other senior Hawza clerics include Ayatollah Mohammad Sa'id al-Hakim, uncle of the slain leader of the Supreme Council of the Islamic Revolution (SCIRI) in Iraq, Mohammad Baqr al-Hakim; Ayatollah Mohammad Isaac Fayadh, who is of Afghan origin; and Ayatollah Bashir al-Najafi. The large, mainstream Shiite Islamist groups SCIRI and the Da'wa Party have aligned themselves with Sistani in post-Saddam Iraq, which adds clout to his own network of supporters and agents (*wakils*) throughout Iraq.

Sistani was born in Iran and studied in Qom, Iran, before relocating to Najaf at the age of 21. He became head of the Hawza when his mentor, Ayatollah Abol Qasem Musavi-Khoi, died in 1992. Sistani generally opposes a direct role for clerics in government, but he believes in clerical guidance and supervision of political leaders, partly explaining his deep involvement in shaping political outcome in post-Saddam Iraq. He wants Iraq to maintain its Islamic culture and not to become secular and Westernized, favoring modest dress for women and curbs on alcohol consumption and Western-style music and entertainment. On the other hand, his career does not suggest that he favors a repressive regime and he does not have a record of supporting extremist Shiite organizations such as Lebanese Hizbollah.

Supreme Council for the Islamic Revolution in Iraq (SCIRI). SCIRI is perhaps the best organized of the Shiite Islamist parties. It was set up in 1982, composed mainly of ex-Da'wa Party members, to increase Iranian control over Shiite opposition movements in Iraq and the Persian Gulf states. It was a member of the INC in the early 1990s, but distanced itself from that organization in the mid-1990s. Unlike most INC-affiliated parties, SCIRI had refused throughout the 1990s to work openly with the United States or accept U.S. funds, although it had contacts with the United States during this period. SCIRI says it does not seek to establish an Iranian-style Islamic republic, but U.S. officials have expressed some mistrust of SCIRI's ties to Iran, which is said to include substantial amounts of financial and in-kind assistance. SCIRI also runs its own television station.

SCIRI's former leader, Ayatollah Mohammad Baqr al-Hakim, was the choice of Ayatollah Ruhollah Khomeini of Iran to head an Islamic republic of Iraq. Khomeini enjoyed the protection of Mohammad Baqr's father, Grand Ayatollah Muhsin al-Hakim, when Khomeini was in exile in Najaf during 1964-1978. (Ayatollah Muhsin al-Hakim was head of the Hawza al-Ilmiyah at that time.) SCIRI and Mohammad Baqr had been based in Iraq after 1980, during a major crackdown by Saddam Hussein, who feared that pro-Khomeini Iraqi Shiite Islamists might try to overthrow him. Mohammad Baqr was killed in a car bomb in Najaf on August 29, 2003, about a month after he returned to Iraq from exile in Iran. Mohammad Baqr's

younger brother, Abd al-Aziz al-Hakim, who is a lower ranking Shiite cleric, subsequently took over SCIRI, and served on the IGC. He was president of the IGC during December 2003, and is number one on Sistani's slate of candidates for the January 30, 2005 elections. His key aide is Adel Abd al-Mahdi, who is Finance Minister in the interim government.

U.S. officials also express concern about SCIRI's continued fielding of the Badr Brigades (now renamed the "Badr Organization"), which number about 10,000-15,000 and are said to play a substantial role in the policing of Basra and other southern cities. Iran's Revolutionary Guard, which is politically aligned with Iran's hardliners, trained and equipped the Badr forces during the Iran-Iraq war and helped the Badr forces to conduct forays from Iran into southern Iraq to attack Baath Party officials there during that conflict. However, many Iraqi Shiites view SCIRI as an Iranian creation, and SCIRI/Badr operations in southern Iraq during the 1980s and 1990s did not spark broad popular unrest against the Iraqi regime. The Badr Organization has registered as a separate political entity — in addition to its SCIRI parent — for purposes of the January 30 election.

Da'wa Party. The Da'wa Party, Iraq's oldest Shiite Islamist grouping is aligned with Sistani and SCIRI. The Da'wa (Islamic Call) Party was founded in 1957 by a revered Iraqi Shiite cleric, Ayatollah Mohammed Baqr Al Sadr, an uncle of Moqtada al-Sadr, and a peer of Ayatollah Khomeini. Da'wa was the most active Shiite opposition movement in the few years following Iran's Islamic revolution in February 1979; Da'wa activists conducted guerrilla attacks against the Baathist regime and attempted assassinations of senior Iraqi leaders, including Tariq Aziz. Ayatollah Baqr Al Sadr was hung by the Iraqi regime in 1980 for the unrest, and many other Da'wa activists were killed or imprisoned. After the Iraqi crackdown, many Da'wa leaders moved into Iran; some subsequently joined SCIRI, but others rejected Iranian control of Iraq's Shiite groups and continued to affiliate only with Da'wa. Da'wa has fewer Shiite clerics in its ranks than does SCIRI. (There are breakaway factions of Da'wa, the most prominent of which calls itself Islamic Da'wa of Iraq, but these factions are believed to be far smaller than Da'wa.)

In post-Saddam Iraq, Da'wa's leader, Ibrahim Jafari, and its leader in Basra, Abd al Zahra Mohammad (also known as Izzaddin Salim) served on the IGC. Salim was killed on May 17, 2004 in a suicide bombing while serving as president of the IGC. Also on the IGC was a former Da'wa member turned human rights activist, Muwaffaq Al-Ruba'i. Jafari was one of the nine rotating IGC presidents; he was first to hold that post (August 2003), and he is now a deputy president in the interim government. He is number 7 on the United Iraqi Alliance slate.

The Kuwaiti branch of the Da'wa Party allegedly was responsible for a May 1985 attempted assassination of the Amir of Kuwait and the December 1983 attacks on the U.S. and French embassies in Kuwait. The Hizballah organization in Lebanon was founded by Lebanese clerics loyal to Ayatollah Baqr Al Sadr and Iran's Ayatollah Khomeini, and there continue to be personal and ideological linkages between Lebanese Hizballah and the Da'wa Party. The Hizballah activists who held U.S. hostages in that country during the 1980s often attempted to link release of the Americans to the release of 17 Da'wa Party prisoners held by Kuwait for those attacks in the 1980s. Some Da'wa members in Iraq look to Lebanon's senior Shiite

cleric Mohammed Hossein Fadlallah, who was a student and protege of Ayatollah Mohammed Baqr Al Sadr, for spiritual guidance; Fadlallah also reportedly perceives himself a rival of Sistani as a pre-eminent Shiite authority figure.

Moqtada al-Sadr/Mahdi Army.[13] Members of the clan of the late Ayatollah Mohammed Baqr al-Sadr, the founder of the Da'wa Party, have become highly active in post-Saddam Iraq. The clan stayed in Iraq during Saddam Hussein's rule, and it was repressed politically during that time. The United States had no contact with this clan during its 1990s efforts to change Iraq's regime. Although the Sadr clan has traditionally been identified with the Da'wa Party, most members of the clan currently do not identify with that party. Some relatives of the clan are in Lebanon, and the founder of what became the Shiite Amal (Hope) party in Lebanon was a Sadr clan member, Imam Musa Sadr, who died in murky circumstances in Libya in 1978.

Another revered member of the clan, Ayatollah Mohammed Sadiq al-Sadr, and two of his sons, were killed by Saddam's security forces in 1999 after Ayatollah Sadiq al-Sadr began publicly opposing Saddam's government. His lone surviving son, Moqtada, who is about 30 years old (born in 1974), has gained a prominent role in post-Saddam Shiite politics by adopting hard-line positions against the occupation. U.S.-funded polling shows that Sadr has a significant following among poorer Shiites, particularly in a Baghdad district now called "Sadr City," which has a population of about 2 million.

Sadr is viewed by most Iraqi Shiites, including Sistani, as a young radical who lacks religious and political weight. To compensate for his lack of religious credentials, he has sought spiritual authority for his actions from his teacher, Ayatollah Kazem Haeri, who lives in Qom, Iran. Sadr believes Sistani is too willing to compromise with U.S. and Iraqi authorities. There is also a personal dimension to the rift; Sadr's father, Mohammad Sadiq, had been a rival of Sistani for pre-eminent Shiite religious authority in Iraq. The widespread view of Sadr as an impulsive radical began on April 10, 2003, when his supporters allegedly stabbed to death Abd al-Majid Khoi, the son of the late Grand Ayatollah Khoi, shortly after Khoi's U.S.-backed return to Najaf from exile in London. (Khoi had headed the Khoi Foundation, based in London.) Sadr subsequently used his Friday prayer sermons in Kufa (near Najaf) and other forums to Iraqi officials as puppets of the U.S. occupation and to call for an Islamic state. He did not seek representation on the IGC or in the interim government, but instead he began (July 2003) recruiting for an Islamic army (the "Mahdi Army") to combat the U.S. occupation, he published anti-U.S. newspapers, and he inspired demonstrations. His first uprising began on April 4, 2004, after his paper, "Al Hawza al-Natiqa" (the Vocal Hawza") was closed by U.S. authorities for incitement. His second uprising began August 5, 2004 with a ceasefire agreement in return for his continued freedom and ability to operate politically.

Despite U.S. and Sistani overtures for Sadr to participate in the elections, he has now come out publicly in opposition to the elections, claiming they do not address

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[13] See also White, Jeffrey. "To the Brink: Muqtada Al Sadr Challenges the United States." Washington Institute for Near East Policy, Policywatch 794. Oct. 17, 2003.

the real needs of the Iraqi people for rebuilt infrastructure and economic opportunity. Sadr appears to be calculating that the elections will not produce stability or economic progress, and he could then perhaps rally his supporters against the post-January 30 government. However, 14 of his supporters, reportedly without his permission, are on the United Iraqi Alliance slate. A few other Sadr supporters are said to be on the slate offered by Prime Minister Allawi's INA party, and about 180 pro-Sadr candidates from Sadr City have offered their own slate, called the "Nationalist Elites and Cadres List."

Other Shiite Organizations and Militias. A smaller Shiite Islamist organization, the Islamic Amal (Action) Organization, is headed by Ayatollah Mohammed Taqi Modarassi, a Shiite cleric who returned to Iraq from exile in Iran after Saddam fell. Islamic Amal's power base is in Karbala, and it conducted attacks against Saddam Hussein's regime in the 1980s. At that time, it was under the SCIRI umbrella. It reportedly is now aligned with SCIRI and other mainstream Shiite Islamist movements in post-Saddam Iraq, but it does not appear to have a following nearly as large as do SCIRI or Da'wa. Modarassi's brother, Abd al-Hadi, headed the Islamic Front for the Liberation of Bahrain, which stirred Shiite unrest against Bahrain's regime in the 1980s and 1990s.

A variety of press reports say that some other Shiite militias are operating in southern Iraq. One such militia is derived from the fighters who challenged Saddam Hussein's forces in the marsh areas of southern Iraq, around the town of Amara, north of Basra. It goes by the name Hizbollah (Party of God) Iraq, and it is headed by marsh guerrilla leader Abdul Karim Muhammadawi, who was on the IGC. Hizbollah Iraq is said to play a major role in policing the city of Amara and environs.

U.S. Relations With the Major Factions During the Clinton Administration

The factions discussed above have a long history of friction. During the Clinton Administration, differences among them nearly led to the collapse of the U.S. regime change effort. As noted above, in May 1994, the KDP and the PUK began clashing with each other over territory, customs revenues levied at border with Turkey, and control over the Kurdish enclave's government based in Irbil. The infighting contributed to the defeat of an INC offensive against Iraqi troops in March 1995; the KDP pulled out of the offensive at the last minute. Although it was repelled, the offensive initially overran some of poorly motivated front-line Iraqi units. Some INC leaders said the battle indicated that the INC could have succeeded had it received more U.S. assistance. The infighting in the opposition in the mid-1990s caused the United States to briefly revisit a "coup strategy" by renewing ties to Allawi's INA.[14] A new opportunity to pursue that strategy came in August 1995, when Saddam's son-in-law Hussein Kamil al-Majid — organizer of Iraq's weapons of mass destruction efforts — defected to Jordan, suggesting that Saddam's grip on power might be weakening. After that defection, Jordan's King Hussein agreed to allow the INA to operate from Jordan. However, the INA became penetrated by Iraq's intelligence

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[14] An account of this shift in U.S. strategy is essayed in Hoagland, Jim. "How CIA's Secret War On Saddam Collapsed." *Washington Post*, June 26, 1997.

services and, in June 1996, Baghdad arrested or executed over 100 INA sympathizers in the military.

