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Iraq: Post-Saddam Governance and Security

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Summary

The Bush Administration has claimed substantial success in significantly reducing violence in Iraq as a result of the "troop surge" announced by President Bush on January 10, 2007 ("New Way Forward"). With the 28,500 "surge" forces withdrawn as of July 2008, Defense Department reports assess that overall violence is down as much as 80% since early 2007, to levels not seen since 2004. President-elect Obama has indicated that stabilizing Afghanistan should be a higher priority for the United States than Iraq, but U.S. commanders say that progress in Iraq is "fragile and tenuous" and could unravel if there is too rapid a draw-down. They recommend measured, incremental "conditions-based" reductions in U.S. forces and continued building of Iraq's security forces, until further political progress produces a unified, democratic Iraq that can govern and defend itself and is an ally in the war on terror.

While commanders remain cautious on further U.S. force drawdowns, Prime Minister Nuri al-Maliki is increasingly recognized as politically strong and capable, and Iraqi legislative action in Iraq since the beginning of 2008 represents a substantial measure of the progress on political reconciliation that the surge was designed to facilitate. Provincial council elections, considered crucial to further reconciliation, are set for January 31, 2009 under a newly passed election law. Yet, there are growing tensions between the Shiite-dominated government and those Sunni leaders and fighters who have been key to stabilizing large parts of Iraq, as well as continued concerns over the degree to which the Shiite faction of Moqtada Al Sadr will integrate into the political process. Tensions are increasing significantly between the Iraqi Kurds and Iraq's Arab leaders over Kurdish demands for control of disputed areas and energy development in the Kurdish areas. At the same time, the growing government confidence held up finalizing a U.S.-Iraq agreement that would govern the presence of U.S. forces in Iraq beyond December 2008. A draft approved by the Iraqi cabinet on November 16, and now before Iraq's parliament, mandates a timetable for a full U.S. withdrawal by the end of 2011.

The progress in 2008 comes after several years of frustration that Operation Iraqi Freedom had overthrown Saddam Hussein's regime, only to see Iraq wracked by a violence Sunni Arab-led insurgency, resulting Sunni-Shiite sectarian violence, competition among Shiite groups, and the failure of Iraq's government to equitably administer justice or deliver services. Mounting U.S. casualties and financial costs — without clear movement toward national political reconciliation — stimulated debate within the 110th Congress over whether a stable Iraq could ever be achieved, and at what cost. With a withdrawal timetable now set, there is growing U.S. support for compelling Iraq to fund key functions now funded by the United States.

This report is updated regularly. See also CRS Report RS21968, *Iraq: Politics, Elections, and Benchmarks*, by Kenneth Katzman; CRS Report RL31833, *Iraq: Reconstruction Assistance*, by Curt Tarnoff; and CRS Report RL33793, *Iraq: Regional Perspectives and U.S. Policy*, coordinated by Christopher Blanchard.

Contents

List of Figures

List of Tables

Iraq: Post-Saddam Governance and Security

Iraq has not previously 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). The territory that is now Iraq was formed from three provinces of the Ottoman empire after British forces defeated the Ottomans in World War I and took control of the territory in 1918. Britain had tried to take Iraq from the Ottomans earlier in World War I but were defeated at Al Kut in 1916. Britain's presence in Iraq, which relied on Sunni Muslim Iraqis (as did the Ottoman administration), ran into repeated resistance, facing a major Shiite-led revolt in 1920 and a major anti-British uprising in 1941, during World War II. Iraq's first Hashemite king was Faysal bin Hussein, son of Sharif Hussein of Mecca who, advised by British officer T.E Lawrence ("Lawrence of Arabia"), 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, who was killed in a car accident in 1939. Ghazi was succeeded by his young son, Faysal II.

A major figure under the British mandate and the monarchy was Nuri As-Said, a pro-British, pro-Hashemite Sunni Muslim who served as prime minister 14 times during 1930-1958. Faysal II, with the help of As-Sa'id, 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. Since that same year, the Baath Party has ruled in Syria, although there was rivalry between the Syrian and Iraqi Baath regimes during Saddam's rule. The Baath Party was founded in the 1940s by Lebanese Christian philosopher Michel Aflaq as a socialist, pan-Arab movement, the aim of which was to reduce religious and sectarian schisms among Arabs.

One of the Baath Party's allies in the February 1963 coup was Abd al-Salam al-Arif. In November 1963, Arif purged the Baath, including Prime Minister (and military officer) 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. Following the Baath seizure of power in 1968, Bakr returned to government as President of Iraq and Saddam Hussein, a civilian, became the regime's number two — Vice Chairman of the Revolutionary Command Council. In that position, Saddam developed 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. Under Saddam, secular Shiites held high party positions, but Sunnis mostly from Saddam's home town of Tikrit, dominated the highest positions. Saddam's regime repressed Iraq's Shiites after the February 1979 Islamic revolution in neighboring Iran partly because Iraq feared that Iraqi Shiite Islamist movements, emboldened by Iran, would try to establish an Iranian-style Islamic republic of Iraq.

Table 1. Iraq Basic Facts

Population	27.5 million
Demographics	Shiite Arab - 60%; Kurd - 19% Sunni Arab - 14%; Christian and others - 6; Sunni Turkomen - 1%. Christians are: 600,000 - 1 million total (incl. Chaldean, Assyrian, Syriac, Armenian, and Protestant). Others are: Yazidis (600,000); Shabak (200,000); Sabean-Mandaean (6,000).
Area	Slightly more than twice the size of Idaho
GDP	$100 billion (purchasing power parity, 2007)
GDP per capita	$3,600 per year (2007)
Real GDP Growth Rate	Estimated 8% in 2008; was 0.4% in 2007
2008 Iraqi Government Budget	First formulated in October 2007 and passed by Iraqi parliament Feb. 13, 2008, based on anticipated total $38 billion revenue, including $31 billion from oil and $6.7 billion from other sources. Included: $42 billion total expenses. Supplemental budget adopted in August based on expected $70 billion oil revenue for 2008, added $22 billion in spending. GAO report of August 2008 says that, even with supplemental budget, 2008 surplus might still range from $16 billion-$28 billion, if past spending patterns hold. Total 2008 budget now includes $21 billion for capital investment ($1.5 billion spent through May 2008) $9 billion for Iraqi Security Forces costs ($11 billion planned for 2009) $3.7 billion in direct grants to the Arab provinces (of which $1.6 billion spent through August) $5.5 billion to the Kurdish region (KRG gov't and three KRG provinces) $300 million for use by U.S. military in small reconstruction projects $163 million for "Sons of Iraq" $510 million for small business loans $196 million for joint training and reintegration programs for former insurgents $350 million for reconstruction in battle zones including Mosul, Basra, and Sadr City and Shula districts in Baghdad $190 million to assist displaced persons (In 2007, Iraq spent 28% of its $12 billion capital budget, and the provincial governments spent 40% of theirs.)
Reserves of Foreign Currency and Gold	About $30 billion total: About $10 billion in "Development Fund for Iraq" (held in N.Y. Federal Reserve); $5.7 billion in Central Bank; and $13.8 billion in Iraqi commercial banks (Rafidain and Rasheed). About $5.5 billion to be used to buy 40 new Boeing civilian passenger aircraft.
Unemployment Rate	17.6% official rate, according to Central Statistics Office of Iraq; could be as high as 50% in some areas.
Inflation Rate	12.2 core rate in 2007; 32% in 2006
U.S. Oil Imports	About 700,000 barrels per day (other oil - related capabilities appear in a table later in this paper)
Food Ration System	Rations, used by 60% of the population, cut by 50% in December 2007 because $7.2 billion not approved by Iraqi government.

Sources: CIA The World Factbook; State Department International Religions Freedom Report, September 2007; DOD Measuring Stability Report, September 2008.

Policy in the 1990s Emphasized Containment

Prior to the January 16, 1991, launch of Operation Desert Storm to reverse Iraq's August 1990 invasion of Kuwait, President George H.W. Bush called on the Iraqi people to overthrow Saddam. That Administration decided not to try to do so militarily because (1) the United Nations had approved only liberating Kuwait; (2) Arab states in the coalition opposed an advance to Baghdad; and (3) the Administration feared becoming embroiled in a potentially high-casualty occupation.[1] Within days of the war's end (February 28, 1991), Shiite Muslims in southern Iraq and Kurds in northern Iraq, emboldened by the regime's defeat and the hope of U.S. support, rebelled. The Shiite revolt nearly reached Baghdad, but the mostly Sunni Muslim Republican Guard forces were pulled back into Iraq before engaging U.S. forces and were intact to suppress the rebellion. Many Iraqi Shiites blamed the United States for not intervening on their behalf. Iraq's Kurds, benefitting from a U.S.-led "no fly zone" set up in April 1991, drove Iraqi troops out of much of northern Iraq and remained autonomous thereafter.

The thrust of subsequent U.S. policy was containment through U.N. Security Council-authorized weapons inspections, an international economic embargo, and U.S.-led enforcement of no fly zones over both northern and southern Iraq.[2] President George H.W. Bush reportedly supported efforts to promote a military coup as a way of producing a favorable government without fragmenting Iraq. After a reported July 1992 coup failed, he shifted to supporting (with funds) the Kurdish, Shiite, and other oppositionists that were coalescing into a broad movement.[3]

The Clinton Administration, the Iraq Liberation Act, and Major Anti-Saddam Factions

During the Clinton Administration, the United States built ties to and progressively increased support for several Shiite and Kurdish factions, all of which have provided leaders in post-Saddam politics but also field militias locked in sectarian violence against Iraq's Sunnis who supported Saddam's regime. (See **Table 7** on Iraq's various factions.) During 1997-1998, Iraq's obstructions of U.N. weapons of mass destruction (WMD) inspections led to growing congressional calls to overthrow Saddam, starting with a FY1998 appropriation (P.L. 105-174). The sentiment was expressed in the "Iraq Liberation Act" (ILA, P.L. 105-338, October 31, 1998). Signed by President Clinton despite doubts about opposition capabilities, it was viewed as an expression of congressional support for the concept of promoting an Iraqi insurgency with U.S. air power. That law, which states that it should be the policy of the United States to "support efforts" to remove the regime headed by

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

[2] Discussed further in CRS Report RL32379, *Iraq: Former Regime Weapons Programs, Human Rights Violations, and U.S. Policy*, by Kenneth Katzman.

[3] Congress more than doubled the budget for covert support to the opposition groups to about $40 million for FY1993, from previous levels of $15 million - $20 million. Sciolino, Elaine. "Greater U.S. Effort Backed To Oust Iraqi." *New York Times*, June 2, 1992.

Saddam Hussein, is sometimes cited as indicator of a bipartisan consensus to topple Saddam's regime. It 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. In mid-November 1998, President Clinton publicly articulated that regime change was a component of U.S. policy toward Iraq. Section 8 of the ILA stated that the act should not be construed as authorizing the use of U.S. military force to achieve regime change. The ILA did not specifically terminate after Saddam Hussein was removed from power; Section 7 provided for post-Saddam "transition assistance" to groups with "democratic goals."

The signing of the ILA coincided with new Iraqi 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). On February 5, 1999, President Clinton designated seven groups eligible to receive U.S. military assistance under the ILA (P.D. 99-13): the Iraqi National Congress (INC); Iraq National Accord (INA); the Supreme Council for the Islamic Revolution in Iraq (SCIRI); the Kurdistan Democratic Party (KDP); the Patriotic Union of Kurdistan (PUK); the Islamic Movement of Iraqi Kurdistan (IMIK);[4] and the Movement for Constitutional Monarchy (MCM). In May 1999, the Clinton Administration provided $5 million worth of training and "non-lethal" equipment under the ILA to about 150 oppositionists in Defense Department-run training (Hurlburt Air Base) on administering a post-Saddam Iraq. The Administration judged the opposition insufficiently capable to merit combat training or weapons; the trainees did not deploy in Operation Iraqi Freedom or into the Free Iraqi Forces that deployed to Iraq. The following is discussion of the major groups working against Saddam Hussein's regime, either with the United States or separately.

- **Secular Groups: Iraqi National Congress (INC) and Iraq National Accord (INA).** In 1992, the two main Kurdish parties and several Shiite Islamist groups coalesced into the "Iraqi National Congress (INC)" on a platform of human rights, democracy, pluralism, and "federalism" (Kurdish autonomy). However, many observers doubted its commitment to democracy, because most of its groups had authoritarian leaderships. The INC's Executive Committee selected Ahmad Chalabi, a secular Shiite Muslim, to run the INC on a daily basis. (A table on U.S. appropriations for the Iraqi opposition, including the INC, is an appendix).[5]

- The **Iraq National Accord (INA)**, founded after Iraq's 1990 invasion of Kuwait, was supported initially by Saudi Arabia but reportedly later earned the patronage of the Central Intelligence Agency (CIA).[6]

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[4] Because of its role in the eventual formation of the radical Ansar al-Islam group, the IMIK did not receive U.S. funds after 2001, although it was not formally de-listed.

[5] The Jordanian government subsequently repaid depositors a total of $400 million.

[6] Brinkley, Joel. "Ex-CIA Aides Say Iraq Leader Helped Agency in 90's Attacks," *New York*
(continued...)

It is led by Dr. Iyad al-Allawi. The INA enjoyed Clinton Administration support in 1996 after squabbling among INC groups reduced the INC's perceived viability,[7] but Iraq's intelligence services arrested or executed over 100 INA activists in June 1996. In August 1996, Baghdad launched a military incursion into northern Iraq, at the invitation of the Kurdistan Democratic Party (KDP), to help it capture Irbil from the rival Patriotic Union of Kurdistan (PUK). In the process, Baghdad routed both INC and INA agents from the north.

- The **Kurds**,[8] who are mostly Sunni Muslims but are not Arabs, are probably the most pro-U.S. of all major groups. Historically fearful of persecution by the Arab majority, the Kurds, to the chagrin of Turkey, are focused on placing all areas of northern Iraq where Kurds live under the authority of their three-province "region," which is run by a Kurdistan Regional Government (KRG). Both major Kurdish factions — the PUK led by Jalal Talabani, and the KDP led by Masud Barzani — are participating in Iraqi politics. Together, the KDP and PUK may have as many as 75,000 *peshmerga* (militia fighters), most of which are providing security in the KRG region and other cities where Kurds live; some are in the Iraqi Security Forces (ISF) and serve throughout Iraq. Peshmerga have sometimes fought each other; in May 1994, the KDP and the PUK clashed with each other over territory, customs revenues, and control over the Kurdish regional government in Irbil.

- **Shiite Islamists: Ayatollah Sistani, ISCI, Da'wa, and Sadr Factions.** Shiite Islamist organizations have become dominant in post-Saddam politics; Shiites constitute about 60% of the population but were under-represented and suffered significant repression under Saddam's regime. Several of these factions cooperated with the Saddam-era U.S. regime change efforts, but others did not. The undisputed Shiite religious leader, Grand Ayatollah Ali al-Sistani is the "*marja-e-taqlid*" (source of emulation) and the most senior of the four Shiite clerics that lead the Najaf-based "*Hawza al-Ilmiyah*" (a grouping of Shiite seminaries).[9] He was in Iraq during Saddam's rule but he adopted a low profile and had no known contact with the United States. His mentor, Ayatollah Abol Qasem Musavi-Khoi,

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[6] (...continued)
Times, June 9, 2004.

[7] 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.

[8] For an extended discussion, see CRS Report RS22079, *The Kurds in Post-Saddam Iraq*, by Kenneth Katzman.