Baghdad went on the offensive against both the INA, as well as the INC, in mid-1996, culminating with the August 1996 incursion into northern Iraq, at the invitation of the KDP. Iraq helped the KDP capture Irbil from the PUK, and Saddam's forces took advantage of their presence in northern Iraq to strike against the INC base in Salahuddin, a city in northern Iraq, as well as against remaining INA operatives throughout the north. During the incursion in the north, Iraq reportedly executed two hundred oppositionists and arrested 2,000 others. The United States evacuated from northern Iraq and eventually resettled in the United States 650 mostly INC activists.

Rebounding From Setbacks. For the two years following the opposition's 1996 setbacks, the Clinton Administration had little contact with the opposition. In those two years, the INC, INA, and others attempted to rebuild their organizations and their relationships, although with mixed success. On February 26, 1998, then Secretary of State Madeleine Albright testified to a Senate Appropriations subcommittee that it would be "wrong to create false or unsustainable expectations" of the effect of U.S. support for the opposition.

During 1997-1998, Iraq's obstructions of U.N. weapons of mass destruction (WMD) inspections led to growing congressional calls to overthrow Saddam, although virtually no one in Congress or outside was advocating a U.S.-led military invasion to accomplish that. A congressional push for a regime change policy began with an FY1998 supplemental appropriation (P.L. 105-174, signed May 1, 1998) that, among other provisions, earmarked $5 million in Economic Support Funds (ESF) for the opposition and $5 million for a Radio Free Iraq, under the direction of Radio Free Europe/Radio Liberty (RFE/RL). The radio service began broadcasting in October 1998, from Prague. Of the ESF, $3 million was devoted to an overt program to promote cohesion among the opposition factions, and to highlighting Iraqi violations of U.N. resolutions. The remaining $2 million was used to translate and publicize documents of alleged Iraqi war crimes; the documents were retrieved from the Kurdish north, placed on 176 CD-ROM diskettes, and translated and analyzed by experts under U.S. government contract. In subsequent years, Congress appropriated funding for the Iraqi opposition and for war crimes issues (see appendix). Some of the war crimes funds went to the opposition-led INDICT (International Campaign to Indict Iraqi War Criminals) organization for publicizing Iraqi war crimes issues.

Iraq Liberation Act (ILA). A clear indication of congressional support for a more active U.S. overthrow effort was encapsulated in another bill introduced in 1998: the Iraq Liberation Act (H.R. 4655, P.L. 105-338, signed October 31, 1998). The ILA was widely interpreted as an expression of congressional support for the concept, advocated by Chalabi and some U.S. experts, of promoting an insurgency by using U.S. air-power to expand opposition-controlled territory. President Clinton signed the legislation, despite doubts about the opposition's capabilities. The ILA:

- made the previously unstated policy of promoting regime change in Iraq official policy by stating that it should be the policy of the United States to "support efforts" to remove the regime headed by Saddam Hussein. In mid-November 1998, President Clinton

publicly articulated that regime change was a component of U.S. policy toward Iraq.

- gave the President authority to provide up to $97 million worth of defense articles and services, as well as $2 million in broadcasting funds, to opposition groups designated by the Administration.

- did not specifically provide for its termination after Saddam Hussein is removed from power. Section 7 of the ILA provides for continuing post-Saddam "transition assistance" to Iraqi parties and movements with "democratic goals."

Operation "Desert Fox"/First ILA Designations. Immediately after the signing of the ILA came a series of new crises over Iraq's obstructions of U.N. weapons inspections. On December 15, 1998, U.N. inspectors were withdrawn, and a three-day U.S. and British bombing campaign against suspected Iraqi WMD facilities followed (Operation Desert Fox, December 16-19, 1998). In January 1999, diplomat Frank Ricciardone was named as State Department "Coordinator for the Transition in Iraq," a liaison to the opposition. On February 5, 1999, President Clinton issued a determination (P.D. 99-13) making the following groups eligible to receive U.S. military assistance under the ILA: the INC; the INA; SCIRI; the KDP; the PUK; the Islamic Movement of Iraqi Kurdistan (IMIK); and the Movement for Constitutional Monarchy (MCM). (Because of its role in the eventual formation of Ansar al-Islam, see below, the IMIK did not receive U.S. funds after 2001, although it was not formally taken off the ILA eligibility list.)

In concert with a May 1999 INC visit to Washington, the Clinton Administration announced a draw down of $5 million worth of training and "non-lethal" defense articles under the ILA. During 1999-2000, about 150 oppositionists underwent civil administration training at Hurlburt air base in Florida, including Defense Department-run civil affairs training to administer a post-Saddam government. The Clinton Administration asserted that the opposition was not sufficiently organized to receive weaponry or combat training, a restriction that reflected doubts about the viability of the opposition and concerns that the United States might become militarily embroiled in civil conflict in Iraq. The Hurlburt trainees were not brought into OIF or into the Free Iraqi Forces that deployed to Iraq at the end of the major combat phase of the war.

Bush Administration Policy

Bush Administration policy toward Iraq started out similar to that of its predecessor's, but policy changed dramatically after the September 11, 2001 terrorist attacks. Some recent accounts assert that the Administration was planning, well prior to September 11, 2001, to confront Iraq militarily; others say that the shift toward a more assertive policy was prompted largely by the September 11 attacks. The policy shift first became clear in President Bush's State of the Union message on January 29, 2002; in that speech, he characterized Iraq as part of an "axis of evil," along with Iran and North Korea.

Pre-September 11: Reinforcing Containment. Throughout most of its first year, the Bush Administration continued the basic elements of its predecessor's policy on Iraq. With no immediate consensus on whether or how to pursue Saddam's overthrow, Secretary of State Powell focused on strengthening containment of Iraq, which the Bush Administration said had eroded substantially in the few preceding years. Powell visited the Middle East in February 2001 to enlist regional support for a "smart sanctions" plan, a modification of the U.N. sanctions regime and "oil-for-food" program to improve international enforcement of the U.N. ban on exports of dual use technology to Iraq. The plan offered to relax U.N. restrictions on exports to Iraq of purely civilian equipment.[15] The Administration believed that the "smart sanctions" proposal, by easing the suffering of the Iraqi people, would cause the international community to recommit to maintaining the main elements of the sanctions regime. Powell, who had openly expressed skepticism about the opposition's prospects, barely raised the regime change issue during his trip or in his March 7, 2001, testimony before the House International Relations Committee, at which he was questioned about Iraq.[16] After about a year of Security Council negotiations, the major feature of the smart sanctions plan — new procedures that virtually eliminated U.N. review of civilian exports to Iraq — was adopted on May 14, 2002 (U.N. Resolution 1409).

Even though several senior officials had been strong advocates of a regime change policy, many of the long-standing questions about the difficulty of that strategy were debated early in the Bush Administration.[17] During his confirmation hearings as Deputy Secretary of Defense, a leading advocate of overthrowing Iraq's regime, Paul Wolfowitz, said that he did not yet see a "plausible plan" for changing the regime. Like its predecessor, the Bush Administration decided not to provide the opposition with lethal aid, combat training, or air or other military support.

Post-September 11: Implementing Regime Change. After September 11, the Bush Administration stressed regime change and asserted that containment was failing. After the U.S.-led war on the Taliban and Al Qaeda in Afghanistan began in early October 2001, speculation began building that the Administration might try to change Iraq's regime through direct use of military force as part of the "global war on terrorism." Some U.S. officials, particularly deputy Defense Secretary Wolfowitz, asserted that the United States needed to respond to the September 11, 2001 attacks by ending regimes that support terrorist groups, including Iraq. Vice President Cheney visited the Middle East in March 2002 reportedly to consult regional countries about the possibility of confronting Iraq militarily, although the countries visited reportedly urged greater U.S. attention to the Arab-Israeli dispute and opposed confrontation with Iraq. Recent accounts, including the book "Plan of Attack," by Bob Woodward (published in April 2004), say that Secretary of State Powell and others were concerned about the potential

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[15] For more information on this program, see CRS Report RL30472, *Iraq: Oil For Food Program, Sanctions, and U.S. Policy*.

[16] Perlez, Jane. "Powell Goes on the Road and Scores Some Points." *New York Times*, Mar. 2, 2001.

[17] One account of Bush Administration internal debates on the strategy is found in Hersh, Seymour. "The Debate Within." *The New Yorker*, Mar. 11, 2002.

consequences of an invasion of Iraq, particularly the difficulties of building a democratic political structure after major hostilities ended.

The two primary themes in the Bush Administration's public case for the need to confront Iraq were (1) its purported refusal to end its WMD programs, and (2) its ties to terrorist groups, to which Iraq might transfer WMD for conduct of a catastrophic attack on the United States. President Bush did not assert that Iraq was an imminent or immediate threat to U.S. security, but he called Iraq a "grave and gathering" threat that should be blunted before the threat became imminent. The Administration added that regime change would yield the further benefit of liberating the Iraqi people and promoting stability and democracy in the Middle East.

- *WMD Threat Perception.* Senior U.S. officials asserted the following about Iraq's WMD: (1) that Iraq had worked to rebuild its WMD programs in the nearly four years since U.N. weapons inspectors left Iraq and had failed to comply with 17 U.N. resolutions, including Resolution 1441 (November 8, 2002) that demanded complete elimination of all of Iraq's WMD programs; (2) that Iraq had used chemical weapons against its own people (the Kurds) and against Iraq's neighbors (Iran), implying that Iraq would not necessarily be deterred from using WMD against the United States or its allies. Critics noted that, under the U.S. threat of massive retaliation, Iraq did not use WMD against U.S. troops in the 1991 Gulf war. On the other hand, Iraq defied U.S. warnings of retaliation and did burn Kuwait's oil fields in that war; and (3) that Iraq could transfer its WMD to terrorists, particularly Al Qaeda, that could use these weapons to cause hundreds of thousands of deaths in the United States or elsewhere.

- *Links to Al Qaeda.* Iraq was a designated state sponsor of terrorism during 1979-82, and was again designated after the 1990 invasion of Kuwait. Although they did not assert that Saddam Hussein's regime had a direct connection to the September 11 attacks or the subsequent anthrax mailings, senior U.S. officials said there was evidence of Iraqi linkages to Al Qaeda, in part because of the presence of pro-Al Qaeda militant leader Abu Musab al-Zarqawi in northern Iraq (see below under "Zarqawi faction"). The final report by the bipartisan commission on the September 11 attacks found no evidence of an operational linkage between Iraq and Al Qaeda. Iraq was removed from the terrorism list by President Bush on September 24, 2004 (Presidential Determination 2004-52). (See CRS Report RL32217, *Iraq and Al Qaeda: Allies or Not?)*

Accelerated Contacts With the Iraqi Opposition. As it began in mid-2002 to prepare for possible military action against Iraq, the Bush Administration tried to build up the Iraqi opposition. On June 16, 2002, the *Washington Post* reported that, in early 2002, President Bush authorized stepped up covert activities by the CIA and special operations forces to destabilize Saddam Hussein. In August 2002, the State and Defense Departments jointly invited six major opposition groups (INC, the INA, the KDP, the PUK, SCIRI, and the MCM) to Washington for

meetings. At the same time, the Administration expanded its ties to several groups composed primarily of ex-military officers, as well as to some ethnic-based groups. These groups included the Iraqi National Movement; the Iraqi National Front; the Iraqi Free Officers and Civilians Movement; the Higher Council for National Salvation, headed by a former head of Iraqi military intelligence;[18] the Iraqi Turkmen Front, a small, ethnic-based group, considered aligned with Turkey;[19] the Islamic Accord of Iraq, a Damascus-based Shiite Islamic Party; and the Assyrian Democratic Movement, which is headed by Yonadam Yousif Kanna. Iraq's Assyrians are based primarily in northern Iraq, but there is a substantial diaspora community living in the United States; the group began integrating into the broader opposition front in September 2002. (In post-Saddam Iraq, Kanna served on the IGC.) On December 9, 2002, the Administration made six of these factions (not the Higher Council for National Salvation) eligible to receive ILA draw-downs, and he authorized the remaining $92 million worth of goods and services available under the ILA for those groups, as well as for the INA, the INC, the KDP, the PUK, SCIRI, and the MCM.