[9] The three other senior Hawza clerics are Ayatollah Mohammad Sa'id al-Hakim (uncle of the leader of the Supreme Council of the Islamic Revolution in Iraq, Abd al-Aziz al-Hakim); Ayatollah Mohammad Isaac Fayadh, who is of Afghan origin; and Ayatollah Bashir al-Najafi, of Pakistani origin.

was head of the *Hawza* until his death in 1992. Like Khoi, Sistani is a "quietist" — generally opposing a direct political role for clerics — but he has influenced major political issues in the post-Saddam era.[10]

- **Islamic Supreme Council of Iraq (ISCI) and the Da'wa Party.** These two groups are mainstream Shiite Islamist groups and generally pro-Iranian, ISCI the more so. The late founder of Iran's Islamic revolution Ayatollah Ruhollah Khomeini's was in exile in Najaf, Iraq during 1964-1978, hosted there by Grand Ayatollah Muhsin al-Hakim, then head of the *Hawza*. His sons, including current ISCI leader Abd al-Aziz al-Hakim, were members of the **Da'wa (Islamic Call) Party** when they were driven into exile by Saddam's crackdown in 1980, who accused Shiite Islamists of trying to overthrow him — a crackdown that coincided with the start of the war with Iran in September 1980. Under Iranian patronage, the Hakim sons broke with Da'wa and founded the Supreme Council of the Islamic Revolution in Iraq (SCIRI) in 1982. Although it was a member of the INC in the early 1990s, SCIRI refused to accept U.S. funds, although it had contacts with U.S. officials. The group changed its name to **ISCI** in May 2007. It is considered the best organized party within the "United Iraqi Alliance" (UIA) of Shiite political groupings, with a "Badr Brigade" militia, numerous political offices, a TV station, and other arms. ISCI says it does not seek an Iranian-style Islamic republic, but ISCI has received financial and other aid from Iran.

- The Da'wa Party did not directly join the U.S.-led effort to overthrow Saddam Hussein during the 1990s. The leader of its main Da'wa faction was Ibrahim al-Jafari, a Da'wa activist since 1966 who fled to Iran in 1980 to escape Saddam's crackdown, later going to London. He was transitional Prime Minister during April 2005-April 2006. His successor as Prime Minister, Nuri al-Maliki, was named Da'wa leader in July 2007, and Jafari was expelled from the party entirely in June 2008, and now has formed his own movement.

- The faction of an "insurgent" Shiite Islamist leader, **Moqtada Al Sadr,** is emerging as a major factor in Iraqi politics. This faction was underground in Iraq during Saddam's rule, led by Moqtada's father, Ayatollah Mohammad Sadiq Al Sadr, who was killed by the regime in 1999. See text box later in this paper.

Post-September 11, 2001: Regime Change and War

Several senior Bush Administration officials had long been advocates of a regime change policy toward Iraq, but the difficulty of that strategy led the Bush

[10] For information on Sistani's views, see his website at [http://www.sistani.org].

Administration initially to continue its predecessor's containment policy.[11] Some believe the September 11 attacks provided Administration officials justification to act on longstanding plans to confront Iraq militarily. During its first year, the Administration tried to prevent an asserted erosion of containment of Iraq by achieving U.N. Security Council adoption (Resolution 1409, May 14, 2002) of a "smart sanctions" plan. The plan relaxed U.N.-imposed restrictions on exports to Iraq of purely civilian equipment[12] in exchange for renewed international commitment to enforce the U.N. ban on exports to Iraq of militarily useful goods.

Bush Administration policy on Iraq clearly became an active regime change effort after the September 11, 2001, terrorist attacks. In President Bush's State of the Union message on January 29, 2002, given as major combat in the U.S.-led war on the Taliban and Al Qaeda in Afghanistan was winding down, he characterized Iraq as part of an "axis of evil" (with Iran and North Korea). Some U.S. officials, particularly then-deputy Defense Secretary Wolfowitz, asserted that the United States needed to respond to the September 11, 2001 attacks by "ending states," such as Iraq, that support terrorist groups. Vice President Cheney visited the Middle East in March 2002 reportedly to consult regional countries about the possibility of confronting Iraq militarily, although the Arab leaders opposed war with Iraq and urged greater U.S. attention to the Arab-Israeli dispute.

Some accounts, including the books *Plan of Attack* and *State of Denial* by Bob Woodward (published in April 2004 and September 2006, respectively), say that then Secretary of State Powell, Central Intelligence Agency experts, and others were concerned about the potential consequences of an invasion of Iraq, particularly the difficulties of building a democracy after major hostilities ended. Other accounts include the "Downing Street Memo" – a paper by British intelligence officials, based on conversations with U.S. officials, saying that by mid-2002 the Administration was seeking information to justify a firm decision to go to war against Iraq. President Bush and then-British Prime Minister Tony Blair deny this. (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.")

The primary theme in the Bush Administration's public case for the need to confront Iraq was that Iraq posted a "grave and gathering" threat that should be blunted before the threat became urgent. The basis of that assertion in U.S. intelligence remains under debate.

- *WMD Threat Perception*. Senior U.S. officials, including President Bush, particularly in an October 2002 speech in Cincinnati, 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 16 U.N. previous resolutions that demanded complete elimination of all of Iraq's WMD

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

[12] For more information on this program, see CRS Report RL30472, *Iraq: Oil For Food Program, Illicit Trade, and Investigations*, by Christopher Blanchard and Kenneth Katzman.

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; and (3) that Iraq could transfer its WMD to terrorists, particularly Al Qaeda, for use in potentially catastrophic attacks in the United States. Critics noted that, under the U.S. threat of retaliation, Iraq did not use WMD against U.S. troops in the 1991 Gulf war. A "comprehensive" September 2004 report of the Iraq Survey Group, known as the "Duelfer report,"[13] found no WMD stockpiles or production but said that there was evidence that the regime retained the intention to reconstitute WMD programs in the future. The formal U.S.-led WMD search ended December 2004,[14] although U.S. forces have found some chemical weapons left from the Iran-Iraq war.[15] UNMOVIC's work was formally terminated by U.N. Security Council Resolution 1762 (June 29, 2007).

- *Links to Al Qaeda.* Iraq was designated a state sponsor of terrorism during 1979-1982 and was again so designated after its 1990 invasion of Kuwait. Although they did not assert that Saddam Hussein's regime was directly involved in the September 11 attacks, senior U.S. officials asserted that Saddam's regime was linked to Al Qaeda, in part because of the presence of pro-Al Qaeda militant leader Abu Musab al-Zarqawi in northern Iraq. Although this issue is still debated, the report of the 9/11 Commission found no evidence of a "collaborative operational linkage" between Iraq and Al Qaeda.[16] A March 2008 study by the Institute for Defense Analyses for the Joint Forces Command, based on 600,000 documents found in post-Saddam Iraq, found no direct ties between Al Qaeda and Saddam's regime. (See CRS Report RL32217, *Al Qaeda in Iraq: Assessment and Outside Links*, by Kenneth Katzman.)

Operation Iraqi Freedom (OIF)

As major combat in Afghanistan wound down in mid-2002, the Administration began ordering a force to Kuwait (the only state that agreed to host a major invasion force) that, by early 2003, gave the President an option to invade Iraq. In concert, the Administration tried to build up and broaden the Iraqi opposition and, according to the *Washington Post* (June 16, 2002), authorizing stepped up covert activities by the CIA and special operations forces against Saddam Hussein. In August 2002, the State and Defense Departments jointly invited six major opposition groups to Washington, D.C., and the Administration expanded ties to other groups composed primarily of ex-

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[13] Duelfer report text is at [http://news.findlaw.com/hdocs/docs/iraq/cia93004wmdrpt.html].

[14] For analysis of the former regime's WMD and other abuses, see CRS Report RL32379, *Iraq: Former Regime Weapons Programs, Human Rights Violations, and U.S. Policy*, by Kenneth Katzman.

[15] Pincus, Walter. "Munitions Found in Iraq Renew Debate." *Washington Post*, July 1, 2006.

[16] *9/11 Commission Report*, p. 66.

military officers.[17] The Administration blocked a move by the main factions to declare a provisional government before entering Iraq, believing that doing so would prevent the emergence of secular groups.

In an effort to obtain U.N. backing for confronting Iraq — support that then Secretary of State Powell reportedly argued was needed — President Bush addressed the United Nations General Assembly (September 12, 2002), saying that the U.N. Security Council should enforce its 16 existing WMD-related resolutions on Iraq. The Administration then gave Iraq a "final opportunity" to comply with all applicable Council resolutions by supporting Security Council Resolution 1441 (November 8, 2002), which gave the U.N. inspection body UNMOVIC (U.N. Monitoring, Verification, and Inspection Commission) new powers of inspection. Iraq reluctantly accepted it and WMD inspections resumed November 27, 2002. In January and February 2003, UNMOVIC Director Hans Blix and International Atomic Energy Agency (IAEA) Director Mohammad al-Baradei briefed the Security Council on the inspections, saying that Iraq failed to actively cooperate to satisfy outstanding questions, but that it had not denied access to sites and might not have any WMD.

Congressional and Security Council Action. During this period, the 107th Congress debated the costs and risks of an invasion. It adopted H.J.Res. 114, authorizing the President to use military force to "defend the national security of the United States against the continuing threat posed by Iraq" and "to enforce all relevant U.N. Security Council resolutions against Iraq." It passed the House October 11, 2002 (296-133), and the Senate the following day (77-23). It was signed October 16, 2002 (P.L. 107-243).

No U.N. Security Council resolution authorizing force was adopted. Countries opposed to war, including France, Russia, China, and Germany, said the latest WMD inspections showed that Iraq could be disarmed peacefully or contained indefinitely. On March 16, 2003, a summit meeting of Britain, Spain, Bulgaria, and the United States, held in the Azores, rejected that view and said all diplomatic options had failed. The following day, President Bush gave Saddam Hussein and his sons, Uday and Qusay, an ultimatum to leave Iraq within 48 hours to avoid war. They refused 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-led 30-country[18] "coalition of the willing" force, a substantial proportion of which were in supporting roles. Of the invasion force, Britain contributed 45,000, and U.S. troops constituted the bulk of the remaining 335,000 forces. Some Iraqi units and irregulars ("Saddam's Fedayeen") put up stiff resistance and used unconventional tactics. Some evaluations (for

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[17] The Administration also began training about 5,000 oppositionists to assist U.S. forces, although reportedly only about 70 completed training at Taszar air base in Hungary, eventually serving as translators during the war. Deyoung, Karen, and Daniel Williams, "Training of Iraqi Exiles Authorized," *Washington Post*, October 19, 2002.

[18] Many of the thirty countries listed in the coalition did not contribute forces to the combat. A subsequent State Department list released on March 27, 2003 listed 49 countries in the coalition of the willing. See *Washington Post*, March 27, 2003, p. A19.

example, "Cobra Two," by Michael Gordon and Bernard Trainor, published in 2006) suggest the U.S. military should have focused more on combating the irregulars rather than bypassing them to take on armored forces. No WMD was used by Iraq, although it did fire some ballistic missiles into Kuwait; it is not clear whether those missiles were of U.N.-prohibited ranges (greater than 150 km). The regime vacated Baghdad on April 9, 2003, although Saddam Hussein appeared with supporters that day in Baghdad's Sunni Adhamiya district, near the major Sunni Umm al-Qura mosque. (Saddam was captured in December 2003, and on November 5, 2006, was convicted for "willful killing" of Shiite civilians in Dujail in 1982. He was hanged on December 30, 2006.)

Post-Saddam Transition and Governance

According to statements by the Administration, U.S. goals are for a unified, democratic, and federal Iraq that can sustain, govern, and defend itself and is an ally in the global war on terrorism. Administration officials have, for the most part, dropped an earlier stated goal that Iraq serve as a model of democratic reform.

Transition Process

The formal political transition from the Saddam regime to representative government is largely completed, but tensions remain among the newly dominant Shiite Arabs, Sunni Arabs that have been displaced from their former perch in Iraqi politics, and the Kurds who fear renewed oppression by Iraq's Arabs.

Occupation Period/Coalition Provisional Authority (CPA). After the fall of the regime, the United States set up an occupation structure, reportedly based on concerns that immediate sovereignty would favor major factions and not produce democracy. The Administration initially tasked Lt. Gen. Jay Garner (ret.) to direct reconstruction with a staff of U.S. government personnel to administer Iraq's ministries; they deployed in April 2003. He headed the Office of Reconstruction and Humanitarian Assistance (ORHA), under the Department of Defense (DOD), created by a January 20, 2003, Executive Order. The Administration largely discarded the State Department's "Future of Iraq Project," that spent the year before the war planning for the administration of Iraq after the fall of Saddam.[19] Garner and aides began trying to establish a representative successor regime by organizing a meeting in Nassiriyah (April 15, 2003) of about 100 Iraqis of varying views and ethnicities. A subsequent meeting of over 250 notables, held in Baghdad April 26, 2003, agreed to hold a broader meeting one month later to name an interim administration.

In May 2003, the Administration, reportedly preferring what they perceived as stronger leadership in Iraq, named Ambassador L. Paul Bremer to replace Garner by heading a "Coalition Provisional Authority" (CPA). Bremer discontinued Garner's transition process and instead appointed (July 13, 2003) a non-sovereign Iraqi

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[19] Information on the project, including summaries of the findings of its 17 working groups, can be found at [http://usinfo.state.gov/products/pubs/archive/dutyiraq/]. The project cost $5 million and had 15 working groups on major issues.

advisory body: the 25-member "Iraq Governing Council" (IGC). In September 2003, the IGC selected a 25-member "cabinet" to run the ministries, with roughly the same factional and ethnic balance of the IGC (a slight majority of Shiite Muslims). Although there were some Sunni figures in the CPA-led administration, many Sunnis resented the new power structure as overturning their prior dominance. Adding to that resentment were some of the CPA's controversial decisions, including "de-Baathification" — a purge from government of about 30,000 Iraqis at four top ranks of the Baath Party (CPA Order 1) and not to recall members of the armed forces to service (CPA Order 2). Bremer and others maintain that recalling the former regime armed forces would have caused mistrust among Shiites and Kurds about the prospects for democracy in post-Saddam Iraq.

Transitional Administrative Law (TAL). The Bush Administration initially made the end of U.S. occupation contingent on the completion of a new constitution and the holding of national elections for a new government, tasks expected to be completed by late 2005. However, Ayatollah Sistani and others agitated for early Iraqi sovereignty, contributing to the November 2003 U.S. announcement that sovereignty would be returned to Iraq by June 30, 2004, and national elections were to be held by the end of 2005. That decision was incorporated into an interim constitution — the Transitional Administrative Law (TAL), drafted by the major factions and signed on March 8, 2004.[20] The TAL provided a roadmap for political transition, including (1) elections by January 31, 2005, for a 275-seat transitional National Assembly; (2) drafting of a permanent constitution by August 15, 2005, and put to a national referendum by October 15, 2005; and (3) national elections for a full-term government, by December 15, 2005. Any three provinces could veto the constitution by a two-thirds majority. In that case, a new draft would be written and voted on by October 15, 2006. The Kurds maintained their autonomy and militia.

Sovereignty Handover/Interim (Allawi) Government. The TAL did not directly address how a sovereign government would be formed. Sistani's opposition scuttled a U.S. plan to select a national assembly through nationwide "caucuses," causing the United States to tap U.N. envoy Lakhdar Brahimi to select a government,[21] which began work on June 1, 2004. The handover ceremony occurred on June 28, 2004. Dominated by the major factions, this government had a president (Sunni tribal figure Ghazi al-Yawar), and Prime Minister (Iyad al-Allawi, see above) with executive power, heading a cabinet of 26 ministers. Six ministers were women, and the ethnicity mix was roughly the same as in the IGC. The defense and interior ministers were Sunnis.