The Bush Administration supported efforts by these groups to coordinate with each other and with other groups. One such meeting, in July 2002 in London and jointly run with the INC, attracted 70 ex-military officers. As U.S. military action against Iraq approached, the Administration also began training about 5,000 oppositionists in tasks that could assist U.S. forces, possibly including combat units.[20] An initial group of 3,000 was selected, but only about 70 of them completed training at an air base (Taszar) in Hungary.[21] These recruits served with U.S. forces in OIF as translators and mediators between U.S. forces and local leaders.

As 2002 drew to a close, the opposition began planning its role in post-Saddam Iraq. During December 14-17, 2002, with U.S. officials attending, major Iraqi opposition groups met in London and sought to declare a provisional government. The Administration opposed that step on the grounds that doing so would give the impression that the United States wanted the exile groups to dominate post-war Iraq politically. Major opposition groups met again (in northern Iraq) in February 2003, forming a transition preparation committee. Attending was Adnan Pachachi, who served as foreign minister during the governments of Qasim and "the Arif brothers." Pachachi, a Sunni Arab who is about 80, lived in the UAE during Saddam Hussein's rule and heads a secular Sunni party called the "Iraqi Independent Democrats." He was one of the rotating presidents of the IGC (January 2004).

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[18] Ex-chief of staff of Iraq's military Nizar al-Khazraji, who was based in Denmark since fleeing Iraq in 1996, may also be a member of this group. He is under investigation there for alleged involvement in Iraq's use of chemical weapons against the Kurds in 1988. His current whereabouts are unknown.

[19] Turkomens, who are generally Sunni Muslims, number about 350,000 and live mainly in northern Iraq.

[20] Deyoung, Karen, and Daniel Williams. "Training of Iraqi Exiles Authorized." *Washington Post*, Oct. 19, 2002.

[21] Williams, Daniel. "U.S. Army to Train 1,000 Iraqi Exiles." *Washington Post*, Dec. 18, 2002.

Decision to Launch Military Action. As U.N. inspectors worked in Iraq under the new mandates provided in Resolution 1441, the Administration demanded complete disarmament by Iraq to avert military action. In an effort to garner international support for a U.S.-led war, the Administration downplayed the goal of regime change in President Bush's September 12, 2002 speech before the United Nations General Assembly, stressing instead the need to enforce U.N. resolutions on Iraq. In March 2003, U.N. diplomacy over whether the U.N. Security Council should authorize war broke down. The impasse followed several briefings for the U.N. Security Council by the director of the U.N. inspection body UNMOVIC (U.N. Monitoring, Verification, and Inspection Commission) Hans Blix and the director of the International Atomic Energy Agency (IAEA), Mohammad al-Baradei, most recently on March 7, 2003. The briefings, based on WMD inspections that resumed November 27, 2002, under Resolution 1441, criticized Iraq for failing to pro-actively cooperate to clear up outstanding questions about its WMD program, but the latter two briefings (February 24 and March 7, 2003) noted progress in clearing up some uncertainties and added that Iraq might not have retained any WMD. The inspectors reported few Iraqi obstructions in about 700 inspections of about 400 different sites. Iraq declared short range ballistic missiles that were determined by Blix to be of prohibited ranges, and Blix ordered Iraq to destroy them; Iraq began the destruction prior to the war. The Administration began emphasizing the regime change rather than disarmament goal after it became clear that diplomacy at the United Nations would not produce U.N. backing for war.

Security Council opponents of war, including France, Russia, China, and Germany, said the pre-war WMD inspections showed that Iraq could be disarmed peacefully or contained indefinitely. On the Security Council, the United States, along with Britain, Spain, and Bulgaria, maintained that Iraq had not fundamentally decided to disarm. At a March 16, 2003, summit meeting with the leaders of Britain, Spain, and Bulgaria at the Azores, President Bush asserted that diplomatic options to disarm Iraq peacefully had failed. The following evening, President Bush gave Saddam Hussein and his sons, Uday and Qusay, an ultimatum to leave Iraq within 48 hours to avoid war. They refused the ultimatum, and OIF began on March 19, 2003.

In the war, Iraq's conventional military forces were overwhelmed by the approximately 380,000 person U.S. and British force assembled (a substantial proportion of which remained afloat or in supporting roles), although some Iraqi units and irregulars ("Saddam's Fedayeen") put up stiff resistance and used unconventional tactics. No major Iraqi military commanders or Baathist political figures came forward to try to establish a post-Saddam government; and regime leaders fled Baghdad. No WMD was used, although Iraq did fire some ballistic missiles into Kuwait; it is not clear whether those missiles were of prohibited ranges (greater than 150 km). The regime vacated Baghdad on April 9, 2003, although Saddam appeared publicly with supporters that day in a district of Baghdad where he was popular.

After the combat against the Iraqi military, organs of the U.S. government began searching for evidence of former regime human rights abuses and other violations, in addition to evidence of WMD. These searches are led by the Iraq Survey Group (ISG), which issued a comprehensive WMD report ("the "Duelfer report," named after the chief of the ISG's WMD search Charles Duelfer) on September 22, 2004. The report found no evidence of WMD stockpiles, but it did determine that Saddam's

regime intended to reconstitute WMD programs. Press reports on January 12, 2005, say the ISG's WMD search has now ended, and most of the ISG's 1,200 person staff are focused on counter-insurgency. (See CRS Report RL32379, *Iraq: Former Regime Weapons Programs, Human Rights Violations, and U.S. Policy*.)

Post-Saddam Governance and Transition[22]

There has been substantial debate about the course of U.S. policy toward Iraq as post-Saddam insurgency and anti-U.S. violence have intensified. During 2004, including the presidential election campaign, President Bush said that there has been positive movement on major issues, especially movement toward free elections, and that the United States should "stay the course" and implement the political transition roadmap discussed below. On December 20, 2004, he acknowledged difficulties by saying that the insurgents were adversely "having an affect" on U.S. policy. Some critics maintain that current policy is not bringing stability or democracy to Iraq and that new steps should be considered. Some options are discussed in this section.

Occupation Period and the Coalition Provisional Authority (CPA). After the fall of the regime, the United States set up an occupation structure, a decision reportedly based on Administration concerns that immediate sovereignty would likely result in infighting among and domination by major factions. The Bush Administration initially tasked Lt. Gen. Jay Garner (ret.) to direct reconstruction, with a staff of U.S. government personnel to serve as advisers and administrators in Iraq's ministries. He headed the Office of Reconstruction and Humanitarian Assistance (ORHA), within the Department of Defense, created by a January 20, 2003 executive order. Garner and about 200 of his staff deployed to Iraq in April 2003.

Garner's focus was to try to quickly establish a representative successor Iraqi regime. Garner organized a meeting in Nasiriyah (April 15, 2003) of about 100 Iraqis of varying ethnicities and ideologies. A follow-up meeting of about 250 delegates was held in Baghdad on April 26, 2003, ending in agreement to hold a broader meeting, within a month, to name an interim Iraqi administration. In parallel, major exile parties began a series of meetings, with U.S. envoys present.

Press reports said that senior U.S. officials were dissatisfied with Garner's perceived lax approach to and that they feared that Garner's political transition process would lead to domination by the major exile parties. In early May 2003, senior U.S. officials ended this process of selecting a transition regime and, on May 6, 2003, the Administration named former ambassador L. Paul Bremer to replace Garner as head of the Iraq effort. He arrived in Iraq on May 12, 2003, to head a "Coalition Provisional Authority" (CPA), which subsumed ORHA. The CPA was

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[22] Some of the information in this section was obtained during author's participation in a congressional delegation to Iraq during Feb. 26-Mar. 2, 2004. The visit to Baghdad, Basra, and Tallil included meetings with CPA head L. Paul Bremer, the commander of U.S. forces in Iraq Lt. Gen. Ricardo Sanchez, and various local and national Iraqi political figures and other CPA, U.S., and coalition military officials.

an occupying authority recognized by U.N. Security Council Resolution 1483 (May 22, 2003). The major exile parties criticized the U.S. decision to cut Garner's political process short and, partly in response to their criticism, Bremer agreed to appoint a 25- to 30-member Iraqi body that would have "real authority" (though not formal sovereignty). Bremer said this "Governing Council" would nominate ministry heads, recommend policies, and draft a new constitution.[23]

Another alteration of the U.S. post-war structure was made public in early October 2003; an "Iraq Stabilization Group" under the direction of National Security Adviser (Secretary of State-nominee) Condoleezza Rice was formed to coordinate interagency support to the CPA. Rice deputy, Robert Blackwill, had been the NSC's primary official for the Iraq transition, but he resigned from the Administration in November 2004. The Administration's post-war policy did not make extensive use of a State Department initiative, called the "Future of Iraq Project," that drew up plans for administration by Iraqis after the fall of Saddam. Some Iraqis who participated in that project are now in official positions in Iraq's government. The State Department project, which cost $5 million, consisted of about 15 working groups on each major issue.

The Iraqi Governing Council (IGC). On July 13, 2003, the "Iraq Governing Council (IGC)" was named by the CPA. It was dominated by major exile parties but contained other prominent Iraqis as well; many IGC figures remain prominent. It had three women and included Shiites, Sunni Arabs, Kurds, and others. (It dissolved on June 1, 2004, in concert with the naming of the interim government.)

There were 13 Shiites on the IGC, of which six were Islamists. One seat was held by SCIRI (Abd al-Aziz Al Hakim); one by Muhammadawi (see above); two were Da'wa leaders (Ibrahim al-Jafari and Abdul Zahra Mohammad, also known as Izzaddin Salim) and one was a former Da'wa member (Muwaffaq al-Ruba'i). The sixth was independent, moderate cleric, Mohammad Bahr al-Ulum, who headed the Ahl al-Bayt charity center in London since the 1980s. The remaining seven Shiites, including Chalabi and Allawi, were secular; including the head of the Iraqi Communist Party (Hamid al-Musa), which is making a comeback in Iraq. It had been allied with Saddam Hussein's Baath Party in the 1950s and 1960s but was purged and repressed by the Baathists after the party took power for the second time in 1968. Two were women.

The IGC had five Sunni Muslim Arabs. They were National Democratic Party leader Nasir al-Chadirchy; Pachachi; Samir al-Sumaidy, a civil engineer (now Iraq's ambassador to the United Nations); Ghazi al-Yawar, a senior member of the Shammar tribe and president of Saudi-based Hicap Technology (now President); and Muhsin Abdul Hamid, head of the Iraqi Islamic Party. The body also had five Kurds (all Sunni Muslims): Talabani, Barzani and three independents (one of which was an Islamist). The other IGC minorities were Yonadam Kanna (discussed above) and Ms. Songul Chapuk, a Turkoman women's activist.

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[23] Transcript: "Bremer Reviews Progress, Plans for Iraq Reconstruction." *Washington File*, June 23, 2003.

The Council decided that nine of its members would rotate as presidents, each for one month: Jafari, Chalabi, Allawi, Talabani, Hakim, Pachachi, Barzani, Bahr al-Ulum, and Abdul Hamid. The IGC also decided that none would serve twice as president; the IGC selected Shiite member Izzaddin Salim to head the IGC during May 2004. He was killed by a car bomb outside CPA headquarters on May 17, 2004; his colleagues selected Ghazi al-Yawar to fill the remaining few weeks.

The IGC was less active than expected; some believe it was too heavily dominated by exiles and lacked legitimacy. In September 2003, the IGC selected a 25-member "cabinet," with roughly the same factional and ethnic balance of the IGC itself. Among major actions, the IGC began a process of "de-Baathification," later slowed, and authorized the establishment of a war crimes tribunal for Saddam and his associates.

The Handover of Sovereignty and Run-up to Elections

The Bush Administration initially made the end of the U.S. occupation contingent on the completion of a new constitution and the holding of national elections for a new government, tasks which were expected to be completed by late 2005. However, the IGC made little progress in drafting a constitution due to factional divisions. Ayatollah Sistani insisted that drafters be elected. In the fall of 2003, the major factions began agitating for an early restoration of Iraqi sovereignty. CPA head Bremer consulted with President Bush, resulting in a decision to accelerate the transfer of sovereignty. On November 15, 2003, the CPA and the IGC announced agreement a plan to draft, by February 28, 2004, a provisional constitution, or Transitional Administrative Law (TAL), and for sovereignty to return to Iraq by June 30, 2004. Under the agreement, 15-person committees were to be selected in each of Iraq's 18 provinces; they would select participants for broader "caucuses." Under this agreement, the caucuses were to select members of a 250-member national assembly by May 31, 2004, which would then choose an executive branch and assume sovereignty. National elections for a permanent government would be held by December 31, 2005.

This plan attracted mixed reviews. Ayatollah Sistani strongly opposed the "caucuses" as not democratic, and the CPA abandoned that idea and asked the United Nations to assess the feasibility of holding elections prior to a restoration of sovereignty. A U.N. team led by senior U.N. adviser Lakhdar Brahimi conducted its assessment during February 7-16, 2004, and, based on the team's report, U.N. Secretary General Annan said in February 2004 that elections for a new government could not be completed by June 30, 2004, but might be feasible by early 2005.

Transitional Administrative Law (TAL)/Transition Roadmap. Much of the Brahimi findings were incorporated into the Transitional Administrative Law (TAL), which lays out a transition roadmap. Although it was delayed by factional infighting, the IGC formally signed the TAL on March 8, 2004.[24] Before and immediately after the signing, Sistani expressed opposition to the TAL's limitations

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[24] The text of the TAL can be obtained from the CPA website: [http://cpa-iraq.org/government/TAL.html].

on the authority of a transition (post-January 2005) president and its provision allowing the Kurds a veto over a permanent constitution; he called on the United Nations not to formally endorse the TAL. The key points of the TAL are as follows:

- Elections are to be held, no later than January 31, 2005, for a 275-seat transitional National Assembly. The Assembly is to choose a "presidency council" consisting of a president and two deputy presidents. It is expected that the president would be a Shiite, and the two deputies a Sunni Arab and a Kurd. The presidency council is to operate by consensus, and it is to name a prime minister by unanimous vote. The prime minister is to recommend cabinet selections to the presidency council, and selections then need confirmation by the full Assembly.

- The election law for the transition government "shall aim to achieve the goal of having women constitute no less than 25% of the members of the National Assembly."

- The Kurds maintain their autonomous "Kurdistan Regional Government," but they were not given control of the city of Kirkuk (see above). They did receive some powers to contradict or alter the application of Iraqi law in their provinces. The *peshmerga* were allowed to continue to operate.

- The transition government (post-January 31, 2005) is to draft (by August 15, 2005) a constitution to be put to a national vote by October 15, 2005. A provision allows two-thirds of the voters any three Iraqi provinces to veto the permanent constitution, essentially giving any of the three major communities (Kurds, Shiite Arabs, and Sunni Arabs) a veto. If the constitution is not approved, another draft is to be completed and voted on by October 15, 2006.

- If the permanent constitution is approved, elections to a permanent government are to occur by December 15, 2005, and it is to take office by December 31, 2005. If the constitution is not approved, then the December 15, 2005, elections would be for a new transitional national assembly.

- The TAL states that Islam is the official religion of Iraq and is to be considered "a source," but not the only source or the primary source, of legislation. It adds that no law can be passed that contradicts the agreed tenets of Islam, but neither can any law contradict certain rights including peaceful assembly; free expression; equality of men and women before the law; and the right to strike and demonstrate.

Interim Government and Sovereignty Handover. The TAL did not address how an interim (post-handover) government would be chosen. Options considered for selecting the interim government included holding a traditional assembly along the lines of Afghanistan's *loya jirga;* holding a smaller "roundtable" of Iraqi notables; or expanding the IGC into an interim government. To increase the

legitimacy of the decision-making process, the United States gave U.N. envoy Brahimi substantial responsibility for selecting the interim government that took power on June 28, 2004.[25] He envisioned a government of technocrats, devoid of those who might promote themselves in national elections. However, maneuvering by IGC and cabinet members led to inclusion of many of these politicians in the interim government selected on June 1, 2004. A few of the cabinet positions were given to non-politicians. The interim government began work immediately, but the formal handover of sovereignty took place at about 10:30 A.M. Baghdad time on June 28, 2004. The handover occurred two days before the advertised June 30 date, partly to confound insurgents.

The powers of the interim government are addressed in an addendum to the TAL, signed by the IGC on June 1, 2004. The interim government has a "presidency" composed of a largely ceremonial president (former IGC member and Shammar tribal elder Ghazi al-Yawar) and two deputy presidents (the Da'wa Party's Ibrahim al-Jafari and the KDP's Dr. Rowsch Shaways). As noted above, Iyad al-Allawi is Prime Minister, who has executive power, and there is a deputy prime minister, 26 ministers, two ministers of state with portfolio, and three ministers of state without portfolio. Six ministers are women, and the ethnicity distribution of the government is roughly the same as in the IGC. The key positions include:

- Deputy Prime Minister (for national security). PUK official Barham Salih, formerly PUK representative in Washington and prime minister of the PUK-controlled region of northern Iraq.

- Minister of Defense. Hazem al-Shaalan, an elder of the Ghazal tribe who was in exile during 1985-2003.

- Interior Minister. Falah al-Naqib, son of ex-Baathist general Hassan al-Naqib. (Hassan al-Naqib was a member of the first executive committee of the INC in the early 1990s.)

- Minister of Finance. Senior SCIRI official Adel Abdul Mahdi.

- Minister of Oil. Former oil ministry official Thamir Ghadban, who played a major role in rehabilitating Iraq's oil industry after the fall of Saddam's regime.

- Some IGC cabinet "ministers" were retained. KDP official Hoshyar Zebari, was "foreign minister" in the IGC cabinet and was retained in this position. Dr. Mehdi al-Hafidh, an independent Shiite, remained as Minister of Planning; PUK official Dr. Abdul Latif Rashid stayed as Minister of Water Resources; and Ms. Nasreen Berwari (now married to President Ghazi al-Yawar) stayed as Minister of Public Works. Shiite Muslim IGC member Wael Abd al-Latif, became Minister of State for Provinces. The Iraqi

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[25] Chandrasekaran, Rajiv. "Envoy Urges U.N.-Chosen Iraqi Government." *Washington Post*. Apr. 15, 2004.

Ambassador to the United States is Rend Rahim, formerly an opposition activist based in the United States. However, there have been reports she might be replaced by Kanaan Makiya, a long-time dissident and human rights activist.

Resolution 1546. Many of the powers and responsibilities of the interim government are spelled out in U.N. Security Council Resolution 1546, adopted unanimously on June 8, 2004. It endorsed the handover of sovereignty and provided for the following:

- U.S. officials no longer have final authority on non-security related issues. The interim government's primary function is to run the ministries and prepare for the January 2005 assembly elections. Many international law experts say that the interim government could have exceeded this intended mandate, including amending the TAL or revoking CPA decrees, but it did not take such steps. The Kurds had feared that the interim government would repeal TAL provisions that the Kurds view as protecting them from the Arab majority;[26] their fears were heightened by the omission from Resolution 1546 of any mention of the TAL.

- The relationship between U.S. and Iraqi forces — coordination and partnership — is spelled out in an exchange of letters between Secretary of State Powell and Prime Minister Allawi, annexed to Resolution 1546. Iraqi participation in specific operations is at the discretion of the Iraqi government, but the Iraqi government does not have a veto over specific coalition operations, and the coalition retains the ability to take prisoners. The Resolution reinforces the TAL in specifying that, at least until the end of 2005 (the end of the transition period), Iraqi forces will be "a principal partner in the multi-national force operating in Iraq under unified [American] command pursuant to the provisions of U.N. Security Council Resolution 1511 (October 16, 2003) and any subsequent resolutions."

- The Resolution states that the coalition's mandate is to be reviewed "at the request of the Government of Iraq or twelve months from the date of this resolution," that the mandate would expire when a permanent government is sworn in at the end of 2005, and that the mandate would be terminated "if the Iraqi government so requests." The Resolution defers to the post-January 31, 2005 government an agreement on the status of foreign forces in Iraq.

- The interim government was given control over Iraq's oil revenues and the Development Fund for Iraq (DFI), subject to monitoring for at least one year by the U.N.-mandated International Advisory and

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[26] Filkins, Dexter. Kurds Threaten to Walk Away From Iraqi State. *New York Times*, June 9, 2004.

Monitoring Board. The interim government also was given responsibility for close-out of the "oil-for-food program."[27]

- The Resolution gave the United Nations a major role in assisting and advising the Iraqi government in preparing for the national elections and in many aspects of governance. It also authorized a force within the coalition to protect U.N. personnel and facilities.

Post-Handover Authority Building/Interim Parliament. The process of building an Iraqi government continued after the sovereignty handover.[28] Resolution 1546 and the addendum to the TAL provided for the holding of a conference of over 1,000 Iraqis (chosen from all around Iraq by a 60-member commission of Iraqis) to choose a 100-seat advisory council ("Interim National Council") — essentially an interim parliament. This body does not have legislative authority, but according to the addendum to the TAL, it is able to veto decisions by the executive branch with a 2/3 majority. The conference, due to be held by July 31, 2004, but postponed due to security concerns and political infighting, was held under tight security during August 13-18, 2004. It was dominated by a crisis of violence in Najaf, but it completed the selection of an 81-member slate of candidates, dominated by the major Shiite, Kurdish, and other exile parties.[29] The other 19 seats are held by the IGC members who did not obtain positions in the interim government, as provided for in the TAL. Some smaller parties said the meeting did not provide them with a "level-playing field;" they apparently accepted the result nonetheless. The council was sworn in on September 1, 2004. It has held some televised "hearings" questioning ministers on government performance.

The following other actions were undertaken in connection with the handover.

- CPA head Bremer departed Iraq for the United States on June 28, 2004, and the CPA and formal state of occupation ceased. Ambassador John Negroponte, the U.S. Ambassador to Iraq, confirmed by the Senate on May 6, 2004, arrived in Iraq and subsequently presented credentials, establishing formal U.S.-Iraq diplomatic relations for the first time since January 1991. A large U.S. embassy opened on June 30, 2004; it is staffed with about 1,000 U.S. personnel, including about 160 U.S. officials and representatives that serve as advisers to the interim government. (See, CRS Report RS21867, *U.S. Embassy in Iraq*.)

- Some CPA functions, such as the advising of local Iraqi governments, local Iraqi governing councils, and U.S. military units,

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[27] For information on that program, see CRS Report RL30472, *Iraq: Oil-for-Food Program, International Sanctions, and Illicit Trade.*

[28] Information in this section was obtained from various press reports, CRS conversations with executive branch officials in May 2004, CRS conversations with journalists and other observers, and CRS participation in a congressional visit to Iraq during Feb. 28-29, 2004.

[29] Tavernise, Sabrina. "In Climax To a Tumultuous 4-Day Debate, Iraq Chooses An Assembly." *New York Times*, August 19, 2004.

have been retained at the U.S. embassy in the form of an "Iraq Reconstruction and Management Office (IRMO)." About 150 U.S. personnel are serving in at least four major centers around Iraq to advise local Iraqi governments: Hilla, Basra, Kirkuk, and Mosul. As of November 2004, the IRMO is headed by Ambassador William Taylor, formerly U.S. aid coordinator for Afghanistan.