As of the handover, the state of occupation ceased, and a U.S. Ambassador (John Negroponte) established U.S.-Iraq diplomatic relations for the first time since January 1991. A U.S. embassy formally opened on June 30, 2004; it is staffed with about

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

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

1,100 U.S. personnel.[22] The Ambassador is Ryan Crocker, who took over from Zalmay Khalilzad (July 2005 - April 2007). In August 2008, the Embassy formally opened. It was built by First Kuwaiti General Trading and Construction Co., and has 21 buildings on 104 acres.[23] In conjunction with the handover:

- Reconstruction management and advising of Iraq's ministries were taken over by a State Department component called the "Iraq Reconstruction and Management Office" (IRMO). With the expiration of that unit's authority in April 2007, it was renamed the "Iraq Transition Assistance Office" (ITAO), headed since June 2007 by Mark Tokola. ITAO's current focus is promoting efficiency in Iraq's ministries and Iraq's management of the projects built with U.S. reconstruction funds, although Iraq reportedly has been unable or unwilling to take control of many completed projects. The authority has also expired for a separate DOD "Project Contracting Office (PCO)," under the Persian Gulf Division of the Army Corps of Engineers. It is in the process of closing out its projects, which were mainly large infrastructure such as roads, power plants, and school renovations.

Coalition Military Mandate/SOFA/U.N. Role in Sovereign Iraq

Even though the invasion of Iraq was not authorized by the United Nations Security Council, the Administration asserts that it has consistently sought and obtained U.N. and partner country involvement in Iraq efforts. U.N. Security Council Resolution 1483 (May 22, 2003) recognized the CPA as a legal occupation authority. To satisfy the requirements of several nations for U.N. backing of a coalition force presence, the United States achieved adoption of Resolution 1511 (October 16, 2003), authorizing a "multinational force under *unified* [meaning U.S.] command."

Resolution 1546 (June 8, 2004) took U.N. involvement further by endorsing the U.S. handover of sovereignty, reaffirming the responsibilities of the interim government, spelling out the duration and legal status of U.S.-led forces in Iraq, and authorizing a coalition force to protect U.N. personnel and facilities. It also:

- "Authorize[d]" the U.S.-led coalition to contribute to maintaining security in Iraq, a provision widely interpreted as giving the coalition responsibility for security. Iraqi forces are "a principal partner" in — not commanded by — the U.S.-led coalition, as spelled out in an annexed exchange of letters between the United States and Iraq. The coalition retained the ability to take and hold prisoners.

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[22] See CRS Report RS21867, *U.S. Embassy in Iraq*, by Susan B. Epstein.

[23] An FY2005 supplemental appropriations, P.L. 109-13, provided $592 million (of $658 million requested) to construct a new embassy in Baghdad; an FY2006 supplemental appropriation (P.L. 109-234) provided $1.327 billion for U.S. embassy operations and security.

- *Coalition/U.S. Mandate.* Resolution 1546 stipulated that the coalition's mandate would be reviewed "at the request of the government of Iraq or twelve months from the date of this resolution" (or June 8, 2005); 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." Resolution 1637 (November 11, 2005), Resolution 1723 (November 28, 2006), and Resolution 1790 (December 18, 2007) each extended these provisions for an additional year, "unless earlier "requested by the Iraqi government," and required interim reviews of the mandate on June 15 of the years of expiration, respectively. In June 2007, Iraq's parliament passed with 144 votes (in the 275 seat parliament) a "non-binding" motion, led by the Sadr faction, to require the Iraqi government to seek parliamentary approval before asking for a mandate extension. Maliki said there was no such requirement.

- *Strategic Framework Agreement and Status of Forces Agreement.* On November 26, 2007, President Bush and Prime Minister Maliki signed a "Declaration of Principles" by video conference under which the U.N. mandate would be renewed for only one more year (until December 31, 2008) and that, by July 2008, Iraq and the U.S. would complete a bilateral agreement that would replace the Security Council mandate. These agreements are needed to keep U.S. forces operating in Iraq beyond the expiry of the U.N. mandate. The "strategic framework agreement" was to outline the future political and economic relationship between the two countries. The status of these agreements is discussed below. (Section 1314 of P.L. 110-28, the FY2007 supplemental, says that the President shall redeploy U.S. forces if asked to officially by Iraq's government.)[24]

- *Permanent Basing.* The facilities used by U.S. forces in Iraq do not formally constitute "permanent bases." President Bush said on March 27, 2008 that the strategic framework agreement/SOFA would not establish permanent U.S. bases in Iraq. As discussed below, the agreements negotiated preclude such bases. The Defense Appropriation for FY2007 (P.L. 109-289); the FY2007 Defense Authorization Act (P.L. 109-364); a FY2007 supplemental (P.L. 110-28); the FY2008 Defense Appropriation (P.L. 110-116); P.L. 110-181 (FY2008 defense authorization); the FY2008 Consolidated Appropriation (P.L. 110-161); FY2008/9 supplemental; the Continuing for FY2009 (P.L. 110-329), and the FY2009 defense authorization (P.L. 110-417) contain provisions prohibiting the establishment or the use of U.S. funds to establish permanent military installations or bases in Iraq. Several of these laws (P.L. 110-28, P.L. 110-116, P.L. 110-181, P.L. 110-252, P.L. 110-329, and P.L.

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[24] For further information, see CRS Report RL34362, *Congressional Oversight and Related Issues Concerning the Prospective Security Agreement Between the United States and Iraq*, by Michael John Garcia, R. Chuck Mason, and Jennifer K. Elsea.

110-417 — also say that the United States shall not control Iraq's oil resources, a statement urged by Recommendation 23 of the Iraq Study Group report.

- *Oil Revenues.* Resolution 1546 gave Iraq gained control over its oil revenues (the CPA had handled the DFI during the occupation period[25]) and the Development Fund for Iraq (DFI), subject to monitoring (until at least June 2005) by the U.N.-mandated International Advisory and Monitoring Board (IAMB). Iraq's oil revenues continue to be deposited in the DFI. Resolution 1790 (December 18, 2007) extends IAMB monitoring until December 31, 2008, subject to review by June 15, 2008. Resolution 1546 gave the Iraqi government responsibility for closing out the U.N.-run "oil-for-food program" under which all oil revenues were handled by a U.N. escrow account; Security Council Resolution 1483 had ended the "oil for food program" as of November 21, 2003.

Current Status of U.S.-Iraq Strategic and SOFA Negotiations. Because of the U.N. mandate in effect, there currently is no Status of Forces Agreement (SOFA) with Iraq. A formal SOFA and the related strategic framework agreement have been negotiated, approved by Iraq's cabinet, and is before Iraq's parliament for ratification, with a vote expected by Tuesday, November 25. SOFA agreements typically stipulate which courts and authorities would deal with infractions by employees of the sending country. P.L. 109-289 (FY2007 DOD appropriations) contains a provision that the Defense Department not agree to allow U.S. forces in Iraq to be subject to Iraqi law. A similar provision involving prohibition on use of U.S. funds to enter into such an agreement is in the FY2008 Consolidated Appropriation (P.L. 110-161).

According to the final draft, the SOFA provides significant immunities from Iraqi law for U.S. troops (while performing missions), and for civilian employees of U.S. forces, but not for security contractors. It also delineates that U.S. forces must coordinate operations with a joint U.S.-Iraq military committee. One difference was resolved in July 2008 after Maliki, possibly bowing to Sadrist and other opposition, said the agreement should include a timetable for a U.S. withdrawal. The Bush Administration had repeatedly rejected firm timetables for withdrawal, but President Bush reportedly agreed with Maliki on July 17, 2008, to set a timetable for a U.S. pullout from Iraq at the end of 2011. The draft sets that timetable - eliminating a previous provision that allowed for extension at Iraqi request – and stipulates that U.S. combat forces will cease patrols in Iraqi cities as of June 30, 2009. The final draft also included a provision, not in previous drafts and intended to mollify Iran, that U.S. forces cannot use Iraq as a base to attack other countries.

Iraqi Views on the SOFA. Most observers appear to believe that, because of the strong affirmative vote in the cabinet, which incorporates the heads or key figures in most of the major voting blocs, the agreements will be approved by Iraq's

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[25] For information on that program, see CRS Report RL30472, *Iraq: Oil-for-Food Program, Illicit Trade, and Investigations*, by Christopher Blanchard and Kenneth Katzman.

National Assembly. Boosting support in the Iraqi government and the Assembly has been the statements from the office of Grand Ayatollah Ali al-Sistani indicating his concurrence with the accord, although some factions say that his calls for "consensus" on the agreement suggest that a two-thirds majority be required for passage, or that the document should be put to a national referendum. Sistani's support for the accord, expressed to a group of Shiite parliamentarians and government officials that visited him in Najaf on November 15, 2008, was considered key to the cabinet's approval of the pact the following day.[26]

As of mid-November 2008, the faction that appears steadfastly opposed to the pact is that of the young Shiite cleric Moqtada al-Sadr. Although Sadr himself is believed to be in Iran, statements to his followers read on his behalf have urged opposition to the pact, and have even threatened resumed attacks on U.S. forces by fighters from his Mahdi Army militia. His followers have held demonstrations against the pact in Baghdad for the past several weeks, usually following Friday prayers. Sadr's faction holds 30 seats in the 275 seat National Assembly, which is clearly not enough to defeat it, even if the Assembly agreed to require a two-thirds vote. According to some observers, Sadr is hoping to defeat the pact in the Assembly by allying with Shiite independents as well as Sunnis (there are about 70 Sunni deputies in the Assembly) and secular leaders. The Sunnis, in particular, fear Shiite political and military consolidation when U.S. forces leave Iraq, and did not want a firm timetable for a U.S. departure. However, Sunni leaders appear to have accepted the agreements as inevitable, and are reported to be seeking side pledges from the Iraqi government on release of Sunni detainees held by Iraq and other issues of interest to them. Stiffening the opposition have been pronouncements of opposition from leading Shiite figures such as Ayatollah Mohammad Hussein Fadlallah of Lebanon. Should the pact be voted down, the option remains to roll over the U.N. mandate; the path for that option was cleared in October 2008 when Russia announced it would not block such a renewal in the Security Council.

U.N. Involvement in Governance Issues. Several U.N. resolutions assign a role for the United Nations in post-Saddam reconstruction and governance. Resolution 1483 (cited above) provided for a U.N. special representative to Iraq, and "called on" governments to contribute forces for stabilization. Resolution 1500 (August 14, 2003) established U.N. Assistance Mission for Iraq (UNAMI).[27] Now largely recovered from the bombing of its headquarters in 2003, the size of UNAMI in Iraq, headed by Swedish diplomat Staffan de Mistura, exceeds 120 in Iraq (80 in Baghdad, 40 in Irbil, and others in Basra and Kirkuk), with equal numbers "offshore" in Jordan.

UNAMI's responsibilities are expanding. U.N. Security Council Resolution, 1770, adopted August 10, 2007 and which renewed UNAMI's mandate for another year, enhanced its responsibility to be lead promoter of political reconciliation in Iraq and to plan a national census. It is the key mediator of the Kurd-Arab dispute over

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[26] Sheridan, Mary Beth. "Iraq Head, Top Cleric Back 2011 Exit by U.S." *Washington Post*, November 16. 2008.

[27] Its mandate has been renewed each year since, most recently by Resolution 1700 (August 10, 2006).

Kirkuk and other disputed territories, as discussed below in sections on Iraqi politics. UNAMI is also playing a major role in helping prepare for provincial elections by updating voter registries. It is extensively involved in assisting with the constitution review process, which has stalled. U.N. Resolution 1830 of August 7, 2008 renewed UNAMI's expanded mandate until August 2009. (*In Recommendations 7 and 26 and several others the Iraq Study Group calls for increased U.N. participation in promoting reconciliation in Iraq.*)

Elections in 2005[28]

After the handover of sovereignty, the focus was on three votes held in 2005:

- Transition Government. On January 30, 2005, elections were held for a transitional National Assembly, 18 provincial councils (four-year term), and the Kurdish regional assembly. The Sunni Arabs, still resentful of the U.S. invasion, mostly boycotted, and no major "Sunni slates" were offered, enabling the Shiite United Iraqi Alliance (UIA) to win a slim majority (140 of the 275 seats) and to ally with the Kurds (75 seats) to dominate the national government.

- Constitutional Referendum. Subsequently, a constitution drafted by a committee appointed by the elected government was approved on October 15, 2005. Sunni opponents achieved a two-thirds "no" vote in two provinces, but not in the three needed to defeat the constitution. The crux of Sunni opposition was the provision for a weak central government ("federalism"): it allows groups of provinces to band together to form autonomous "regions" with their own regional governments, internal security forces, and a large role in controlling revenues from any new energy discoveries. Sunnis oppose this concept because their region has thus far lacked significant proven oil reserves and they depend on the central government for revenues. The constitution also contained an article (137) that promised a special constitutional amendment process, within a set six-month deadline, intended to mollify Sunnis.

- Full Term Government. In the December 15, 2005 election for a full four year term government, some Sunnis, seeking to strengthen their position to amend the constitution, fielded electoral slates — the "Consensus Front" and the National Dialogue Front. With the UIA alone well short of the two-thirds majority needed to unilaterally form a government, Sunnis, the Sadr faction, secular groupings, and the Kurds demanded Jafari be replaced and accepted Nuri al-Maliki as Prime Minister (April 22, 2006). Maliki won approval of a cabinet on May 20, 2006 (see table on the cabinet composition).

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[28] See CRS Report RS21968, *Iraq: Reconciliation and Benchmarks*, by Kenneth Katzman. This report also contains a table with Iraq's performance on ennumerated "benchmarks."

Prime Minister Nuri Kamal al-Maliki
Born in 1950 in Karbala, has belonged to Da'wa Party since 1968. An expert in Arab poetry, fled Iraq in 1980 after Saddam banned the party, initially to Iran, but then to Syria when he refused Iran's orders that he join Shiite militia groups fighting Iraq during the Iran-Iraq war. Headed Da'wa offices in Syria and Lebanon and edited Da'wa Party newspaper. Advocated aggressive purge of ex-Baathists as member of the Higher National De-Baathification Commission after Saddam's fall and continues to seek rapid execution of convicted Saddam-era figures, earning him criticism among Sunnis for sectarian bias. Elected to National Assembly (UIA list) in January 2005 and chaired its "security committee." Publicly supported Hezbollah (which shares a background with Da'wa Party) during July-August 2006 Israel-Hezbollah conflict, prompting congressional criticism during July 2006 visit to Washington DC. Has tense relations with ISCI, whose activists accuse him of surrounding himself with Da'wa members. Prior to 2007, repeatedly shielded Sadr's Mahdi Army militia from U.S. military sweeps, but has now fallen out with Sadr. His confronting Sadr in 2008 has bolstered Maliki's support among Sunnis and Kurds and increased his political strength.

Political Reconciliation, Upcoming Elections, and Benchmarks

Many observers are measuring the effectiveness of U.S. policy by whether or not it facilitates durable political reconciliation[29] — considered key to creating stability that will outlast a U.S. drawdown. U.S. officials have cited legislative achievements in Iraq in 2008 as key indicators of political progress, while at the same time calling for further steps such as increasing focus on provision of public services. These major cited steps include adoption of a De-Baathification reform law, an amnesty law for detainees, a law stipulating the power of provincial councils, passage of the 2008 national budget, and the provincial election law. A GAO study, released in June 2008 (GAO-08-837), noted problems in Iraqi leaders' implementation of agreed laws and policies, limiting reconciliation to date.