- U.S. military headquarters in Baghdad (Combined Joint Task Force-7, CJTF-7) became a multi-national headquarters (Multinational Force-Iraq, MNF-I). Four-star U.S. Gen. George Casey, confirmed by the Senate on June 24, 2004, is commander.[30] Before dissolving on June 28, the CPA extended its orders giving U.S. military people, and some contractors, immunity from prosecution by Iraqi courts.[31]

- The Program Management Office (PMO), which reported to the Department of Defense and administers some U.S. funds for Iraq, has been replaced by a "Project and Contracting Office (PCO)," headed by Charles Hess.

January 2005 Elections and Subsequent Government. The elections, including security and competing slates, are analyzed in a separate CRS Report RS21968, *Iraq: Post-Saddam National Elections*. After the handover of sovereignty, U.S. and Iraqi attention turned to the January 2005 Assembly elections, now scheduled for January 30, 2005 (and simultaneous elections for 18 provincial governments and the Kurdish regional assembly). Ballots have been distributed to the 5,500 polling centers throughout Iraq and security preparations are in place. U.S. military officers say voting will take place even in the most restive areas, such as Mosul and Fallujah, although Sunni turnout is uncertain. After the vote, the following is expected:

- Official results are expected within about two weeks, after the ballots are brought to the Green Zone for official counting. Results are expected to be announced on or about February 10, 2005.

- According to the State Department, the 275-seat Assembly is expected to be seated by the end of February 2005, and to subsequently vote on the three person presidency council.

- Under the TAL, the presidency council is to name a Prime Minster within two weeks of its selection. The Prime Minister, who is to have executive power, is to then achieve Assembly confirmation of a cabinet within one month of his selection. There is no prescribed number of ministries in the new cabinet.

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[30] Hendren, John and Richard Serrano. "Pentagon Intends to Replace Ground Commander in Iraq." *Los Angeles Times*, May 25, 2004.

[31] Wright, Robin. U.S. Immunity in Iraq Will Go Beyond June 30. *Washington Post*, June 24, 2004.

- The transitional National Assembly is to name a drafting committee, under its direction, to write the permanent constitution. It is to complete the draft by August 15, 2005, in time for an October 15, 2005 referendum. The TAL provides for a six month drafting extension if the Assembly cannot complete a draft by the specified deadline. Exercising this extension could delay all subsequent elections in the transition roadmap.

U.S. election-related assistance is attempting to complement U.S. efforts already underway to promote local governance and politics, and there appears to have been political progress at the local level. U.S. officials say Iraqis are freer than at any time in the past 30 years, with a free press and the ability to organize politically. Over 500 courts are operating, as are about 700 local governing councils. Elections for local leaders, to replace those appointed by U.S.-led forces immediately after the fall of the regime, have been held throughout Iraq. Some Iraqi women are becoming more politically active, and among other grassroots activities, more than 700 tribal leaders formed a "farmers' union" in January 2004. A U.S. funded "Community Action Program (CAP)" provides local leaders with grant money (about $50 million in FY2004) for specific community projects.[32] USAID has conducted democracy dialogues to help Iraqis prepare for the transition to participatory government.

The Insurgent Challenge to the Transition

The insurgency against U.S. and Iraqi forces has defied most U.S. expectations in intensity and duration. As of January 28, 2004, about 1,420 U.S. forces and about 160 coalition partner soldiers have died in OIF. Of U.S. deaths, about 1,400 have occurred since President Bush declared an end to "major combat operations" in Iraq on May 1, 2003. About 150,000 U.S. troops are in Iraq, with about another 40,000 troops in Kuwait supporting OIF. U.S. force levels have recently risen to this level from 138,000, to help secure the January 2005 elections. In January 2005, the U.S. Army said its current troop strength (120,000 of the total U.S. force) would remain at current levels for at least two more years. U.S forces will not directly guard the approximately 5,500 polling places on election day but will be positioned to quickly assist Iraqi forces should major election violence flare.

Upon assuming his position, CENTCOM commander John Abizaid said (July 17, 2003) that the United States faced a "classic guerrilla war." Subsequent to the capture of Saddam Hussein in mid-December 2003, some U.S. commanders had said the United States had "turned the corner" against the ex-Baathist component of the resistance, with the help of documents captured from Saddam U.S. forces; less so against "foreign fighters" who have come into Iraq. Backing away from these comments, senior U.S. officials now say that the insurgency is broader and more tenacious than predicted, and Secretary of Defense Rumsfeld said in September 2004 that the insurgency was "worsening." On December 20, 2004, President Bush said at a press conference that the insurgency was "having an effect" on U.S. policy in Iraq. In her confirmation hearings on January 18-19, 2005, Secretary of State

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[32] Iraqi Groups Build Democracy at Grassroots Level. Department of State *Washington File*, Jan. 16, 2004.

Condoleezza Rice said the insurgency "cannot be overcome by military force alone." U.S. officials have attempted to dampen expectations that the January 30, 2005, elections will quiet the insurgency, at least in the short term.

U.S. commanders now say insurgents may number 20,000 or more, with a higher degree of coordination than previously believed, and are well funded from wealthy donors in neighboring countries such as Saudi Arabia.[33] In January 2005, U.S. commanders (Gen. Casey) publicly backed away from earlier estimates of 6,000-9,000 insurgents. Some Iraqi officials, including its highest ranking intelligence official, have advanced higher numbers, up to 40,000 active insurgents, helped by another 150,000 persons performing various supporting roles. U.S. commanders' assessments say the insurgency has grown more sophisticated over the past year and that the insurgents are adapting new tactics against heavily armored U.S. vehicles. Other accounts say that insurgent leaders are using Syria as a base to funnel money and weapons to their fighters in Iraq,[34] reports that have led to U.S. warnings to and imposition of additional U.S. sanctions against Syria. Some believe that outside support is minimal and that the insurgents have ample supplies of arms and explosives; according to the Defense Department, about 250,000 tons of munitions remain around in Iraq in arms depots not secured after the regime fell.

The insurgents have sought to demonstrate that U.S. stabilization efforts are not working by causing international workers and peacekeeping forces to leave Iraq, attempting to prevent or lower turnout in the upcoming elections, slowing reconstruction, and attempting to provoke civil conflict among Iraq's ethnic groups. Insurgent targets have included not only U.S. forces but also, increasingly, Iraqi security forces and Iraqi civilians working for U.S. authorities, foreign contractors, oil export facilities, water and other infrastructure facilities. Some insurgents focus on assassinating Iraqi officials; on January 5, 2005, insurgents assassinated the governor of Baghdad province. Insurgent intimidation of election workers has also led to the resignations of many members of several local branches of the central Iraqi electoral commission. Recent reports say the insurgents are increasingly pressuring U.S. supply lines, necessitating increasing use of air transportation. Other reports say attacks have choked off gasoline supplies to Baghdad, creating long lines for gasoline.

Analysis of the sources and motivations of the insurgency differ. The bulk of the insurgents appear to be motivated by opposition to perceived U.S. rule, although the insurgency appears increasingly dominated by younger Iraqis, in partnership with foreign Islamic fighters, who might want to establish an Islamic state. Initial phases of the insurgency were dominated by former Baathists. Sunni insurgents are likely also working to ensure that Iraq's Shiite majority does not take over the instruments of government through elections or peaceful means; the Sunnis have historically ruled Iraq. Some of the major insurgent factions include the following:

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[33] Krane, Jim. "U.S. Officials: Iraq Insurgency Bigger." Associated Press report published in the Philadelphia Inquirer. July 9, 2004; Schmitt, Eric and Thom Shanker. "Estimates By U.S. See More Rebels With More Funds." *New York Times*, October 22, 2004.

[34] Blanford, Nicholas. "Sealing Syria's Desolate Border." *Christian Science Monitor*, December 21, 2004.

- The Islamic Army of Iraq. Claimed responsibility for a January 9, 2005 attack that killed eight Ukranian troops and one Kazakh soldier.

- Muhammad's Army. This faction is said to be led by radical Sunni cleric Abdullah al-Janabi, who was said to be in Fallujah before the November 2004 U.S. offensive there.

- The Secret Republican Army.

The Zarqawi Faction/"Foreign Fighters." A major component of the insurgency is composed of non-Iraqis. As of late December 2004, the U.S. military is holding 325 foreign fighters captured in Iraq, about 4% of the total number of prisoners held. The foreign contingent is believed led by Abu Musab al-Zarqawi, a 37-year-old Jordanian Arab who reputedly fought in Afghanistan during the 1980s alongside other Arab volunteers for the "jihad" against the Soviet Union. Zarqawi's faction has been the subject of substantial U.S. counter-efforts because of its alleged perpetration of several major "terrorist" attacks — suicide and other attacks against both combatant and civilian targets. Major attacks attributed to the Zarqawi faction include the August 2003 vehicle bombings in Baghdad of the embassy of Jordan (August 7) and U.N. headquarters at the Canal Hotel (August 19). Among the dead in the latter bombing was the U.N. representative in Iraq, Sergio Vieira de Mello, and it prompted an evacuation of U.N. personnel from Iraq. An August 29, 2003, car bombing in Najaf killed SCIRI leader Mohammad Baqr Al Hakim and 100 others. In addition, the Zarqawi faction has attacked political party headquarters, religious gatherings, U.N. and foreign embassy compounds, and hotels. The group, and related factions, have also kidnaped a total of about 170 foreigners, many of whom have subsequently been killed. The most notable such killing was the October 20, 2004, capture of British-born director of the CARE organization in Iraq, Margaret Hassan, prompting a pullout by that organization; she was subsequently killed. Other relief organizations, including Doctors Without Borders, have also pulled out of Iraq.

Zarqawi came to Iraq in late 2001 after escaping the U.S. war effort in Afghanistan. He fled, through Iran, to Iraq, taking root in northern Iraq with a Kurdish faction called Ansar al-Islam, near the town of Khurmal,[35] occasionally clashing with PUK fighters around Halabja. Ansar gunmen were allegedly responsible for an assassination attempt against PUK prime minister Barham Salih in April 2002. There, he was encamped with about 600 Arab fighters who had also fled the Afghanistan battlefield.

Ansar al-Islam originated in 1998 as a radical splinter faction of a Kurdish Islamic group called the Islamic Movement of Iraqi Kurdistan (IMIK). Based in Halabja, the IMIK publicized the effects of Baghdad's March 1988 chemical attack on that city. It was led by Kurdish Islamist cleric Mullah Krekar. Krekar reportedly had once studied under Shaikh Abdullah al-Azzam, an Islamic theologian of Palestinian origin who was the spiritual mentor of Osama bin Laden. Possibly

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[35] Chivers, C.J. "Repulsing Attack By Islamic Militants, Iraqi Kurds Tell of Atrocities." *New York Times*, Dec. 6, 2002.

because Zarqawi and his Arab associates essentially wrested control of Ansar, Mullah Krekar left Iraq for Norway, where he was detained in August 2002, arrested again in early January 2004, and released again in February 2004. Ansar is named by the State Department as a Foreign Terrorist Organization (FTO).

Since becoming a major insurgent leader in Iraq, Zarqawi has used other organizational names, including the Association of Unity and Jihad, which was named as an FTO on October 15, 2004. In early 2004, U.S. forces captured a letter purportedly written by Zarqawi asking bin Laden's support for Zarqawi's insurgent activities in Iraq[36] and an Islamist website broadcast a message in October 2004, reportedly deemed authentic by U.S. agencies, that Zarqawi has formally allied with Al Qaeda. Since then, he has changed his organization's name to "Al Qaeda Jihad in Mesopotamia" (Iraq's name before its formation in the 1920s). He was believed to be in Fallujah prior to the U.S. offensive against that insurgent-held city on November 8, 2004, but he is believed to have fled it before the U.S. operation.