Although many Iraqi factions are moving more into politics and away from use of violence, there continue to be significant splits in the power structure that could undermine U.S. gains. These splits are between the dominant Shiites and the Sunni Arabs, within the Shiite and Sunni communities, and between the Arabs and Kurds. In 2007, several major political blocs, including the Sadrist faction and the leading Sunni "Consensus Front" pulled their members out of the cabinet, leaving Maliki, at one point, with 13 out of the 37 total positions vacant. The pullout from the UIA bloc in the COR by the Shiite *Fadilah* Party and the Sadr faction in April 2007 and September 2007, respectively, left Maliki's parliamentary majority thin.

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[29] On January 10, President Bush stated that the surge would give the Iraqi government "the breathing space it needs to make progress in other critical areas, adding that"most of Iraq's Sunni and Shia want to live together in peace — and reducing the violence in Baghdad will help make reconciliation possible." Available at [http://www.whitehouse.gov/news /releases/2007/01/20070110-7.html]

The intra-Shiite split remains volatile, but signs indicate that this rift is moving away from consistent armed conflict. This trend is a consequence of the late March 2008 move by Maliki to try to weaken the Sadr and Fadilah militias by sending ISF units to Basra to eliminate Sadr/Mahdi control of major districts. Prior to 2007, Maliki had the support of the Sadr faction, but that alliance disintegrated in 2007 when the United States insisted that Maliki allow U.S. forces to pursue Mahdi Army militiamen as part of the "troop surge." After initial ISF failures, the city has returned to relatively normal life, as well as transparent operations of Basra port. The crackdown was viewed as a move by Maliki and ISCI to weaken Sadr's faction politically. Sadr says his movement will back independents — not run a separate "Sadrist list" in the January 31, 2009 provincial elections, an indication of continued movement into the political process. However, Mahdi and other militiamen did not surrender or disarm, and many reportedly are waiting in Iran for favorable circumstances or to interfere in upcoming provincial elections.

Moqtada Al Sadr

Moqtada Al Sadr is the lone surviving son of the Ayatollah Mohammed Sadiq al-Sadr, who was killed, along with his other two sons, by regime security forces in 1999 after he began agitating against Saddam. Sadr inherited his father's political base in "Sadr City," a large (2 million population) Shiite district of Baghdad, but is also strong in and has challenged ISCI for control of Diwaniyah, Nassiriyah, Basra, Amarah, and other major Shiite cities. Since late 2007, he has reportedly been in Qom, Iran, studying Shiite Islamic theology under Iranian judiciary head Ayatollah Mahmud Shahrudi and Qom-based Iraqi cleric Ayatollah Kazem Haeri. Sadr is married to the daughter of Da'wa Party founder and revolutionary Shiite theologian Ayatollah Mohammad Baqr Al Sadr (a cousin of his father).

Although Moqtada Al Sadr was initially viewed as a young firebrand lacking religious and political weight, he is now viewed as a threat by the mainstream Shiite factions. Increasingly perceived as clever and capable — simultaneously participating in the political process to avoid confrontation with the United States while denouncing the "U.S. occupation" and occasionally sending his militia into combat against the United States and rival Iraqi factions. He has a large following among poor Shiites who identify with other "oppressed Muslims" and who oppose virtually any U.S. presence in the Middle East. Sadr formed the "Mahdi Army" militia in 2003. Sadr supporters won 30 seats in parliament under UIA bloc but pulled out of the bloc in September 2007; the faction also has two supporters under the separate "Messengers" list. Prior to its April 2007 pullout from the cabinet, the Sadr faction held ministries of health, transportation, and agriculture and two ministry of state posts. In June 2008, his office announced it would not run a separate electoral list in upcoming provincial elections and that most of the Mahdi Army would transform into a political movement, leaving several hundred fighters in "special companies" authorized to fight U.S. and partner forces in Iraq. In August 2008, stated intention to convert part of Mahdi Army to nationwide charity arm ("mumahidun" – "trail blazers") to compensate for government ineffectiveness, but leaving his level of commitment to purely political as opposed to violent action still uncertain. His faction opposes the Shiite "region" in the south, opposes a draft oil law as a "sellout," and opposes the SOFA with the U.S. Sadr's reputation remains clouded by allegations of involvement in the April 10, 2003, killing in Iraq of Abd al-Majid Khoi (the son of the late Grand Ayatollah Khoi and head of his London-based Khoi Foundation). There is discussion throughout this report about tensions between Sadr's faction and other Shiite groups and with the U.S. military.

Some additional political progress grew out of the Basra crackdown. Sunni and Kurdish leaders rallied to Maliki's side because the operation showed his willingness to act against fellow Shiites. Partly as a result, the leading Sunni "Accord Front" bloc rejoined the cabinet in July 2008, taking one deputy prime ministership, as well as the ministries of Culture, Women's Affairs, Higher Education, Communications, and the State ministry of Foreign Affairs. Simultaneously, the COR voted in four new UIA members to fill vacancies left by the pullout of the Sadrist faction from the cabinet in 2007. These cabinet changes added to the October 2007 replacement of two resigned Sadrist ministers (Health and Agriculture) with independent Shiites, meaning that the cabinet now has only one vacancy (Justice).

On the other hand, some say there is a growing split between the generally aligned ISCI and Maliki's Da'wa Party, even though both feel politically vulnerable to the Sadr movement. ISCI has always been viewed as the larger, better organized party, controlling at least four southern provinces. Unlike ISCI, the Da'wa Party never had an organized militia arm. Some say the Da'wa Party is trying to redress the power imbalance with ISCI through alliances with security force and Shiite tribal leaders and by promoting the control of the central government — which Maliki dominates — over the provinces. Some reports suggest that Iran is already actively working to support ISCI's prospects in those elections, building on the longstanding ties between ISCI leaders and Iran's leadership.

Although many Sunnis are coming into the political process, this trend is creating growing differences within the Sunni Arab political structure. The established, urban-based Sunni parties that participated in the December 2005 elections are now facing challenges from tribally-based Sunnis who are part of the "Awakening (As Sahwa) Movement," founded in late 2005 in Ramadi by Shaykh Abd al-Sattar al-Rishawi, to counter Al Qaeda in Iraq. The Awakening Movement is credited with helping stabilize Anbar in partnership with U.S. forces. The tribal groups are expected to vigorously compete in the upcoming provincial elections. The Awakening leaders are working with the United States and its forces, but they blame Maliki for refusing to allow any more than 20% of the 99,000 insurgent-turned security forces ("Sons of Iraq") to join the Iraqi security forces, a sign of Maliki's continued distrust. The Awakening movement is headed by Shaykh Rishawi's brother, Ahmad, following Rishawi's assassination in September 2007. Another key figure in their coalition is Anbar province Governor Mamoun Rashid al-Alwani. This power struggle contributed to a delay in the handover of Anbar Province to Iraqi control, but that handover did take place on September 1, 2008.

The Kurds are fully engaged in the political structure in Baghdad and have been partners of Maliki and ISCI, but they are now increasingly at odds with Iraqi Arab leaders over Kirkuk and other disputed territories, as well as over the KRG's decision to move forward on oil and gas development deals in advance of a national oil law. Iraq's Oil Minister has called the deals — and a separate KRG oil law — illegal. However, they insist on implementation of Article 140 of the constitution that mandated a referendum on whether Tamim (Kirkuk) Province will affiliate formally with the Kurdistan Regional Government. The Bush Administration persuaded the Kurds to grudgingly accept a delay of the referendum (constitutionally mandated to be held by December 31, 2007) in favor of a temporary compromise under which the

UNAMI produces recommendations on whether or not to integrate some Kurdish-inhabited cities into the KRG, including Khanaqin, Mandali, Sinjar, Makhmour, Akre, Hamdaniya, Tal Afar, Tilkaif, and Shekhan. A June 2008 UNAMI report leaned toward the Kurds on some of these territories, but with Arab Iraq on other territories, such as Hamdaniya and Mandali. UNAMI announced on August 20, 2008 that it would propose, hopefully by late October 2008, a "grand deal" on Kirkuk and other dispute territories, to be ratified by the constitutionally-mandated referendum. In December 2007, UNAMI also succeeded in persuading Sunni Arabs to return to the fractured Kirkuk provincial council.

It was the Kirkuk dispute that caused a presidential veto of the July 22, 2008, COR vote (held on July 15 despite a Kurdish walkout) on the needed provincial election law. The first version of the law provided for equal division of power in Kirkuk (between Kurds, Arabs, and Turkomans) until its status is finally resolved and for the ISF to replace the *peshmerga* as the main security force in the province, producing communal strife in Kirkuk city. There were further tensions in August 2008, over the central government's attempts to oust *peshmerga* from control of Khanaqin, a mixed Kurd-Arab city in Diyala Province inhabited by many Kurds. The Kurds — reportedly using their intelligence service the *Asayesh* — have been strengthening their position in Kirkuk by pressuring the city's Arabs, both Sunni and Shiite, and Turkomans to leave. The passed provincial elections law provides for a COR committee to work on resolving the Kirkuk/disputed territories dispute. The Kurds also fear Maliki's new initiative to form "tribal support councils" for his government in and near disputed territories, which the Kurds perceive as a move to reduce their influence in the north.

The major legislation passed in 2008 is included in a total of about 23 laws passed by the COR in 2008. The 2008 laws include a civil service law, a law to curb oil smuggling, and a law to compensate victims of U.S. operations. Of the 112 laws passed by the COR from 2006-2007, 34 were vetoed. Among 2007 laws enacted was a measure regulating Iraq's oil refineries (July 2007) and a law on pensions for Saddam-era government employees (November 2007). The cabinet approved a draft law on October 30, 2007 ending a provision that protects private security contractors — part of the fallout from the September 2007 incident involving Blackwater security company's killing of 17 Iraqi civilians at Nisoor Square in Baghdad.

Iraqi Pledges and Status of Accomplishment. The Bush Administration asserts — in a May 2008 informal update to two reports mandated by P.L. 110-28 — — that most of the "benchmarks" of progress have now been completed and will promote reconciliation, although the lasting effects will largely depend on implementation. The benchmarks were outlined in a FY2007 Supplemental Appropriation Act (P.L. 110-28), which conditioned the release of some funds for Iraq operations upon progress on these benchmarks, and required the Administration to report on progress by July 15 and September 15, 2007. A presidential waiver provision to permit the flow of funds was exercised.[30] P.L. 110-28 also mandated a

[30] Presidential Determination No. 2007-27 of July 12, 2007, and Presidential Determination No. 2007-35 of September 28, 2007.

GAO report released September 4, 2007,[31] and a separate assessment of the Iraqi security forces (ISF) by an outside commission (headed by retired Gen. James Jones) discussed later.

The information below is intended to analyze Iraqi performance on the benchmarks, as compared to what Iraqi leaders pledged *in August 2006.* This does not strictly correspond to the 18 benchmarks of P.L. 110-28. *A chart on the those 18 benchmarks, along with subsequent developments, is in CRS Report RS21968.*

(1) *By September 2006, formation of a committee to review the constitution under the special amendment process (Article 137); approval of a law to implement formation of regions; approval of an investment law; and approval of a law establishing the Independent High Electoral Commission (IHEC).* The investment law was adopted in October 2006. The regions law was adopted October 12, 2006, although, to mollify Sunni opposition who fear formation of a large Shiite region in as many as nine provinces of southern Iraq, major factions agreed to delay the formation of new regions until at least April 2008. Iraqi leaders are increasingly fearful of a push on forming a large Shiite region, although the only such initiative that has materialized to date has been a petition by 2% of Basra's voters – initiated by the *Fadilah* party – to form a region out of that province. Petition backers need the signatures of another 8% of voters within 30 days to trigger a referendum.

The IHEC law — required to implement the planned provincial elections — was passed on January 23, 2007, and the nine election commissioners have been appointed, although they are considered mostly representatives of the major blocs and not necessarily neutral. The process of choosing IHEC representatives in each province was slow — several provinces lack election commissioners.

The constitution review committee (CRC), chaired by Humam al-Hammoudi, a senior ISCI leader, delivered "semi-final" recommendations for constitutional amendments in late May 2007, but left many sensitive issues to be decided by senior faction leaders. Among them are the powers of regions versus central government, the status of Kirkuk, and presidential powers (Sunnis want the presidency to have more power to have increased powers). With deadlock remaining on 50 amendments covering these fundamental questions, but making some progress on the role of the judiciary and some human rights, the CRC has repeatedly extended the deadline submitting its final recommendations — the new deadline is the end of 2008. Sunni representatives reportedly seek to alter the constitution so as to reduce the powers of the prime minister (who is likely to be Shiite).

(2) *By October 2006, approval of a provincial powers law and approval of a new oil law.* The provincial authorities law was passed on February 13, 2008. It was initially blocked when deputy President Adel Abd al-Mahdi insisted it not include a provision for the Baghdad government to dismiss provincial governors, but, reportedly under some U.S. pressure, he dropped his objection on March 19, 2008 and the new law is in effect. The election law required to implement elections was adopted on September 24, 2008; the law provides for: the elections to be held by

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[31] Securing, Stabilizing, and Rebuilding Iraq. GAO-07-1220T

January 31, 2009 (this date was set as the election date on November 18, 2008); an "open list/proportional representation" voting system (the same system is used in Switzerland) for 440 total provincial council seats; a ban on religious symbols from the balloting; a 25% quota for females in the provincial councils; elimination of protections for minorities, such as Christians and Turkomens; postponing to a later time provincial elections in Kirkuk and the three KRG provinces; and the establishment of a COR committee to try to resolve Kirkuk and related disputes. (*As a result of protests and outcries from minorities, a subsequent law was passed in early November restoring six reserved seats for minorities - Christians are to get one seat in each of Baghdad, Nineveh, and Basra provinces; Yazidis get one seat in Nineveh; the Sabeans get one seat in Baghdad; and the Shabaks get one seat in Nineveh. However, this is far fewer than the UNAMI recommendation that the minorities should get twice this amount of reserved seats.*)

The oil laws have not been passed, to date. Beginning in mid-2006, a three member Oil and Energy Committee working under the auspices of the Iraqi cabinet prepared draft hydrocarbon framework legislation to regulate Iraq's oil and gas sector. Following approval by the negotiating committee, Iraq's cabinet approved a draft version of the framework law in February 2007. However, the Kurds opposed a revised version agreed by the cabinet. In July 2008, the Kurds and the central government set up a "joint commission" to resolve the differences, and a new framework law reportedly was forwarded to the COR in October 2008. However, a parliamentary committee rejected it and sent it back to the cabinet for revision. A related draft revenue law, on which the U.S. Embassy in Baghdad says it expects progress in the remainder of 2008, would empower the federal government to collect oil and gas revenue, and reserve 17% of oil revenues for distribution to the Kurdish regional government. Two other implementing laws dealing with the structure of the oil industry and how foreign firms' investments will be treated have not yet been approved by the cabinet. The acrimony over oil legislation is increased by the Kurds' proceeding with separate energy development deals and passage of their own oil law.

(3) *By November 2006, approval of a new de-Baathification law and approval of a flag and national anthem law.* The January 12, 2008, COR adoption of the De-Baathification law, called the Accountability and Justice Law, was considered a major development because of the emotions and sensitivity among the dominant factions to allowing Baathists back into government. The effect of the law on reconciliation, adopted unanimously by 143 in the COR who were present (opponents walked out before the vote), depends on implementation, and thus far it has not been implemented because new commissioners for the Higher De-Baathification Commission have not been appointed. The law allows about 30,000 lower ranking ex-Baathists to regain their jobs; 3,500 Baathists (top three party ranks) would not, but would receive pensions instead. But, the law could allow for judicial prosecution of all ex-Baathists and to firing of about 7,000 ex-Baathists in post-Saddam security services, and bars ex-Saddam security personnel from regaining jobs.