An offshoot of Zarqawi's group is called "Ansar al-Sunna," or Partisans of the Traditions [of the Prophet]. Ansar al-Sunna claimed responsibility for the December 21, 2004, attack on Camp Marez in Mosul that killed 22, including 14 U.S. soldiers. See CRS Report RL32217, *Iraq and Al Qaeda: Allies or Not?*

Counter-Insurgent Operations/Fallujah. U.S. counter-insurgent operations have increased since the April 2004 insurgent killing and mutilation of the bodies of four U.S. security contractors in Fallujah on March 31, 2004. Fearing collateral damage that could harm the overall U.S. position in Iraq, in late April 2004 local U.S. commanders agreed to a compromise that former Iraqi officers would patrol the city, but this solution quickly unraveled, and the city became a haven for insurgents. Insurgent factions in about two dozen other Sunni-inhabited towns, including Baqubah, Mosul, Ramadi, Samarra, Latifiyah, Mahmudiyah, and Tal Affar, also fell largely under insurgent influence, apparently with some degree of popular support. Fallujah was run by a "mujahedin shura," or council of insurgents.

U.S. forces, joined by Iraqi forces, began operations in September 2004 to pacify these cities in preparation for the January 2005 Iraqi elections, beginning with Samarra. To remove insurgents from Fallujah, U.S. forces began operation "Phantom Fury" on November 8, 2004, involving 6,500 U.S. Marines and 2,000 Iraqi troops. U.S. forces captured the city within about ten days, killing an estimated 1,200 insurgents and finding numerous large weapons caches and a possible chemical weapons lab, but most of the guerrillas are believed to have left before the U.S. offensive began. Some fighting in parts of the city continues, as insurgents try to re-infiltrate it, but the U.S. military has begun returning some of the city's 250,000 civilians to it, and some reconstruction of the city is beginning. Since the Fallujah offensive, there has been an upsurge of violence in several Sunni-inhabited cities by insurgents that had fled Fallujah, particularly in Mosul, although U.S. commanders say that even the most restive areas will accommodate voting in the January 30 election.

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[36] For text, see [http://www.state.gov/p/nea/rls/31694.htm]

U.S. operations, coupled with a measure of diplomacy, have had somewhat greater success against Shiite Islamist insurgents loyal to Moqtada al-Sadr. In April 2004, Sadr's Mahdi Army armed itself and seized governing installations in at least seven Shiite-populated cities as well as Baghdad's Sadr City. In May 2004, U.S. and British military pressure contributed to an agreement under which Mahdi and U.S. forces would cease fighting, and Sadr himself remained free. Violence abated in June 2004 but flared again in Najaf in early August 2004 after clashes around Sadr's home and office. The violence in Najaf was resolved in a compromise brokered by Ayatollah Sistani. Some promised reconstruction has begun in outlying areas of Najaf, but the old city around the Imam Ali Mosque remains desolate and virtually destroyed. Najaf has since been relatively quiet, although there was a major bombing there on December 20, 2004, but Sadr supporters continue to exercise major influence in several southern cities, including Nassiriyah, Diwaniyah, Amara, and Basra, as well as Sadr City. Tensions in Sadr City have eased substantially under an agreement of mid-October 2004 in which Mahdi fighters traded in heavy and medium weapons for cash and pledges of several hundred million dollars in reconstruction funds, as well as release of arrested Mahdi fighters. About 700 rocket-propelled grenades were turned in, although some believe the Mahdi fighters traded in only older model weapons. Many question Sadr's statements that he is now willing to join the legitimate political process.

U.S. Military and Reconstruction. The U.S. military has attempted to promote reconstruction to complement its counter-insurgent combat operations. A key tool in this effort is U.S. military funding of small projects to promote trust among the population and promote interaction of Iraqis with the U.S. military. To do so, the Administration has funded the "Commander's Emergency Response Program (CERP)," the funds of which are controlled and disbursed by U.S. commanders at the tactical level. The total amount of CERP funds for Iraq for FY2004 is $549 million, of which $179 was from seized Iraqi assets, $230 million was from Iraq's oil revenues; and $140 million was from DOD operations and maintenance funds appropriated for this program in the FY2004 supplemental appropriation (P.L. 108-106).

To assist the counter-insurgent effort, Prime Minister Allawi has announced measures and received new authorities (emergency law powers, including curfews and added arrest powers) to combat the insurgency, and he has tried to diplomatically engage insurgent factions to join the political process. A law offering amnesty to insurgents, except for those involved in killing coalition or Iraqi security forces, was issued in early August 2004. The death penalty, suspended after the fall of Saddam, was reinstated in early August 2004. Allawi also has held discussions with representatives of both countries to try to persuade them to prevent the movement of fighters, arms, and funds to insurgents.

Abu Ghraib Prison Abuses. U.S. efforts to calm ongoing violence were complicated somewhat by revelations in early May 2004 that U.S. military personnel had abused prisoners at the Abu Ghraib prison near Baghdad. Photos of abuses in progress were printed in newspapers worldwide, including in Iraq, and shown on television. At least seven U.S. soldiers have thus far been charged with abuses at the prison. Several congressional hearings have been held on the issue. (For information on the Abu Ghraib issue, see CRS "Current Legislative Issues" web page entitled

"Prisoners in Iraq; U.S. Treatment" [http://www.congress.gov/erp/legissues/html/isjus10.html].

Options for Stabilizing Iraq

As instability in major parts of Iraq has continued, a number of options have been implemented or are being discussed. The Bush Administration maintains that holding to the existing political and security transition plans, while working with foreign allies and accelerating the training and equipping of Iraqi security forces, will lead to stability and democracy. On the other hand, a National Intelligence Estimate completed in July 2004 reportedly concluded that Iraq's future is relatively bleak, with possibilities ranging from civil war to, at best, tenuous stability.[37] The Administration's concerns over the failure thus far to stabilize Iraq prompted the Defense Department, in January 2005, to send retired Gen. Gary Luck to Iraq in January 2005 to conduct a broad review of U.S. operations, with particular attention to the training of Iraqi security forces. He reportedly will make recommendations to Defense Secretary Rumsfeld at the end of January 2005.

Some critics say that current U.S. policy is faltering, and that major new options need to be considered. Some commentators believe that the Bush Administration is growing concerned about the level of U.S. casualties and the possible waning of public support and that a defined "exit strategy" should be (or is now privately being) considered. Some argue for a large increase in U.S. forces in Iraq, others argue for significant concessions to persuade U.S. allies to play a greater role in Iraq, and a few call for the United States to pullout of Iraq immediately.

"Iraqification"/Building Iraqi Security Forces. A major pillar of current policy is to build Iraqi security forces that could be able to secure Iraq by themselves. To date, the performance of Iraq's forces have come into serious question as they have often failed or refused, on their own, to forcefully combat the insurgency, although some units have engaged insurgent forces when fighting alongside U.S. units. Other questions have been raised about their level of training, and some U.S. military personnel have told journalists that they are penetrated by insurgents. In one notable example, about three quarters of the 4,000-person police force in Mosul collapsed in the face of an insurgent uprising there in November 2004, although some police units have since defended locations attacked by insurgents. U.S. Central Command (CENTCOM) commander Gen. John Abizaid said in December 2004 that Iraqi forces "just are not there yet" in their ability to secure Iraq, and on December 20, 2004, President Bush described their performance as "mixed." As a result, evolving U.S. military plans, reportedly based on the review being conducted by Gen. Luck, are to increase (possibly triple) the number of U.S. forces in Iraq devoted to training and embedding with Iraqi units to about 10,000.

Maj. Gen. David Petraeus, who had served until late 2003 as commander of the 101st Airborne Division, is overseeing the training of Iraqi security forces as head of

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[37] Jehl, Douglas. "U.S. Intelligence Shows Pessimism on Iraq's Future." *New York Times*, September 16, 2004. The text of the reported estimate is classified.

the Multinational Security Transition Command-Iraq (MNSTC-I).[38] U.S. Embassy Baghdad status reports say that a total of about 130,000 in the various forces are considered "trained or on hand." That number has remained relatively constant since November 2004, and is about half of the 274,000 deemed required. In a September 2004 State Department notification of a planned reallocation of FY2004 supplemental funds, an increase of $1.8 billion is slated for accelerated building of the security forces; this is more than half of the total reallocation request of $3.46 billion. The following, based on Administration status reports from late November 2004, are the status of the major Iraqi security institutions.

- *Iraqi Army.* The CPA formally disbanded the former Iraqi army following Bremer's arrival in Baghdad; the outcome of that move is still being debated. The United States, along with partners including NATO (NATO Training Mission - Iraq, NTM-I), Jordan, Germany, and Egypt, is recruiting, training, and equipping a 27,000-person Iraqi Army, about 8% the size of the pre-war Iraqi force, by April 2005. About 4,400 are trained or on hand thus far. Recruits are paid $60 per month and receive nine weeks of training. Within the Iraqi Army is a Special Operations Force, trained largely by Jordan. About 675 are trained or on hand at this time, and the goal is 2,000. About $2 billion to train and equip the Iraqi military was provided by the FY2004 supplemental appropriation (P.L. 108-106). The September 2004 reallocation added $112 million for the military.

- *Air Force*. It currently has about 165 personnel of its goal of 500. It has few aircraft, although the UAE has said it would supply the force with some unspecified combat aircraft. The September 2004 aid reallocation includes $28 million for Iraqi Air Force airfields.

- *Coastal Defense Force*. This service has about 410 personnel trained or on hand, of a goal of about 600. It is equipped with donated small boats to patrol Iraq's waterways to prevent smuggling and infiltration. The Royal Australian Navy has trained some of these personnel.

- *Iraqi National Guard*. This force, formerly called the Civil Defense Corps, or ICDC, is a paramilitary force that assists in combating insurgents. Thus far, about 40,000 are on hand or trained, of a planned force of about 62,000. The number is expected to be reached by April 2005. Recruits are paid $50 per month and cannot have served in Iraq's former army at a level of colonel or higher. They receive about four weeks of training but most of their training is "on-the-job," patrolling alongside U.S. forces. About $140 million for training and equipping the National Guard (ICDC) was appropriated in the FY2004 supplemental (P.L. 108-106). The September 2004 reallocation added $442 million for the 20 additional Guard battalions (about 20,000 personnel) desired.

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[38] For more information on this mission, see [http://www.mnstci.iraq.centcom.mil/].

- *Iraqi Police Service (IPS)*. Overall, about 53,000 Iraqi policemen are trained or on hand, with the goal of having 135,000 by June 2005. Their eight-week training courses are conducted in Jordan, Iraq, and the United Arab Emirates (UAE); Jordan will train about 35,000 of the total. German, Japanese, and some UAE officers conduct the training in UAE. Police are paid $60 per month, and must pass a background check ensuring they do not have a record of human rights violations or criminal activity. They are recruited locally, making them susceptible to intimidation by insurgents in restive areas. About $950 million was provided in the FY2004 supplemental (P.L. 108-106) to train and equip the police. The September 2004 reallocation request plans $788 million in additional funds for training 45,000 police.

- *Civil Intervention Force*. This unit of the police has 1,100 on hand of a planned 3,700. Of the September 2004 reallocation, $221 million is planned to go to the Civil Intervention Force and related services.

- An *Emergency Response Unit*, also part of the police, has 200 personnel of a planned 270.

- Other forces include a new *Intervention Force*, which has 5,200 personnel on hand out of a planned 6,600; a *Highway Patrol*, with 1,300 personnel of a planned 1,500; and a *Bureau of Dignitary Protection* with 485 personnel on hand of a planned 500. No longer considered a formal force is the former "Facilities Protection Service," a term used for the approximately 75,000 security guards that protect installations such as oil pumping stations, electricity substations, and government buildings.

- *Border Enforcement*. To date, about 15,000 Iraqis are trained or on hand in this force, of a goal of 29,000. Members of these forces receive a few weeks of training. Of the September 2004 planned reallocations, $190 million is slated for this department.

On November 21, 2003, the Bush Administration issued a determination repealing a U.S. ban on arms exports to Iraq so that the United States can supply weapons to the new Iraqi security institutions. Authority to repeal this ban was requested and granted in an FY2003 emergency supplemental appropriations (P.L. 108-11) for the costs of the war and was made subject to a determination that sales to Iraq are "in the national interest." On July 21, 2004, the Administration determined that Iraq would be treated as a friendly nation in evaluating U.S. arms sales to Iraqi security forces and that such sales would be made in accordance with the Foreign Assistance Act and the Arms Export Control Act. However, questions have been raised about the slow pace of equipping the new Iraqi security institutions. Lt. Gen. Petraeus said in September 2004 that about 39,000 weapons for the new forces had been received since July 2004.