On January 22, 2008, the COR voted 110 (out of 165 present) to pass a law adopting a new national flag that drops the previous Saddam-era symbols on the flag. However, some facilities dominated by Sunnis, who oppose the new design, have not flown the new flag to date and accuse the COR of adopting it because of pressure from the Kurds, who wanted a new flag in advance of a regional Arab

parliamentarians meeting in the Kurdish area in March 2008. There has been no further progress on the national anthem issue.

(4) *By December 2006, approval of laws to curb militias and to offer amnesty to insurgent supporters.* As noted, the law to grant amnesty to detainees (mostly Sunnis and Sadrists) held by Iraq was passed on February 13, 2008, and went into effect on March 2, 2008. Thus far, 22,000 incarcerated persons have been granted amnesty, but the number actually released is not known, according to the Defense Department. The law does not affect 19,000 detainees held by the United States.

No formal laws to curb militias has been passed, but a previous (June 2007) DOD "Measuring Stability" report said Maliki had verbally committed to a militia demobilization program, and an executive director of the program was named on May 12, 2007, but committee members have not been appointed and a demobilization work plan not drafted. The government's Basra operation in March 2008 was seen as a government effort against militias, particularly that of Moqtada Al Sadr and, on April 9, 2008, Maliki stated that no party that continues to field an illegal militia would be permitted to participate in the planned provincial elections.

(5) *By January 2007, completion of the constitutional review process.* As noted above, the constitution review committee has not completed its work.

(6) *By February 2007, the formation of independent commissions to oversee governance.* No progress has been reported to date. (This is not one of the formal benchmarks stipulated by P.L. 110-28.)

(7) *By March 2007, holding of a referendum on the constitutional amendments.* See no. 5.

(8) *By April 2007, Iraqi assumption of control of its military.* Six of the ten Iraqi Army divisions are now under Iraqi control. (This is not one of the P.L. 110-28 benchmarks.)

(9) *By September 2007, Iraqi security control of all 18 provinces.* Iraq Security Forces now have security control for 12 provinces: Muthanna, Dhi Qar, Najaf, Maysan, Karbala, Irbil, Sulaymaniyah, Dohuk (the latter three are Kurdish provinces turned over May 30, 2007), Basra, Qadisiyah, Anbar (September 1, 2008), and Babil (October 23, 2008). (The provincial handovers are not among the P.L. 110-28 benchmarks.)

(10) *By December 2007, Iraqi security self-reliance.* Estimates by Iraqi and U.S. commanders on when Iraqi security forces would be able to secure Iraq by themselves are discussed in the sections on the ISF later in this paper. (This is not one of the P.L. 110-28 benchmarks.) The other security related benchmarks of the eighteen mentioned in P.L. 110-28 — such as applying law even-handedly among all sects – are security-related and are discussed later.

Regional and International Diplomatic Efforts to Promote Iraq Stability. The Iraqi government is receiving growing diplomatic support, even though most of its neighbors, except Iran, resent the Shiite and Kurdish domination

of the regime. Ambassador Crocker testified during April 8-9, 2008, that the U.S. lamented that, at that time, there were no Arab ambassadors serving in Iraq, depriving the Arab states of countervailing influence to Iran's ties to Iraqi factions. Saudi Arabia, which considers the Shiite dominated government in Baghdad an affront to what it sees as rightful Sunni pre-eminence, told visiting Secretary of State Rice in August 2007 that the Kingdom will consider opening an embassy in Iraq. However, press reports in October 2008 say the move is on hold. During June - October 2008, Bahrain, UAE, Kuwait, Jordan, Syria, Qatar, and Egypt either sent ambassadors to Iraq or announced that they would. Jordan's King Abdullah visited Iraq on August 11, 2008, becoming the first Arab leader to do so. Iranian President Mahmoud Ahmadinejad visited March 2-3, 2008. Turkey's Foreign Minister Tayyip Recep Erdogan visited in July 2008, and Lebanese Prime Minister Fuad Siniora visited in August 2008.

The United States has tried to build regional support for Iraq through an ongoing "Expanded Ministerial Conference of Iraq's Neighbors" process, consisting of Iraq's neighbors, the United States, all the Gulf monarchy states, Egypt, and the permanent members of the United Nations Security Council). The first meeting was in Baghdad on March 10, 2007. Iran and Syria attended, as did the United States. A follow-on meeting in Egypt was held May 3 and 4, 2007, in concert with additional pledges of aid for Iraq under an "International Compact for Iraq (ICI)" and agreement to establish regional working groups on Iraq's security, fuel supplies, and Iraqi refugees. Those groups have each had several meetings. A ministerial meeting held in Istanbul on November 2, 2007, but that meeting was reportedly dominated by the crisis between Turkey and Iraq over safe haven for the Turkish Kurdish opposition PKK (Kurdistan Workers Party), discussed further below. The November 2007 meeting did agree to create an institutional support mechanism for the process, possibly run by UNAMI. The third full "Expanded Neighbors" meeting was held in Kuwait on April 22, 2008, although without any significant announcements from major Arab states on opening embassies in Iraq, remitting pledged reconstruction funds, or writing off Saddam-era debt. No progress on debt relief or related issues were made at a meeting of the Iraq Compact countries in Sweden on May 30, 2008. Bilateral U.S.-Iran meetings on Iraq are discussed below.

Human Rights and Rule of Law. The State Department's report on human rights for 2007, released March 11, 2008, much as the previous year's report, blamed much of the human suffering in Iraq on the overall security environment, the wide scale presence of militias, and partisans in the government, rather than on the Iraqi government writ large. The report, which was produced before the attacks on Christians, the source of which is unclear, said that Iraq's has the legal framework "for the free exercise of human rights." 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. Similarly, the September 19, 2008 report on International Religious Freedom attributed restrictions on the free exercise of religion (by religious minorities) to "terrorists, extremists, and criminal gangs," while praising the Iraqi government for endorsing free exercise of religious rights.

Status of Christians. On the other hand, the Christians of Mosul (Nineveh Province) are blaming the Kurds for threatening them to leave the province in order to strengthen the Kurdish position there. Subsequent to the passage of the provincial

election law, Christians in Mosul protested the law (which stripped out reserve seats for minorities) and began to be subjected to assassinations and other attacks by unknown sources. About 1,000 Christian families reportedly fled the province in October 2008, although Iraqi officials report that some families have begun to return. Some blamedd the attacks on Al Qaeda in Iraq, which is still somewhat strong in Nineveh Province and associates Christians with the United States. UNAMI coordinated humanitarian assistance to the Christians and others displaced.

Even before the recent violence in Nineveh, more than 100,000 Christians had left Iraq since the fall of Saddam Hussein. Christian priests have been kidnapped and killed; most recently, the body of Chaldean Catholic archbishop Faraj Rahho was discovered in Mosul on March 13, 2008, two weeks after his reported kidnapping. However, some Christians in Baghdad felt safe enough to celebrate Christmas (2007) at churches in Baghdad. An attack on the Yazidis in August 2007, noted above, also appeared to reflect the precarious situation for Iraqi minorities. U.S. military forces do not specifically protect Christian sites at all times, partly because Christian leaders do not want to appear closely allied with the United States. Previously, some human rights groups have alleged Kurdish abuses against Christians and other minorities in the Nineveh Plain, close to the KRG-controlled region. Kurdish leaders deny the allegations. The FY2008 Consolidated Appropriation earmarks $10 million in ESF from previous appropriations to assist the Nineveh plain Christians. A supplemental appropriation for 2008 and 2009 (P.L. 110-252) earmarks another $10 million for this purpose.

Another State Department report to Congress details how the FY2004 supplemental appropriation (P.L. 108-106) "Iraq Relief and Reconstruction Fund" (IRRF) has been spent for programs on this issue ("2207 Report"). These programs are run by the State Department Bureau of International Narcotics and Law Enforcement Affairs (State/INL), USAID, and State Department Bureau of Democracy, Human Rights, and Labor (DRL):

- About $1.014 billion from the IRRF was for "Democracy Building," including programs to empower women and promote their involvement in Iraqi politics, as well as programs to promote independent media. Subsequent appropriations specifically on that issue included (1) FY2006 regular foreign aid appropriations (P.L. 109-102) – $28 million each to the International Republican Institute and the National Democratic Institute for Iraq democracy promotion; (2) FY2006 supplemental appropriation (P.L. 109-234) – $50 million in ESF for Iraq democracy promotion, allocated to various organizations performing democracy work there (U.S. Institute of Peace, National Democratic Institute, International Republican Institute, National Endowment for Democracy, and others); (3) FY2007 supplemental appropriation (P.L. 110-28) – $250 million in additional "democracy funding;" (4) FY2008 and FY2009 supplemental appropriation (P.L. 110-252) – $75 million to promote democracy in Iraq.

Of the IRRF:

- About $71 million was for "Rule of Law" programs.
- About $15 million was to promote human rights and human rights education.
- About $159 million was to build and secure courts and train legal personnel, including several projects that attempt to increase the transparency of the justice system, computerize Iraqi legal documents, train judges and lawyers, develop various aspects of law, such as commercial law, promote legal reform. There are currently 1,200 judges working, up 100 since September 2007, reporting to the Higher Juridical Council.
- About $128 million is for "Investigations of Crimes Against Humanity," primarily former regime abuses.
- $10 million was for the Commission for the Resolution of Real Property Disputes (formerly the Iraqi Property Claims Commission) which is evaluating Kurdish claims to property taken from Kurds, mainly in Kirkuk, during Saddam's regime.

Other ESF funds have been used for activities to empower local governments, including the "Community Action Program" (CAP) through which local reconstruction projects are voted on by village and town representatives (about $50 million in funding per year); related Provincial Reconstruction Development Committees (PRDCs); and projects funded by Provincial Reconstruction Teams (PRTs), local enclaves to provide secure conditions for reconstruction.

Economic Reconstruction and U.S. Assistance

The Administration has asserted that economic reconstruction will contribute to stability.[32] The testimony by General Petraeus and Ambassador Crocker during April 8-9, 2008, indicated that the Administration concurs with the substantial bipartisan sentiment that Iraq, flush with oil revenues, should begin assuming the financial burden for its own reconstruction and security costs. A total of about $48 billion has been appropriated for reconstruction funding (including security forces), including about $2.8 billion in Commanders Emergency Response Program (CERP) funds, which are DOD funds that are distributed locally by U.S. military officers to build good will toward U.S. troops, although assessments show that some funds have been used for relatively ambitious development projects usually handled by USAID. For more detailed breakdowns of U.S. aid to Iraq, see CRS Report RL31833, *Iraq: Recent Developments in Reconstruction Assistance*, by Curt Tarnoff.

A major source of reconstruction funds was the Iraq Relief and Reconstruction Fund. About $20.9 billion was appropriated for the IRRF in two supplemental appropriations: FY2003 supplemental, P.L. 108-11, which appropriated about $2.5

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[32] In Recommendation 67, the Iraq Study Group called on the President to appoint a Senior Advisor for Economic Reconstruction in Iraq, a recommendation that was largely fulfilled with the February 2007 appointment of Timothy Carney as Coordinator for Economic Transition in Iraq. That position has been held since 2007 by Amb. Charles Ries.

billion; and the FY2004 supplemental appropriations, P.L. 108-106, which provided about $18.42 billion. According to State Department reports, the IRRF sector allocations are as follows:

- $5.03 billion for Security and Law Enforcement;
- $1.315 billion for Justice, Public Safety, Infrastructure, and Civil Society (some funds from this category discussed above);
- $1.014 billion for Democracy (as discussed above);
- $4.22 billion for Electricity Sector;
- $1.724 billion for Oil Infrastructure;
- $2.131 billion for Water Resources and Sanitation;
- $469 million for Transportation and Communications;
- $333.7 million for Roads, Bridges, and Construction;
- $746 million for Health Care;
- $805 million for Private Sector Development (includes $352 million for debt relief for Iraq);
- $410 million for Education, Refugees, Human Rights, Democracy, and Governance (includes $99 million for education); and
- $213 million for USAID administrative expenses.

Oil Revenues. Before the war, it was widely asserted by Administration officials that Iraq's vast oil reserves, believed second only to those of Saudi Arabia and the driver of Iraq's economy, would fund Iraq's reconstruction costs. The oil industry infrastructure suffered little damage during the U.S.-led invasion (only about nine oil wells were set on fire), but it has been targeted by insurgents and smugglers. Protecting and rebuilding this industry (Iraq's total pipeline system is over 4,300 miles long) has received substantial U.S. and Iraqi attention; that focus has shown some success as production, as of May 2008, reached nearly pre-war levels.

Corruption and mismanagement are key issues. The U.S. military reports in recent "Measuring Stability" reports that elements of the protection forces for the oil sector (Strategic Infrastructure Battalions and Facilities Protection Service for the Oil Ministry) are suspected of complicity for smuggling as much as 70% of the output of the Baiji refinery, cost Iraq as much as $2 billion in revenue per year. The Iraqi government needs to import refined gasoline because it lacks sufficient refining capacity. A GAO report released August 2, 2007 said that inadequate metering, re-injection, corruption, theft, and sabotage, likely renders Iraq's oil production 100,000 - 300,000 barrels per day lower than the figures shown below, taken from State Department report. (*Steps to correct some of these deficiencies in the oil sector are suggested in Recommendations 62 of the Iraq Study Group report.)*

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. International investment has been assumed to depend on the passage of the hydrocarbons laws, and some are concerned that the draft oil laws, if implemented, will favor U.S. firms. In April 2008, the European Union claimed to be close to an energy cooperation deal with Iraq. A Russian development deal with Saddam's government (the very large West Qurna field, with an estimated 11 billion barrels of oil) was voided by the current government in December 2007. However, in November 2008, the Iraqi government approved the Saddam-era (1997) deal with Chinese firms

to develop the Ahdab field, with an estimated value of $3.5 billion. Poland reportedly is negotiating with Iraq for possible investments. South Korea and Iraq signed a preliminary agreement on April 12, 2007, to invest in Iraq's industrial reconstruction and, potentially, its energy sector as well, although Baghdad threatened in December 2007 to cut off sales of oil to South Korea because its firms also signed an energy development deal with the KRG. Other investors in the KRG region include Norway's DNO, Turkey's Genel; Canada's Western Zagros; Turkish-American PetPrime; Turkey/U.S.'s A and T Energy; Hunt Oil, and Dana Gas (UAE). However, the Kurds are constrained in their export routes, dependent on the Iraqi national pipeline network and on cooperation from Turkey, which is declining because of the heightened tensions between Turkey and Iraq's Kurds over the safehaven for the PKK. The produced oil from some of these projects will, at least initially, be trucked out. (*In Recommendation 63, the Iraq Study Group says the United States should encourage investment in Iraq's oil sector and assist in eliminating contracting corruption in that sector.*)

Table 2. Selected Key Indicators

Oil						
Oil Production (weekly avg.)	**Oil Production (pre-war)**	**Oil Exports**	**Oil Exports (pre-war)**	**Oil Revenue (2006)**	**Oil Revenue (2007)**	**Oil Revenue (2008 to date)**
2.38 million barrels per day (mbd)	2.5 mbd	1.94 mbd	2.2 mbd	$31.3 billion	$41 billion	$58.1 billion
Electricity						
Pre-War Load Served (MWh)	**Current Load Served**	**Baghdad (hrs. per day)**	**National Average (hrs. per day)**			
102,000	120,000	16.6 (9.3 year ago)	14.6 (12.7 year ago)			

Note: Figures in the table are provided by the State Department "Iraq Weekly Status Report" dated November 12, 2008. Oil export revenue is net of a 5% deduction for reparations to the victims of the 1990 Iraqi invasion and occupation of Kuwait, as provided for in U.N. Security Council Resolution 1483 (May 22, 2003). That 5% deduction is paid into a U.N. escrow account controlled by the U.N. Compensation Commission to pay judgments awarded.