Prime Minister Allawi has also placed a high priority on rebuilding a domestic intelligence network. On July 14, 2004, he announced a new domestic intelligence agency (General Security Directorate) to infiltrate the insurgent groups.

"Internationalization" of the Effort.[39] Some in and outside the Bush Administration believe that the United States should exert greater efforts to enlist greater international participation in peacekeeping, including giving up some of its political influence in Iraq, if required. Those who advocate this option believe it essential if the United States is to succeed in stabilizing Iraq and in reducing the financial and military burden of the war — asserting that 90% of coalition casualties in Iraq have been Americans. As the insurgency escalated during 2003, the Administration took steps in this direction, including inviting the United Nations to play a greater role in organizing a post-Saddam transition.

The Bush Administration asserts that it has consistently sought U.N. backing for its post-war efforts. Resolution 1483 (adopted unanimously May 6, 2003) provided for a U.N. special representative to coordinate the activities of U.N. personnel in Iraq and it "call[ed] on" governments to contribute forces for stabilization. On August 14, 2003, the U.N. Security Council adopted a compromise resolution, Resolution 1500, that "welcomed," but did not "endorse," the formation of the IGC. The resolution established a "U.N. Assistance Mission for Iraq (UNAMI)." In a further attempt to satisfy the requirements of several major nations, such as France, for a greater U.N. role in post-Saddam Iraq, the United States obtained agreement on Resolution 1511 (adopted unanimously on October 16, 2003, and referenced above) - it authorized a "multinational force under unified [meaning U.S.] command." Resolution 1546 restated many of these provisions. However, major potential force donors such as France, Germany, Russia, India, and Pakistan have viewed these resolutions as stopping short of ending what these countries perceive as U.S. monopoly of decision-making on Iraq policy, and they have refused to contribute.

The Bush Administration asserts that the United States has a large coalition, pointing to the fact that 28 other countries are providing forces. The total of non-U.S. forces in Iraq is about 25,000. The United Kingdom and Poland are leading multinational divisions of about 10,000 forces each in southern Iraq and central Iraq, respectively. The UK-led force (UK forces alone number about 8,000) is based in Basra; the Poland-led force is based in Hilla. Japan has deployed about 600 troops to Samawah, in southern Iraq, and South Korea has deployed 3,500 troops to Irbil, where the Kurds predominate. (A list of countries performing peacekeeping can be found in the Department of State's "Iraq Weekly Status Report," and in CRS Report RL32105, *Post-War Iraq: A Table and Chronology of Foreign Contributions*.)

In late July 2004, Secretary of State Powell said the United States would consider a Saudi proposal for a contingent of troops from Muslim countries to perform peacekeeping in Iraq, reportedly under separate command. However, the idea appears to have floundered due to opposition from potential contributing

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[39] For additional information on international contributions to Iraq peacekeeping and reconstruction, see CRS Report RL32105, *Post-War Iraq: A Table and Chronology of Foreign Contributions*.

countries such as Pakistan and reported Iraqi sensitivities to the potential for Muslim foreign troops to meddle in Iraqi politics.

Critics say that coalition countries are donating only about 15% of the total U.S.-led coalition contingent in Iraq, and they question the sustainment of even the existing coalition. Some point to Spain's May 2004 withdrawal of its 1,300 troops from Iraq as an indication that the Bush Administration effort to maintain an Iraq coalition is faltering. Spain made that decision following the March 11 Madrid bombings and subsequent defeat of the former Spanish government that had supported the war effort. Honduras, the Dominican Republic, and Nicaragua followed suit, withdrawing approximately 900 personnel, and the Philippines withdrew in mid-July 2004 after one of its citizens was taken hostage and threatened with beheading. Among other recent changes:

- Hungary completed a pullout of its 300 forces in December 2004.
- Thailand, New Zealand, and Norway are in the process of withdrawing as well.
- Poland is stretched by the $100 million per year cost of the Iraq deployment; on October 5, 2004, Poland's President said that he hoped Polish troops could be withdrawn by next year.
- Italian officials said in October 2004 that Italy might withdraw after the planned January 2005 Iraqi elections.
- In mid-November 2004, the Netherlands' cabinet reaffirmed an earlier decision to withdraw its 1,350 troops from Iraq in March 2005. Some U.K. forces will reportedly take over the Netherlands forces' current duties to help protect Japan's forces in Samawa.
- Following the deaths of 8 of its soldiers in a January 2005, which appears to have been the result of an insurgent attack, Ukraine said it would move immediately to begin withdrawing its 1,600 troops. However, Ukraine's new leadership said in January 2005 it would negotiate the pace of a withdrawal.
- On the other hand, Singapore deployed 180 troops in November 2004 after a hiatus of several months, and Japan and South Korea have approved extending their deployments at least through 2005.

NATO/EU. One major issue in the debate over securing Iraq is the possibility of greater NATO involvement. Since mid-2003, NATO has been providing logistical support to the international forces in Iraq led by Poland, but increased NATO involvement was discussed at every major NATO meeting since late 2003. The issue was discussed again at the June 28-29, 2004, NATO summit in Istanbul, in light of Prime Minister Allawi's formal request for NATO assistance. At the summit, NATO agreed to provide training for Iraqi security forces, and up to 300 NATO trainers will deploy for that purpose; 65 of them are now in Iraq. Currently participating in Iraq are officers from Canada, Hungary, Norway, the Netherlands,

and Italy. Hungary, the Czech Republic (which is already training Iraqi security forces near Basra), and the Netherlands have offered to contribute additional trainers to reach the 300 agreed level. Several major NATO states, such as France, continue to oppose an actual NATO combat commitment to Iraq at this time and France and five other NATO countries — Belgium, Greece, Spain, Luxembourg, and Germany — have refused to send trainers to NTM-I inside Iraq. France has offered to train Iraqi security personnel outside Iraq. Some training is also going on outside Iraq at a NATO facility in Stavanger, Norway.

On July 10, 2003, the Senate adopted an amendment, by a vote of 97-0, to a State Department authorization bill (S. 925) calling on the Administration to formally ask NATO to lead a peacekeeping force for Iraq. A related bill (H.R. 2112) was introduced in the House on May 15, 2003. (For more information on this possibility, see CRS Report RL32068, *An Enhanced European Role in Iraq?*)

According to a press report of January 27, 2005, EU leaders reportedly will offer to help train Iraqi police, administrators, and judges. The plan is reportedly to be discussed when President Bush visits Europe in February 2005. [40]

Altering the Level of U.S. Involvement/Exit Strategy. Others believe that the Iraqi security forces are unlikely to be able to secure Iraq alone and that new major international commitments of peacekeeping forces are unlikely, necessitating a major change in the U.S. approach to Iraq.

Troop Increase. Some believe that Iraq could be stabilized by the United States alone and that the United States should greatly increase its own troops in Iraq in an all-out effort to defeat the insurgents. The Bush Administration has said that U.S. field commanders will be provided with more troops, if needed, and senior commanders are increasing force levels to about 150,000 (from the previous level of 140,000 to help secure the January 2005 elections. However, some believe that doing so will further aggravate Sunni Arabs resentful of the U.S. intervention in Iraq and that even many more U.S. troops would not produce stability. Some believe that increasing U.S. force levels would further the impression in Iraq that the interim government is beholden to the United States for its survival, and that the United States is continuing to deepen its commitment to Iraq without a clear exit strategy or victory plan.

Immediate Withdrawal. A minority of commentators argue that the United States should withdraw immediately and unconditionally. Those who take this position tend to argue that the decision to invade Iraq and change its regime was a mistake in light of the failure thus far to locate WMD. Others believe that neither the January 30, 2005 elections nor any change in U.S. force levels will stabilize Iraq and that a continued U.S. presence in Iraq will result in additional U.S. casualties without securing U.S. national interests. Critics of this view say the Iraqi interim government would collapse quickly if the United States pulled out suddenly, harming U.S. credibility internationally and enabling Iraq to become a haven for terrorists.

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[40] Dombey, Daniel. EU to Offer Bush Iraq Training Deal. *London Financial Times*, January 27, 2005.

Negotiating a Power Sharing Formula. A related idea advanced by some is the substantial scaling back of U.S. involvement in Iraq by requesting or forcing key Iraqi factions to reconcile and achieve a power-sharing arrangement. A version of this idea is for the United States to put diplomatic pressure on Iraq's Shiites to negotiate a power-sharing arrangement with Sunni Arabs and Kurds that would stabilize Iraq and pave the way for a draw-down of U.S. forces. There is some indication the Administration is considering this option; press reports say U.S. officials have asked Iraq's Shiite leaders (who are likely victors in the January 30 elections) if they would be willing to assign a substantial number of cabinet seats in a new government to Sunni Arabs. Some believe that the setting of a deadline for a U.S. withdrawal could be one idea for putting pressure on Iraq's Shiite factions to negotiate such a power-sharing arrangement with the Sunni Arabs. Others believe that the United States and its Iraqi partners should consider negotiating directly with representatives of the insurgents, possibly under the auspices of the United Nations, to include them and their grievances into a new or reworked Iraqi power structure. In a related effort undertaken already, Prime Minister Allawi responded to a call by countries that attended a November 22-23, 2004, conference in Egypt to open talks with Sunnis representing the insurgency. On December 1, 2004, he met in Jordan with Iraqi Sunni tribal leaders, although not necessarily figures believed linked to the insurgency.

Rejuvenating Iraq's Economy

The Administration asserts that, despite the ongoing insurgency, economic reconstruction is progressing. Administration officials say that life has returned to normal in most of Iraq, that Iraq's economy is recovering, and that many Iraqis are demonstrating their confidence by buying automobiles and appliances. Electricity has been increased to about 85,000 Megawatt Hours, above pre-war levels, with Baghdad receiving about 10 hours per day of power. Sanitation, health care, and education are a few of the indicators that are improving statistically, although some recent studies say that Iraq's health care system and some health indicators are in a state of crisis.[41] About 3 million Iraqi children have been vaccinated since Saddam fell. A new currency has been introduced and has remained stable since introduction in early 2004. On the other hand, most studies say reconstruction has not proceeded to the point at which most Iraqis are pleased with the progress thus far.[42] In September 2004, the State Department finished a review of how to spend U.S. funds to accelerate reconstruction, and it has shifted focus to smaller scale projects that can quickly employ Iraqis and yield concrete benefits.

The Oil Industry. As the driver of Iraq's economy, the rebuilding of the oil industry has received substantial U.S. attention. Before the war, it was widely assumed that Iraq's vast oil reserves, believed second only to those of Saudi Arabia, would fund much, if not all, reconstruction costs. Then presidential spokesman Ari

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[41] Vick, Karl. "Children Pay Cost of Iraq's Chaos." *Washington Post*, November 21, 2004.

[42] For further information, see CRS Report RL31833, *Iraq: Recent Developments in Reconstruction Assistance*. See also, "Progress or Peril: Measuring Iraq's Reconstruction. Center for Strategic and International Studies. September 2004. Available online from the CSIS website at [http://www.csis.org/isp/pcr/0409_progressperil.pdf].

Fleischer said on February 18, 2003, referring to Iraq's oil reserves, that Iraq has "a variety of means...to shoulder much of the burden for [its] own reconstruction." The oil industry infrastructure suffered little damage during the U.S.-led invasion (only about 9 oil wells were set on fire), but it has become a target of insurgents.

In May 2003, the CPA set up an advisory board, headed by former Shell executive Phillip Carroll, to oversee the rebuilding of Iraq's oil sector. The first exports began in late June 2003, and increased gradually to about 1.8 million barrels per day (mbd) by April 2004. (Pre-war levels were 2.2 mbd.) In early January 2005, exports are averaging only about 1 mbd, reduced by resistance attacks, but have since recovered somewhat to 1.3 mbd. Production is averaging about 2.1 mbd, below the pre-war peak of 2.5 mbd. Exports have been halted almost entirely on some days because of insurgent attacks on oil pipelines and related facilities. In 2004, Iraq earned about $17.2 billion from oil exports, and it has earned about $1 billion thus far in 2005. The FY2004 supplemental appropriations, P.L. 108-106, provided $1.2 billion to repair Iraq's oil infrastructure, plus $700 million to import refined energy products that Iraq's infrastructure cannot produce. In January 2004, the Administration redirected some funds for energy importation to local governance.