Lifting U.S. Sanctions. In an effort to encourage private U.S. investment in Iraq, the Bush Administration has lifted nearly all U.S. sanctions on Iraq, beginning with Presidential Determinations issued under authorities provided by P.L. 108-7 (FY2003 appropriations) and P.L. 108-11 (FY2003 supplemental).

- On May 22, 2003, President Bush issued Executive Order 13303, protecting assets of post-Saddam Iraq from attachment or judgments. This remains in effect.

- On July 29, 2004, President Bush issued Executive Order 13350 ending a trade and investment ban imposed on Iraq by Executive Order 12722 (August 2, 1990) and 12724 (August 9, 1990), and reinforced by the Iraq Sanctions Act of 1990 (Section 586 of P.L. 101-513, November 5, 1990 (following the August 2, 1990 invasion of Kuwait).

- On September 8, 2004, the President designated Iraq a beneficiary of the Generalized System of Preferences (GSP), enabling Iraqi products to be imported to the United States duty-free.

- 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). Iraq is thus no longer barred from receiving U.S. foreign assistance, U.S. votes in favor of international loans, and sales of arms and related equipment and services. Exports of dual use items (items that can have military applications) are no longer subject to strict licensing procedures.[33]

- The FY2005 supplemental (P.L. 109-13) removed Iraq from a named list of countries for which the United States is required to withhold a proportionate share of its voluntary contributions to international organizations for programs in those countries.

Debt Relief/WTO Membership/IMF. The Administration is attempting to persuade other countries to forgive Iraq's debt, built up during Saddam's regime, with mixed success. The debt is estimated to total about $116 billion (not including the U.N.-administered reparations process from the 1991 Persian Gulf war). In 2004, the "Paris Club" of 19 industrialized nations agreed to cancel about 80% of the $39 billion Iraq owes them. Most recently, at the May 30, 2008, Iraq Compact meeting in Sweden, the Persian Gulf states that supported Iraq during the Iran-Iraq war have resisted writing off Iraq's approximately $55 billion in debt to those countries (mainly Saudi Arabia and Kuwait with about $25 billion each). However, the UAE agreed on July 6, 2008 to write off all $7 billion (including interest) of Iraqi debt. Iraq settled its debt (including some debt write-off) with Bulgaria in August 2008. The Gulf states are also far behind on remitting aid pledges to Iraq, according to the GAO.[34] 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 principal and interest from about $2 billion in defaults on Iraqi agricultural credits from the 1980s.[35] On December 15, 2007, Iraq cleared its debts to the International Monetary Fund

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[33] 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.

[34] [http://www.gao.gov/new.items/d08365r.pdf]

[35] For more information, see CRS Report RL33376, *Iraq's Debt Relief: Procedure and Potential Implications for International Debt Relief*, by Martin A. Weiss.

(IMF) by repaying $470 million earlier than required and has a Stand-By Arrangement with the Fund. On December 13, 2004, the World Trade Organization (WTO) began accession talks with Iraq.

Security Challenges and Responses

Since the fall of Saddam Hussein, the United States has employed a multi-faceted approach to securing Iraq. In late 2006, the effort was determined by the Administration to be faltering as violence and U.S. casualties escalated. In announcing a strategy revision on January 10, 2007, President Bush said, "The situation in Iraq is unacceptable to the American people and it is unacceptable to me."

U.S. military headquarters in Baghdad (Combined Joint Task Force-7, CJTF-7) is a multi-national headquarters "Multinational Force-Iraq, MNF-I," is headed as of September 2008, by General Raymond Odierno. His predecessor, Gen. David Petraeus, took over as head of U.S. Central Command (CENTCOM) on October 31, 2008. The current head of Multinational Corps-Iraq (number two commander) is Lt. Gen. Lloyd Austin.

Sunni Arab-Led Insurgency and Al Qaeda in Iraq

Until 2008, the duration and intensity of a Sunni Arab-led insurgency defied many expectations, probably because it was supported by much of the Iraqi Sunni population that feels humiliated at being ruled by the Shiites and their Kurdish partners. Some Sunni insurgents have sought to return the Baath Party to power, while others want to restore Sunni control more generally. The insurgent groups are believed to be loosely coordinated within cities and provinces, and some continue to cooperate with Al Qaeda in Iraq (AQ-I), comprised of Sunni fighters from around the Arab and Islamic world who have come to Iraq to fight U.S. forces and Shiite domination of Iraq. The most senior Baathist still at large is longtime Saddam confident Izzat Ibrahim al-Duri.

The Sunni insurgency did not derail the political transition,[36] but it caused rates of U.S. casualties sufficient to stimulate debate in the United States over the U.S. commitment in Iraq. Using rocket-propelled grenades, IEDs (improvised explosive devices), mortars, direct weapons fire, suicide attacks, and occasional mass kidnappings, Sunni insurgents targeted U.S. and partner foreign forces; Iraqi officials and security forces; Iraqi civilians of rival sects; Iraqis working for U.S. authorities; foreign contractors and aid workers; oil export and gasoline distribution facilities; and water, power, and other facilities. In 2007, insurgent groups exploded chlorine trucks to cause widespread civilian injury or panic on about ten occasions; another chlorine attack occurred in January 2008. Another 2007 trend was attacks on bridges, particularly those connecting differing sects. Some insurgents choked off power

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[36] For further information, see Baram, Amatzia. "*Who Are the Insurgents?*" U.S. Institute of Peace, Special Report 134, April 2005; and Eisenstadt, Michael and Jeffrey White. "*Assessing Iraq's Sunni Arab Insurgency*." Washington Institute for Near East Policy, Policy Focus No. 50, December 2005.

supplies to rival communities. At the height of the insurgency, Sunni-dominated neighborhoods of Baghdad, including Amiriya, Adhamiya, Fadhil, Jihad, Amal, and Dora (once a mostly Christian neighborhood) were serving as Sunni insurgent bases. Sunni insurgents also made substantial inroads into the mixed province of Diyala, pushing out Shiite inhabitants, and in Nineveh province as well.

Sunni "Awakening" in 2007. U.S. officials say that a major turning point emerged in August 2006 when Iraqi Sunnis in highly restive Anbar Province sought U.S. military assistance in turning against the AQ-I because of its commission of abuses such as killings of those who want to cooperate with the Iraqi government, forced marriages, and attempts to impose strict Islamic law. AQ-I, founded by Abu Musab al-Zarqawi (killed in a June 7, 2006, U.S. airstrike), has been a key component of the insurgency because it is responsible for an estimated 90% of the suicide bombings against both combatant and civilian targets, including such high profile attacks (HPA's) as the August 2003 bombing of U.N. headquarters in Baghdad. However, AQ-I has always been considered by Iraqis as a separate component of the insurgency because it is led by non-Iraqis with different traditions and whose goals are *jihadist* and not necessarily Iraq-specific.[37] The Sunni Iraqi turn against AQ-I was begun by tribal figures calling themselves the "Awakening" (As Sahawa) or "Salvation Council" movement. Some, including many in the Shiite dominated Iraqi government, believe the movement seeks not necessarily stability and economic renaissance but rather to use U.S. support for a later fight against the Shiites. The Anbar Salvation Council was not materially affected by the September 13, 2007, assassination of Shaykh Abd al-Sattar al-Rishawi.

"Sons of Iraq" Fighters. In concert with the "troop surge," U.S. commanders have taken advantage of this Awakening trend by turning over informal security responsibility to 99,000 (current figure) former militants now called "Sons of Iraq" (SOI), in exchange for an end to their anti-U.S. operations. (About 80% are Sunni and 20% are anti-extremist Shiites, according to the U.S. military.) These fighters were first recruited in Anbar by the various Awakening and Salvation Council leaders. Other urban, non-tribal insurgents from such groups as the 1920 Revolution Brigades later joined the trend and decided to cooperate with the United States. U.S. commanders are giving funds to and sharing information with the Sons of Iraq — a strategy that is controversial because of the potential of the Sunni Iraqis to potentially resume fighting U.S. forces and Iraqi Shiites. U.S. officials say no new weapons have been given to these groups, although some reports say U.S. officers allow these fighters to keep captured weaponry. These fighters are increasingly targeted by AQ-I and some Iraqi Sunni insurgents as collaborators.

The Sons of Iraq program has led to some tensions between Maliki and U.S. officials. The UIA bloc publicly demanded an end to this U.S. strategy on October 2, 2007, claiming the United States is "embracing ... terrorist elements." Fearing empowering Sunnis particularly in the security services, Maliki and his Shiite allies have resisted U.S. plans to integrate all the CLC fighters into the Iraqi Security Forces (ISF). To date, the government has allowed only about 5,000 such Sunni volunteers,

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[37] AQ-I is discussed in detail in CRS Report RL32217, *Iraq and Al Qaeda*, by Kenneth Katzman.

mostly from Anbar, to join the ISF; another 15,000 have been given civilian jobs. As of November 10, 2008 the Iraqi government has taken over from the United States the payments (about $350 per month) to 54,000 SOI, causing concerns among the SOI that the payments might stop at some point. These fears might be justified because some of the Sons have been arrested by (Shiite) ISF officers. This perception that they are distrusted has led some Sons fighters to abandon their posts, and possibly to rejoin insurgent activities.

Current Status of the Insurgency. Although Ambassador Crocker said on May 25, 2008, following U.S. and Iraqi offensives against it in the Mosul area, that AQ-I "has never been closer to defeat," the true continued strength of AQ-I might be difficult to discern. Ambassador Crocker said on July 25, 2008, that the Sunni insurgency, writ large, is "not much of a challenge any more" to Iraq's future. General Petraeus said in July 2008 that some AQ-I fighters may be going to Afghanistan, where they perceive greater opportunities for success. CIA Director Michael Hayden said on November 13, 2008 that Iraq is no longer the "central front" in the U.S. war on terrorism because the flow of money, weapons, and foreign fighters into Iraq is greatly diminished from previous levels. A key AQ-I leader, "Abu Sara" was killed in a U.S. strike in October 2008. However, the September 2008 DOD "Measuring Stability" report says AQ-I remains capable to conduct "limited high profile attacks within key urban centers and retains limited freedom of movement within rural areas." AQ-I retains a presence in Nineveh Province, although it has been unable to reignite sectarian violence there or elsewhere.

Outside Support for Sunni Insurgents. Although the flow of fighters and weapons is diminished, the September 2008 "Measuring Stability" report said that Syria "remains the primary facilitation gateway for foreign terrorists moving into Iraq," and that the Iraqi government is "not yet satisfied with Syria's level of effort" to prevent this movement. The current estimate is that about 20 foreign fighters per month move into Iraq from Syria. The Administration view was in evidence with a reported U.S. raid over the border into Syria on October 27, 2008, reportedly killing an AQ-I organizer of fighters from Syria into Iraq. A previous Measuring Stability report noted that Syria hosted the inaugural meeting (August 2007) of the Border Security working group formed by the "Expanded Neighbors" process discussed above. Other assessments say the Sunni insurgents, both Iraqi and non-Iraqi, receive funding from wealthy donors in neighboring countries such as Saudi Arabia, where a number of clerics have publicly called on Saudis to support the Iraqi insurgency.

Table 3. Key Security/Violence Indicators

Indicator	Current Level
Number of U.S. forces in Iraq	"Surge" declared ended on July 31, 2008. U.S. total is about 145,000 (15 combat brigades); 165,000 was "surge" peak. U.S. forces to be reduced by 8,000 by the end of 2008.
U.S./Other Casualties	4,203 U.S. forces; 3,393 by hostile action. 4,053 since end to"major combat operations" (May 1, 2003). About 260 coalition (including 170 British). 1,000+ civilian contractors. About 35 U.S. killed per month during October 2007- March 2008; increased to 50 in April 2008 but declined to 19 in May 2008 and only 6 combat deaths in July 2008. 100+ per month killed early-mid 2007.
Partner forces in Iraq	6,400 from 20 other countries. Down from 28,000 in 2005
AQ-I fighters	1,300 - 3,500 commonly estimated, precise figures not known
Number of Iranian Qods Forces in Iraq	150+. Shiite militias have killed about 210 U.S. soldiers with Qods-supplied Explosively Formed Projectiles (EFP's).
Iraq Civilian Deaths	Less than 10/day, down from down from 100/day in December 2006, including sectarian murders per day (33/day pre-surge).
Number of all Attacks/day	Reduced to 40/day as of October 2008, lowest since 2004. Down more than 77% from 200/day in July 2007. Major car and other large suicide bombings down 75% from pre-surge, and attacks in Anbar down 90%. Debate exists over what incidents are counted in DOD figures; DOD does not count Shiite-Shiite violence in figures.
Shiite militiamen	60,000 (40,000 Mahdi, 15,000 Badr, 5,000 Da'wa, Fadhila, other), although Sadr has announced Mahdi will convert to social work
Sons of Iraq Fighters	99,000, of which about 5,000 entered ISF. About half now paid by Iraqi government. To date, each paid $350/month by DOD (CERP funds). $100 paid per IED revealed. DOD has spent $216 million on this program as of June 2008.
Iraqis Leaving Iraq or Displaced since 2003	2 million left, incl. 700,000 to Jordan, 1 million to Syria; another 2 million internally displaced or relocated. Some families returning due to reduced violence levels and pressure from host countries.
Iraqis in Detention	About 19,000 by U.S.; about 22,000 in Iraqi custody
Iraqi Army and Police Battalions in operations/In the Lead	190 in operations; up from 104 in November 2006. Four are special operations battalions. About 105 Army battalions operate virtually independently (18) or in the lead (87). About 31 national police battalions virtually independent (13) or in the lead (18).
Total ISF	601,380 "assigned" (on payrolls, not necessarily present on duty). Authorized total is: 620,524.
Number of Provinces Under ISF Control	13: Muthanna, Dhi Qar, Najaf, Maysan, Irbil, Dahuk, and Sulaymaniyah (latter three in May 2007), Karbala (October 29), and Basra (December 16), Qadisiyah (July 16, 2008); Anbar (September 1, 2008); Babil (October 23, 2008); Wasit (October 29, 2008)
Provincial Reconstruction Teams	27 total. 13 are "e-PRTs" - embedded with combat units. Of remainder 14 are U.S.-led; 3 are partner-led.

Sources: Information provided by a variety of sources, including U.S. government reports on Iraq, Iraqi statements, the Iraq Study Group report, DOD Measuring Stability reports, Petraeus September 2007 testimony, and press reports, including Reuters Alertnet. See **Tables 5** and **6** for additional figures on total numbers of Iraqi security forces, by force component.

Sectarian Violence and Shiite Militias/Civil War

Contributing to the deteriorating security environment in 2006 and early 2007 was the increase in Sunni-Shiite sectarian violence that many observers were characterizing as "civil war." The severe phase of sectarian violence was set off by the February 22, 2006, AQ-I bombing of the Askariya Shiite mosque in Samarra, which set off a wave of Shiite militia attacks on Sunnis in the first days after the mosque bombing. Top U.S. officials said in late 2006 that sectarian-motivated violence — manifestations of an all-out struggle for political and economic power in Iraq — had displaced the Sunni-led insurgency as the primary security challenge. Since November 2007, U.S. officials have presented statistics showing a dramatic drop in Sunni-Shiite violence — attributing the progress to the U.S. troop surge and the "ceasefire" of the Mahdi Army, called by Sadr in August 2007.