A related issue is long-term development of Iraq's oil industry and which foreign energy firms, if any, might receive preference for contracts to explore Iraq's vast reserves. Russia, China, and others are said to fear that the United States will seek to develop Iraq's oil industry with minimal participation of firms from other countries. Iraq's interim government has contracted for a study of the extent of Iraq's oil reserves, and it has contracted with Royal Dutch/Shell to formulate a blueprint to develop the gas sector.

CPA Budget/DFI/U.S. Funding.[43] At inception, the Development Fund for Iraq (DFI), set up by Resolution 1483 (May 6, 2003) as the repository for Iraq's revenue, contained about $7 billion when it was established in June 2003. Controlled by the CPA during the occupation period and now run by the Iraqi government (as specified in Resolution 1546), the DFI has received funds from captured Iraqi assets, Iraqi assets held abroad, the monies transferred from the close-out of the "oil-for-food program," revenues from oil and other exports, and revenues from other sources such as taxes, user fees, and returns from profits on state-owned enterprises. In late October 2003, a multilateral board to monitor the Development Fund for Iraq (DFI), mandated by Resolution 1483, was established (the International Advisory and Monitoring Board, IAMB). It has hired KPMG as external auditor. The IAMB met in late June 2004 and identified some possible problems in how the DFI was administered, and it produced the first formal audit on July 15, 2004. A KPMG report produced in October 2004 identified several examples of CPA mismanagement of the DFI and possible corruption in some cases.[44] The DFI was

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[43] For information on the status of legislative consideration of the request for supplemental funding, see CRS Report RL32090, *FY2004 Supplemental Appropriations for Iraq, Afghanistan, and the Global War on Terrorism: Military Operations & Reconstruction Assistance*.

[44] Walker, Tony. "KPMG's Iraq Audit Turns Up the Heat." *Australian Financial Review*. (continued...)

held in the Federal Reserve Bank of New York, not Iraq's Central Bank, during the occupation period.

In order to accelerate reconstruction, Iraq was deemed to require international donations, such as those pledged at the October 23-24, 2003 donors' conference in Madrid, additional U.S. appropriations, and funds remaining after the U.N.-run "oil for food program" terminated on November 21, 2003 (see below). A World Bank estimate, released in early October 2003, said Iraq reconstruction would require about $56 billion during 2004-2007, including the $20 billion in U.S. funding requested by the Administration in September 2003. At the Madrid donors conference, donors pledged about $4 billion in grants and $9 billion in credits, in addition to the $20 billion to be provided by the United States. A third donors' meeting was held in Tokyo during October 13-14, 2004, with commitments by donors to accelerated payments on existing pledges. Iran joined as a donor country, pledging $10 million. (For information on international pledges, see CRS Report RL32105, *Post-War Iraq: A Table and Chronology of Foreign Contributions*.)

Supplemental U.S. Funding. In part to meet the requirements for funding, an FY2003 supplemental, P.L. 108-11, appropriated about $2.5 billion for Iraq reconstruction. When oil revenues continued to lag, U.S. officials decided to ask Congress for another supplemental appropriation. On September 8, 2003, President Bush requested supplemental funding for FY2004 for the "war on terrorism," in the amount of $87 billion, of which over $70 billion would be for military operations in and reconstruction of Iraq. Of that amount, about $50 billion would be for military costs and about $20 billion for reconstruction of Iraq.

The FY2004 supplemental appropriation (conference report H.Rept. 108-337, P.L. 108-106) provided the following funds for Iraq reconstruction (total $18.7 billion):

- $3.243 billion for security and law enforcement, including the New Iraqi Army, border enforcement, and other security functions;
- $1.32 billion for justice and civil society and democracy development, including programs for women and youth and the formation of an independent human rights commission,
- $5.56 billion for electricity infrastructure rehabilitation,
- $1.89 billion for rehabilitating the energy infrastructure,
- $4.332 billion to repair water and sewage systems;
- $500 million for repair of transportation and telecommunications infrastructure,
- $370 million to upgrade housing, roads, and bridges,
- $800 million to construct and equip hospitals and clinics, and
- $453 million for education, jobs training, and private sector initiatives.

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[44] (...continued)
October 16, 2004.

The continuing violence has slowed spending on reconstruction. As of early December 2004, of the $21 billion appropriated in the FY2003 and FY2004 supplementals, about $13 billion has been obligated. Of that, about $4.3 billion has been disbursed. In September 2004, the Administration asked Congress for approval to reallocate $3.46 billion of the appropriated funds, to be reassigned from funds previously allocated for purchases of refined energy products, for water and sewerage and electrical reconstruction. Because some of the funds added to some categories of activities would exceed ceilings set in P.L. 108-106, the Administration asked for legislation to approve the reprogramming; the approval was granted in a continuing resolution on FY2005 appropriations.

FY2005. No new funds for Iraq reconstruction were requested in the Administration's budget for FY2005, released on February 2, 2004. As noted above, reconstruction spending is slower than expected, and already appropriated funds will likely be sufficient for the near term. A FY2005 supplemental appropriation of $25 billion will be used mostly for military costs in Iraq and Afghanistan, and additional military funds for the Iraq (and Afghanistan) war effort are being requested. The amount will be about $80 billion.

Lifting U.S. Sanctions. The Bush Administration has lifted most U.S. sanctions on Iraq, beginning with several Presidential Determinations easing sanctions under authorities provided by P.L. 108-7 (consolidated appropriations for FY2003) and P.L. 108-11 (FY2003 supplemental appropriations). On July 30, 2004, President Bush issued an executive order formally ending the package of sanctions imposed on Iraq following the 1990 invasion of Kuwait. Those measures were contained in Executive Order 12722 (August 2, 1990) and 12724 (August 9, 1990), issued after Iraq's August 2, 1990, invasion of Kuwait. They imposed a ban on U.S. trade with and investment in Iraq and froze Iraq's assets in the United States. The Iraq Sanctions Act of 1990 (Section 586 of P.L. 101-513, signed November 5, 1990) reinforced those executive orders.

Subsequently, remaining sanctions were removed. On September 8, 2004, the President designated Iraq a beneficiary of the Generalized System of Preferences (GSP), enabling Iraqi products to have duty free tariff treatment for entry into the United States. On September 24, 2004, Iraq was removed from the U.S. list of state sponsors of terrorism under Section 6(j) of the Export Administration Act (P.L. 96-72). Therefore, Iraq is no longer barred under that section from receiving U.S. foreign assistance, U.S. votes in favor of international loans, and sales of munitions list items (arms and related equipment and services). As a result of the removal of Iraq from the list, exports of dual use items (items that can have military applications) are no longer subject to strict licensing procedures. However, a May 7, 2003 executive order left in place the provisions of the Iran-Iraq Arms Non-Proliferation Act (P.L. 102-484); that act imposes sanctions on persons or governments that export technology that would contribute to any Iraqi advanced conventional arms capability or weapons of mass destruction programs. The July 30, 2004, order does not unfreeze any assets in the United States determined to belong to the former regime.

Termination of the Oil-for-Food Program. In accordance with the provisions of U.N. Security Council Resolution 1483 (May 22, 2003), the U.N.-run oil-for-food program ended November 21, 2003. The close-out of residual contacts

under the program is now run by the interim Iraqi government. See CRS Report RL30472, *Iraq: Oil-for-Food Program, Sanctions, and Illicit Trade.*

Debt Relief/WTO Membership. The Administration is attempting to relieve Iraq's debt burden built up during the regime of Saddam Hussein. The debt is estimated to total about $116 billion, not including reparations dating to the first Persian Gulf war. On November 21, 2004, the so-called "Paris Club" of 19 industrialized nations agreed to cancel about 80% of the $39 billion Iraq owes them. On December 17, 2004, the United States signed an agreement with Iraq writing off 100% of Iraq's $4.1 billion debt to the United States; that debt consisted of principle and interest from about $2 billion in defaults on Iraqi agricultural credits from the 1980s. For more information, see CRS Report RS21765, *Iraq: Paris Club Debt Relief.*

On December 13, 2004, the World Trade Organization (WTO) agreed to begin accession talks with Iraq. In September 2004, the International Monetary Fund (IMF) approved a loan to Iraq of $436 million for reconstruction, and indicated it plans about $4 billion in further lending to Iraq. The loan came one week after Iraq cleared up $81 million in arrears to the Fund dating from Saddam Hussein's regime.

Congressional Reactions

Congress, like the Administration, had divergent views on the mechanisms for promoting regime change, although there was widespread agreement in Congress that regime change should be a major U.S. policy goal for Iraq. On December 20, 2001, the House passed H.J.Res. 75, by a vote of 392-12, calling Iraq's refusal to readmit U.N. weapons inspectors a "mounting threat" to the United States. The resolution did not call for new U.S. steps to overthrow Saddam Hussein but a few Members called for the overthrow of Saddam Hussein in their floor statements in support of the resolution. In early 2002, prior to the intensified speculation about possible war with Iraq, some Members expressed support for increased aid to the opposition. As discussion of potential military action increased in the fall of 2002, Members debated the costs and risks of an invasion of Iraq. Congress adopted H.J.Res. 114, authorizing the President to use military force against Iraq if he determines that doing so is in the national interest and would enforce U.N. Security Council resolutions on Iraq. The measure passed the House on October 11, 2002 by a vote of 296-133, and the Senate the following day by a vote of 77-23. The legislation was signed into law on October 16, 2002 (P.L. 107-243).

The 108th Congress held numerous hearings on post-Saddam Iraq and, as noted above, has appropriated reconstruction and military funding for the Iraq effort. Although Congress has applauded the performance of the U.S. military and the overthrow of the regime, several Members have criticized the Administration for inadequate planning for the post-war period. Criticism has escalated as attacks on U.S. occupation forces have mounted, and some Members have offered suggestions to stabilize Iraq, including adding U.S. forces. Several committees are conducting inquiries into why substantial amounts of WMD have not been found in Iraq to date, and hearings have been held alleged abuses of the U.N.-run oil-for-food program and the abuses at Abu Ghuraib prison. Some Members who have visited Iraq — and over

one third of Members have visited Iraq since the fall of Saddam — say reconstruction is proceeding and that Iraq is more stable than is widely portrayed in the press.[45]

[45] Chaddock, Gail Russell. "Trips to Iraq Reshape War Views On Hill." *Christian Science Monitor*, January 6, 2004.

Appendix. U.S. Assistance to the Opposition

Appropriated Economic Support Funds (E.S.F.) to the Opposition

(Figures in millions of dollars)

	INC	War Crimes	Broadcasting	Unspecified Opposition Activities	Total
FY1998 (P.L. 105-174)		2.0	5.0 (RFE/RL)	3.0	10.0
FY1999 (P.L. 105-277)	3.0	3.0		2.0	8.0
FY2000 (P.L. 106-113)		2.0		8.0	10.0
FY2001 (P.L. 106-429)	12.0 (aid distribution inside Iraq)	2.0	6.0 (INC radio)	5.0	25.0
FY2002 (P.L. 107-115)				25.0	25.0
Total, FY1998-FY2002	**15.0**	**9.0**	**11.0**	**43.0**	**78.0**
FY2003 (no earmark)	3.1 (announced April 2003)			6.9 (remaining to be allocated)	10.0
FY2004 (request)				0	0

Notes: The figures above do not include defense articles and services provided under the Iraq Liberation Act. The figures provided above also do not include any covert aid provided, the amounts of which are not known from open sources. In addition, during each of FY2001 and FY2002, the Administration has donated $4 million to a "U.N. War Crimes Commission" fund, to be used if a war crimes tribunal is formed. Those funds were drawn from U.S. contributions to U.N. programs.

Figure 1. Map of Iraq

Source: Map Resources. Adapted by CRS. (K.Yancey 7/21/04)