The sectarian warfare wrenched Iraqi society by driving Sunnis and Shiites out of mixed neighborhoods. Some observers say Sunnis largely "lost" the "battle for Baghdad," with some accounts saying that Baghdad was about 35% Sunni Arab during Saddam's rule but was reduced by the violence to about 20%. Many victims of sectarian violence turn up bound, dumped in about nine reported sites around Baghdad, including in strainer devices in the Tigris River. The Samarra mosque was bombed again on June 13, 2007 and their were reprisal attacks on Sunni mosques in Basra and elsewhere, although the attack did not spark the large wave of reprisals that the original attack did, possibly because the political elite appealed for calm after this second attack. The shrine is being reconstructed, with the help of UNESCO.

Discussed below are the two major Shiite militias in Iraq: ISCI's Badr Brigades and the Mahdi Army:

- *Badr Brigades.* Most Badr militiamen have now folded into the ISF, particularly the National Police and other police commando units. The Badr Brigades were originally recruited, trained, and equipped by Iran's hardline force, the Revolutionary Guard, during the 1980-88 Iran-Iraq war, in which Badr guerrillas conducted forays from Iran into southern Iraq to attack Saddam regime targets. Badr fighters were recruited from the ranks of Iraqi prisoners of war held in Iran. However, many Iraqi Shiites viewed ISCI as an Iranian puppet and Badr operations in southern Iraq during the 1980s and 1990s did not shake Saddam's grip on power. This militia is led by Hadi al-Amiri (a member of the COR from the "Badr Organization" of the UIA).

- *Mahdi Army (Jaysh al-Mahdi, JAM).* The March 2007 "Measuring Stability" reports said this militia had "replaced AQ-I as the most dangerous accelerant of potentially self-sustaining sectarian violence in Iraq." U.S. assessments of the JAM subsequently softened as the JAM largely abided by Sadr's "ceasefire" of JAM activities in August 2007. That directive might have represented an effort not to directly confront the U.S. "troop surge." The JAM later re-emerged as perhaps the primary adversary of the United States and of Maliki during the spring 2008 Basra fighting. U.S. commanders have sometimes made distinctions between the JAM and the so-called

"Special Groups," backed by Iran, who are responsible for most of the atrocities against Sunnis and for attacks on U.S. forces.

Shiite-on-Shiite Violence/March 2008 Basra Battles. Although Sunni-Shiite violence is down, U.S. reports and officials say the Shiite militias are likely to return to Iraq to interfere in the upcoming provincial elections, and could be positioned to undermine Iraqi stability over the long term if the United States draws down forces too quickly. Shiite-against-Shiite violence increased in 2007 and accelerated at times in 2008, perhaps because Maliki and ISCI fear that the Sadr faction is trying to achieve political influence commensurate with what it believes is its popularity. Pro-Sadr candidates did not compete vigorously in the January 2005 provincial elections, leaving the faction under-represented in most southern provinces, including Basra. Since early 2007, these tensions had led to consistent but varying levels of internecine fighting among Shiite groups in southern Iraq — primarily between the Badr-dominated ISF police and army units on the one side, and Sadr's JAM on the other — in a competition for power, influence, and financial resources. The most violent single incident took place on August 28, 2007, when fighting between the JAM and the ISF (purportedly mostly Badr fighters within the ISF) in the holy city of Karbala, triggered by a JAM attempt to seize control of the holy sites there, caused the death of more than 50 persons, mostly ISF and JAM fighters. The popular backlash led Sadr to declare the JAM ceasefire. Despite the cease-fire, intra-Shiite skirmishing later increased as international forces, particularly those of Britain, reduced their presence in southern Iraq; Britain redeployed its forces from the city to Basra airport in September 2007, and it handed over control of the province to the Iraqis on December 16, 2007. There had been no major concentrations of U.S. troops there, leaving the security of the city entirely the responsibility of the ISF.

On March 26, 2008, Maliki ordered the launch of an ISF offensive (Operation Charge of the Knights) against the JAM and other militias in Basra, in an effort to reestablish "rule of law." Sadr read the move as an effort to weaken his movement in advance of planned provincial elections. In the fighting, the Badr-dominated ISF units initially performed poorly; many surrendered their vehicles, weapons, and positions to JAM militiamen, forcing the U.S. and British military to support the ISF with airstrikes, mentors, and advisers. The fighting on March 30, 2008 with an Iran-brokered proposal by Sadr and welcomed by the Maliki government, that did not require the JAM to surrender its weapons. As a result of a settlement that appeared to be on Sadr's terms, the offensive was at first considered a setback to the ISF. Subsequent to the offensive, 1,300 ISF members were dismissed for refusing to fight, and the Iraqi police and army commander in Basra were recalled to Baghdad. General Petraeus, in his April 2008 testimony, called the offensive "poorly planned," and some reports suggest the Maliki move pre-empted a more deliberate move against the Shiite militias in Basra planned by MNF-I. However, as a result of subsequent U.S. and Britain-backed operations by the ISF, JAM activities in Basra and nearby provinces (Maysan, Qadisiyah) have been reduced.

Simultaneous with the Basra combat and since, JAM fighters in the Sadr City district of Baghdad fired volleys of 107 mm Iranian-supplied rockets on the International Zone, killing several U.S. soldiers and civilians. U.S. and ISF forces subsequently pushed into the southern districts of Sadr City to take the rockets out of range. The fighting caused many Sadr City residents to flee, and fighting continued

against U.S. forces. Since a May 10, 2008 agreement for the JAM to permit ISF forces (but not American forces) to patrol northern Sadr City, the district — and JAM activities in general — has quieted considerably. As a result of the setbacks, Sadr announced in July 2008 a transformation of his movement and of the JAM into a cultural and social organization, although with continued military activities by 2008 of "special companies" of Mahdi fighters authorized to fight. These Special Group fighters, some of whom have retreated into Iran but could later return, are said to be amenable to influence by Tehran and not fully under Sadr's control.

Iranian Support. U.S. reports identify Iranian aid to Shiite militias as part of Iran's "malign" influence in Iraq that might pose the greatest long term threat to Iraqi stability. U.S. officials, most specifically in a February 11, 2007, U.S. defense briefing in Baghdad — and highlighted in the Petraeus and Crocker testimonies of April 8-9, 2008, have repeatedly accused the Qods (Jerusalem) Force of Iran's Revolutionary Guard of aiding extremist Shiite militiamen with explosives and weapons, including the highly lethal "explosively forced projectiles" (EFPs). In the April 2008 testimony, General Petraeus largely repeated his September 2007 testimony's assertions that Iran was also using its protege, Lebanese Hezbollah, to train and arm the pro-Sadr Special Groups to form a Hezbollah-like Iranian proxy force in southern Iraq. From December 2006 to September 2007, U.S. forces arrested 20 alleged Iranian Revolutionary Guard Qods Forces and other agents; another was arrested on November 18, 2008. U.S. forces released nine of them in November 2007, and another in December, but still hold those of highest "value." On August 12, 2008, the U.S.-led coalition arrested another nine Hezbollah operatives in Baghdad; they were allegedly involved in smuggling Iranian weaponry to Shiite militias in Iraq. (For more information, see CRS Report RS22323, *Iran's Influence in Iraq*, by Kenneth Katzman.)

Iran's support for Shiite militias contributed to a U.S. decision to conduct direct talks with Iran on the issue of stabilizing Iraq, a key recommendation of the December 2006 Iraq Study Group (*Recommendations 9, 10, and 11*). The Administration initially rejected that recommendation; the President's January 10, 2007, Baghdad security initiative included announcement of an additional aircraft carrier group and additional Patriot anti-missile systems to the Gulf, moves clearly directed against Iran.

As part of the shift, the Administration supported and participated in the March 10, 2007, regional conference in Baghdad and the follow-up regional conference held in Egypt on May 3 and 4, 2007. Subsequently, the two sides announced and then held high profile direct talks, at the Ambassador level, on May 28, 2007. Another meetings was held on July 24, 2007, with little agreement apparent at the meeting but with a decision to form a U.S.-Iran working group to develop proposals for both sides to help ease Iraq's security difficulties. The working group met for the first time on August 6. In his September 10 and 11, 2007 testimony, Ambassador Crocker said the talks with Iran were worth continuing because Iran might, at some point, alter its stance. Following U.S. assessments of reduced Iranian weapons shipments into Iraq, the United States agreed to another meeting with Iran in Baghdad, but the planned December 18, 2007 meeting was postponed over continuing U.S.-Iran disagreements over the agenda for another round of talks, as well as over Iran's insistence that the talks be between Ambassador Crocker and Iranian Ambassador Hassan Kazemi-Qomi. On May 5, 2008, Iran said it would not participate in any further meetings in

this channel because of the U.S. combat in Sadr City, which Iran says is resulting in civilian deaths. Secretary of State Rice did not hold any substantive meeting with Iran's Foreign Minister at the "Expanded Neighbors" meeting in Kuwait on April 22, 2008, or at the Iraq Compact meeting in Sweden on May 30.

Iraq's Northern Border

At the same time, security on Iraq's northern border remains fragile, although not to the point of imminent crisis as existed in late 2007. Turkey fears that the Iraqi Kurds might seek independence and thereby spark similar separatists drives among Turkey's Kurds. The leading force for Kurdish separatism in Turkey is the Kurdistan Workers' Party (PKK). Turkey alleges that Iraq's Kurds (primarily the KDP, whose power base abuts the Turkish border) are actively harboring the anti-Turkey PKK (Kurdistan Worker's Party) guerrilla group in northern Iraq that has killed about 40 Turkish soldiers since September 2007. Turkey's parliament in October 2007 approved a move into northern Iraq against the PKK and mobilized a reported 100,000 troops to the border area. The Turkish military has used that authority sparingly to date, possibly because U.S. officials are putting pressure on Kurdish leaders not to harbor the PKK, and because U.S. officials are reportedly sharing information on the PKK with Turkey. The Iraqi Arabs generally favor cooperating with Turkey — and in September 2007 signed an agreement with Turkey to pledge such cooperation. The issue dominated the expanded neighbors meeting in Istanbul on November 2, 2007, as well as Turkish Prime Minister Recep Tayyip Erdogan's and President Abdullah Gul's meetings with President Bush (November 5, 2007, and January 7, 2008, respectively). As evidence of some calming of the issue, Turkish prime minister Tayyip Recep Erdogan visited Baghdad in July 2008, and Kurd-Turkey meetings were held in Baghdad in October 2008.

Tensions began escalating in July 2007 when Barzani indicated that the Iraqi Kurds were capable of stirring unrest among Turkish Kurds if Turkey interferes in northern Iraq. Previously, less direct threats by Turkey had prompted the U.S. naming of an envoy to Turkey on this issue in August 2006 (Gen. Joseph Ralston (ret.), former Vice Chairman of the Joint Chiefs of Staff).

Another emerging dispute is Iran's shelling of border towns in northern Iraq that Iran says are the sites where the Party for a Free Life in Kurdistan (PJAK), an Iranian Kurdish separatist group, is staging incursions into Iran. Iran has threatened a ground incursion against PJAK and Iraq said on September 9, 2007, in remarks directed at Iran and Turkey, that its neighbors should stop interfering in Iraq's affairs.

U.S. Stabilization Strategy and "Troop Surge"

Acknowledging the difficulty of the mission, the Administration has tried to refine its stabilization strategy.[38] In prior years, a major focus of U.S. counter-

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[38] Previously, Congress has mandated two major periodic Administration reports on progress in stabilizing Iraq. A Defense Department quarterly report, titled "Measuring Stability and Security in Iraq," was required by an FY2005 supplemental appropriation (P.L. 109-13), and (continued...)

insurgent ("search and destroy") combat was Anbar Province, which includes the cities of Fallujah and Ramadi (provincial capital), the latter of which was the most restive of all Iraqi cities and in which the provincial governor's office was shelled nearly daily during 2006. In the run-up to the December 15, 2005, elections, U.S. (and Iraqi) forces conducted several major operations ("Matador," "Dagger," "Spear," "Lightning," "Sword," "Hunter," "Steel Curtain," and "Ram") to clear contingents of insurgents from Sunni cities in Anbar, along the Euphrates River. None of these operations produced lasting reductions in violence.

"Clear, Hold, and Build" Strategy/Provincial Reconstruction Teams. Realizing the weakness of its strategy, in its November 2005 "National Strategy for Victory in Iraq," the Administration articulated a strategy called "clear, hold, and build," intended to create and expand stable enclaves by positioning Iraqi forces and U.S. civilian reconstruction experts in areas cleared of insurgents. The strategy envisioned that cleared and rebuilt areas would serve as a model that could expand throughout Iraq. The strategy formed the basis of Operation Together Forward (I and II) of August - October 2006.

In conjunction with the U.S. strategy, the Administration began forming Provincial Reconstruction Teams (PRTs), a concept used extensively in Afghanistan. Each PRT in Iraq is civilian led, composed of about 100 personnel from State Department, USAID, and other agencies, including contract personnel. The PRTs assist local Iraqi governing institutions, such as the provincial councils, representatives of the Iraqi provincial governors, and local ministry representatives. There are now 27 PRTs, of which 13 are embedded with U.S. military concentrations (Brigade Combat Teams). Of the three partner-run PRTs, Britain has formed a PRT in Basra, Italy hosts one in Dhi Qar province, and South Korea runs one in Irbil. There are another seven smaller Provincial Support Teams. Observers who have visited Iraq say that some of the PRTs are increasingly well staffed and effective in generating employment and establishing priorities. In December 2007, the PRT in Kirkuk helped broker a return of Sunni Arabs to the provincial council there; they had been boycotting because of the Kurdish push to control the city.

A FY2006 supplemental appropriation, P.L. 109-234, provided $229 million for the PRT operations. Another $675 million for development grants to be distributed by the PRTs is funded through the ESF appropriation for Iraq in this law. A FY2007 supplemental (P.L. 110-28) provided about $700 million (ESF) for PRT security, operations, and PRT-funded reconstruction projects. A FY2008 and FY2009 supplemental (P.L. 110-252) makes PRT funding contingent on a report by the Administration on a "strategy for the eventual winding down and close out of the PRTs" in Iraq" and related cost estimates for doing so.

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[38] (...continued)
renewed by the FY2007 Defense Appropriation (P.L. 109-289). Another report ("1227 Report"), is required by Section 1227 of the Defense Authorization Act for FY2006 (P.L. 109-163). As noted above, P.L. 110-28 mandated the July 15, 2007 and September 15, 2007 progress reports on the "troop surge," as well as a GAO report due September 1, 2007 and an outside commission report ("Jones Commission") on the Iraqi security forces.

"Troop Surge"/Baghdad Security Plan/"Fardh Qanoon". Acknowledging that the initiatives did not bring security or stability, the President's January 10, 2007, "New Way Forward" — Baghdad security initiative (referred to in Iraq as *Fardh Al Qanoon*, Arabic for "Imposing Law") was articulated as intended to bring security to Baghdad and create conditions under which Iraq's communities and political leaders can reconcile. The plan, which in many ways reflects recommendations in a January 2007 report by the American Enterprise Institute entitled "Choosing Victory: A Plan for Success in Iraq,"[39] formally began in February 2007, and included the following components:

- The deployment of an additional 28,500 U.S. forces to Iraq — 17,500 combat troops (five brigades) to Baghdad; 4,000 Marines to Anbar Province; and the remainder support troops and military police. The plan envisioned that these forces, along with additional Iraqi forces, would hold neighborhoods cleared of insurgents and thereby cause the population to reject militants. The forces have been based, along with Iraqi soldiers, in 100 fixed locations (both smaller Combat Outposts and the larger "Joint Security Stations").

- Cooperation from the Iraqi government, such as progress on the reconciliation steps discussed earlier, the provision of $10 billion in new capital spending on reconstruction (benchmark 17), and the commitment of the Iraqi forces discussed previously 3 brigades (about 6,000 soldiers), plus about 4,000 police commandos and regular police (benchmark 9). Contributing to previous failures in Baghdad were Iraq's deployment of only two out of the six Iraqi battalions committed.

- Provision of at least $1.2 billion in new U.S. aid, including funds for job creation and to revive long-dormant state-owned factories.

- Maliki's cooperation in not standing in the way of U.S. operations against the JAM. U.S. commanders blamed Maliki for the failure of "Operation Together Forward I and II" in 2006 because Maliki insisted they release suspected JAM commanders and dismantle U.S. checkpoints in Sadr City.

Congressional reaction to the troop surge decision was relatively negative. In House action, on February 16, 2007, the House passed (246-182) a non-binding resolution (H.Con.Res. 63) expressing opposition to the sending of additional forces to Iraq. However, on February 17, 2007, the Senate did not vote to close off debate on a version of that resolution (S. 574). Earlier, a Senate resolution opposing the troop increase (S.Con.Res. 2) was reported out of the Senate Foreign Relations Committee on January 24 (12-9 vote). A cloture motion failed on February 1, 2007.

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[39] The two principal authors of the report are Frederick W. Kagan and Jack Keane (General, U.S. Army, ret.).

Surge Assessments and Way Forward. The first major assessment of the surge was testimony of General Petraeus on September 10 and 11, 2007, in which he said "As a bottom line up front, the military objectives of the surge are, in large measure, being met." In testimony on April 8-9, 2008, General Petraeus said "there has been significant but uneven progress in Iraq," and that he recommended a reduction of U.S. forces by July 2008 to about 145,000 (15 combat brigades), slightly higher than pre-surge levels, with further reductions be subject to a 45-day assessment of security conditions. The "surge" was declared ended on July 31, 2008. In late August 2008, Gen. Petraeus recommended a drawdown of an additional 8,000 forces by February 2009 — a more cautious drawdown than anticipated — because of concerns: (1) that violence could flare again as provincial elections approach; (2) that situation in Kirkuk could erupt; (3) that Sadr's intentions are uncertain; (4) that the Sons of Iraq fighters could rejoin the insurgency if they are not integrated into the ISF; and (5) that the newly empowered cooperating Sunni armed groups could begin battling in earnest with Shiite-dominated ISF forces . President Bush accepted that recommendation, but Gen. Petraeus later amended the recommendation to remove the 8,000 forces by the end of 2008, a bit ahead of schedule.

According to the September 2008 Measuring Stability report, the surge has:

- Reduced all major violence indicators (numbers of attacks, Iraqi civilian deaths, and other indicators) by about 70%, to the levels of early 2004. Violence in Nineveh Province, where AQ-I remains active, is down 50% from 2007 levels.

- Reduced attacks in Anbar about 90%, and many of its cities are now seeing a return of normal daily life. U.S. forces are in the process of closing many of their operating bases there.

- Reduced sectarian killings more than 90% from levels of the same time period in 2007. The reduction in violence has enabled many families to return to Baghdad, and some districts formerly written off as AQ-I strongholds, such as Amiriyah, the former Baathist stronghold of Adhamiyah, and the formerly highly violent Doura district, are bustling with normal commerce.

Building Iraqi Security Forces (ISF)[40]

A key to whether or not the progress will continue as U.S. forces thin out is the quality of the Iraqi security forces (ISF). The Administration has said that its intent is to gradually transition U.S. forces to an "overwatch" posture, relying more on supporting Iraqi forces rather than leading the combat. This strategy was first articulated by President Bush in a June 28, 2005, speech, when he said, "Our strategy can be summed up this way: As the Iraqis stand up, we will stand down."[41]

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[40] For additional information, see CRS Report RS22093, *The Iraqi Security Forces: The Challenge of Sectarian and Ethnic Influences*, by Jeremy Sharp.

[41] Speech by President Bush can be found at [http://www.whitehouse.gov/news/releases/

Responsibility for building the ISF lies with the commander of the U.S.-led ISF training mission, the Multinational Transition Security Command-Iraq (MNSTC-I). That is now Lt. Gen. Frank Helmick.

General Petraeus testified in April 2008 that "The Iraqi security forces have continued to develop since September...." As evidence of ISF maturation and growth, General Petraeus and others point to the increase in the number of units capable of operating with minimal coalition support or are in the lead and to their performance in ongoing combat operations against AQ-I in northern Iraq. The September 2008 Measuring Stability report praised the ISF for growing professionalism and proficiency. U.S. officials have attributed some of the progress to Interior Minister Jawad Bolani for trying to remove militiamen and death squad participants from the ISF. Numerous other ISF commanders are said by U.S. officials to be weeding out sectarian or non-performing elements from ISF and support ministry ranks. The National Police is now considered more effective and professional, without its wholesale disbanding and rebuilding that was recommended by the "Jones Commission." U.S. officials say the Interior Ministry headquarters has been almost completely transformed and is no longer factionalized as it was one year ago (mid-2007) or populated with different guard forces.

Still, then-MNSTC-I commander Gen. Dubik and the Iraqi Defense Minister both separately stated in January 2008 that the ISF would not be ready to secure Iraq from internal threats until 2012, and from external threats until 2018-2020, despite the expanding size of the ISF. In testimony before the House Armed Services Committee on July 9, 2008, Gen. Dubik (rotating out) shortened that time frame somewhat, saying that the ISF could assume the lead internal security role between 2009 and 2012. The Measuring Stability reports discuss and depict the degrees to which the Iraqi government has assumed operational ISF control, and of ISF security control over territory. (*Recommendations 42, 43 and 44 of the Iraq Study Group report advised an increase in training the ISF, and completion of the training by early 2008.*)

Prior to the signs of progress of the ISF in 2008, the ISF was mostly the subject of criticism. Some observers had gone so far as to say that the ISF has been part of the security problem in Iraq, not the solution, because of incidents of ISF member involvement in sectarian involvement or possible anti-U.S. activity. Still, there are said to be as much as one-third of ISF members absent-without-leave or might have deserted at any given time. Many units remain unbalanced ethnically and by sect, and penetrated by militias or even insurgents. Many Sunnis distrust the ISF as instruments of repression and responsible for sectarian killings. In late 2005, U.S. forces uncovered militia-run detention facilities ("Site 4") and arrested those (Badr Brigade and related Iraqi police) running them.

- According to observers, appointments to senior commands continue to be steered toward Shiite figures, primarily Da'wa Party members, by Maliki's "Office of the Commander-in-Chief" run by his Da'wa subordinate, Dr. Bassima al-Jaidri. She reportedly has also removed

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[41] (...continued)
2005/06/20050628-7.html].

several qualified commanders who are Sunni Arabs, causing Sunni distrust of the Iraqi military, and she reportedly has routinely refused to follow U.S. military recommendations to place more Sunnis in security positions.

- The about 110,000 members of the "Facilities Protection Force," (FPS), which are security guards attached to individual ministries, are involved in sectarian violence. The United States and Iraq began trying to rein in the force in May 2006 by placing it under some Ministry of Interior guidance, including issuing badges and supervising what types of weapons it uses. As of August 2008, over 35,000 FPS personnel have been formally placed under the Ministry of Interior, including 22,000 "Oil Police" transferred in January 2008. (*In Recommendation 54, the Iraq Study Group says the Ministry of Interior should identify, register, and otherwise control FPS.*)

ISF Weaponry. Most observers say the ISF are severely underequipped, dependent primarily on donations of surplus equipment by coalition members. The Iraqi Army is using mostly East bloc equipment, including 77 T-72 tanks donated by Poland, but is in the process of taking delivery of 4,200 Humvees from the United States. In early 2008, Iraq went forward with a Foreign Military Sales (FMS) buy of least $2.3 billion worth of U.S. munitions, including upgrades to UH-1 helicopters, and various military vehicles, some of which is for the Iraqi police. The potential sale was notified to Congress by the Defense Security Assistance Agency (DSCA) on September 25, 2007. Iraq had previously ordered about $1 billion worth of U.S. arms. In late July 2008, DSCA notified about $11 billion worth of potential sales to Iraq of such equipment as C-130 transport aircraft, M1AI (Abrams) tanks, helicopters, light armored vehicles, and armored security vehicles. It was reported on September 5, 2008, that Iraq has asked to purchase 36 F-16 aircraft and that the request is under review under the Foreign Military Sales process. U.S. officials have previously refused to provide the Iraqi Air Force with combat aircraft, because of the potential for misuse in sectarian or political conflict.

In October 2007, it was reported that Iraq also is ordering $100 million in light equipment from China to equip the ISF police forces. Iraqi President Talabani said part of the rationale for the China buy was the slow delivery of U.S. weapons. In October 2008, France said it is considering arms sales to Iraq, and the European Union reportedly is discussing with Iraq sales of small arms. (In Recommendation 45, the Iraq Study Group said the United States should encourage the Iraqi government to accelerate its FMS requests.)

There are fears that some of these weapons are falling into the hands of insurgents, militias, or terrorist groups. In August 2007, the GAO reported that the Defense Department cannot fully account for the total of $19.2 billion worth of equipment provided to the ISF by the United States and partner forces. A New York Times report in August 2007 said some of the ISF weapons might have gone to anti-Turkish PKK guerrillas.

Table 4. ISF Funding

FY2003 and FY2004	$5.036 billion allocated from $20+ billion "Iraq Relief and Reconstruction Fund," see above.
FY2005	$5.7 billion in DOD funds from FY2005 supplemental appropriation (P.L. 109-13).
FY2006	$3 billion appropriated by FY2006 supplemental (P.L. 109-234).
FY2007	Total of $5.54 billion appropriated from: FY2007 defense appropriation (P.L. 109-289) - $1.7 billion; and from FY2007 supplemental (P.L. 110-28) — $3.84 billion (the requested amount).
FY2008	$3 billion (revised) request. FY2008 regular appropriations (Consolidated, P.L. 110-161) provide $1.5 billion. Second supplemental (P.L. 110-252) provides another $1.5 billion, bringing the FY2008 total to the Administration request.
FY2009	$2.8 billion request. FY2009 supplemental (P.L. 110-252) provides $1 billion.
Total	$23.276 billion provided or appropriated

Table 5. Ministry of Defense Forces

(Figures contained in Iraq Weekly Status Report. Numbers might not correspond to those actually on duty.)

Force	Size/Strength "Assigned"
Iraqi Army	186,957 assigned. Authorized size is 171,225. Trained for eight weeks, paid $60/month. Commanders receive higher salaries.
Special Operations Forces	4,159 assigned. Authorized size is 4,733. Technically a separate Counter-terrorism" bureau not under MOD. Trained for 12 weeks, mostly in Jordan.
Support Forces	20,066 assigned. Authorized level is 15,583
Air Force	1,988. Authorized level is 3,603. Has 9 helicopters, 3 C-130s; 14 observation aircraft. Trying to buy U.S. F-16s. Trained for six months. UAE and Jordan to provide other aircraft and helos.
Navy	1,898. Authorized level is 3,543. Has a Patrol Boat Squadron and a Coastal Defense Regiment. Fields about 35 patrol boats for anti-smuggling and anti-infiltration. Controls naval base at Umm Qasr, Basra port, and Khor al-Amaya oil terminals. Some training by Australian Navy.
Totals	**216,068 assigned. 198,687 authorized.**
U.S./Other Trainers	U.S. training, including embedding with Iraqi units (10 per battalion), involves about 4,000 U.S. forces, run by Multinational Security Transition Command - Iraq (MNSTC-I). Training at Taji, north of Baghdad; Kirkush, near Iranian border; and Numaniya, south of Baghdad. All 26 NATO nations at NATO Training Mission - Iraq (NTM-I) at Rustamiyah (300 trainers). Others trained at NATO bases in Norway and Italy. Jordan, Germany, and Egypt also have done training.
Recent U.S. Funding	FY2008 supplemental: $1.487 billion as follows: $298 million infrastructure; $917 million equipment and transportation; $116 million for training; $154 million sustainment

Table 6. Ministry of Interior Forces

Force/Entity	Size/Strength Assigned
Iraqi Police Service (IPS)	305,713 assigned. Authorized level is 327,380. Gets eight weeks of training, paid $60 per month. Not organized as battalions; deployed in police stations nationwide.
National Police	41,305 assigned. Authorized level is 46,707. Comprises "Police Commandos," "Public Order Police," and "Mechanized Police." 32 battalions formed. Overwhelmingly Shiite. Gets four weeks of counter-insurgency training. Iraq Study Group (Recommendation 50) proposes transfer to MOD control and Jones Commission recommends disbandment due to sectarian activity.
Border Enforcement Department	39,294 assigned. Authorized level is 47,750. Controls over 250 border positions built or under construction. Has Riverine Police component to secure water crossings. Iraq Study Group (Recommendation 51) proposes transfer to MOD control.
Totals (all forces)	**386,312 assigned. 421,837 authorized.**
Training	Training by 3,000 U.S. and coalition personnel (DOD-lead) as embeds and partners (247 Police Transition Teams of 10-15 personnel each). Pre-operational training mostly at Jordan International Police Training Center; Baghdad Police College and seven academies around Iraq; and in UAE. Iraq Study Group (Recommendation 57) proposes U.S. training at local police station level. Countries doing training aside from U.S.: Canada, Britain, Australia, Sweden, Poland, UAE, Denmark, Austria, Finland, Czech Republic, Germany (now suspended), Hungary, Slovenia, Slovakia, Singapore, Belgium, and Egypt.
Facilities Protection Service (FPS)	Accounted for separately, they number about 144,000, attached to individual ministries.
Recent U.S. Funding	FY2008: $1.206 billion as follows: $84.7 million infrastructure; $392 million equipment and transportation; $623.3 million training; $106 million sustainment.

Coalition-Building and Maintenance

Some believe that, partly because of the lack of U.N. approval for the invasion of Iraq, the Bush Administration was unable to enlist large scale international participation in peacekeeping. With the security situation now improving, foreign partners are drawing down. Some remaining force contributions are small and appear to be mostly symbolic or intended to improve relations with the United States. A list of contributing countries, but not force levels, is in the Department of State's "Iraq Weekly Status Report."

Substantial partner force drawdowns began with Spain's May 2004 withdrawal of its 1,300 troops. Spain made that decision following the March 11, 2004, Madrid bombings and subsequent defeat of the former Spanish government that had supported the war effort. Honduras, the Dominican Republic, and Nicaragua followed Spain's withdrawal (900 total personnel), and the Philippines withdrew in July 2004 after one of its citizens was taken hostage. On the other hand, many nations are replacing their contingents with trainers for the ISF or financial contributions or other assistance to Iraq, or with increased force contributions in Afghanistan. Among other recent major drawdowns are:

- Ukraine, which lost eight soldiers in a January 2005 insurgent attack, withdrew most of its 1,500 forces after the December 2005 Iraqi elections. Bulgaria pulled out its 360-member unit at that time, but in March 2006 it sent in a 150-person force to take over guard duties of Camp Ashraf, a base in eastern Iraq where Iranian oppositionists are held by the coalition. (That contingent was shifted to Baghdad in July 2008.)

- South Korea began reducing its 3,600 troop contribution to Irbil in northern Iraq in June 2005, falling to 1,200 by late 2007. The deployment has been extended by the South Korean government until the end of 2008, although at a reduced level of 600. They are expected to depart at the end of 2008.

- Japan completed its withdrawal of its 600-person military reconstruction contingent in Samawah on July 12, 2006, but it continues to provide air transport (and in June 2007 its parliament voted to continue that for another two years). That air mission will end at the end of 2008 when the U.N. mandate for the U.S.-led coalition expires, according to Japanese officials.

- Italy completed its withdrawal (3,200 troops at the peak) in December 2006 after handing Dhi Qar Province to ISF control.

- Romanian leaders say they will withdraw their remaining 500 forces from southern Iraq by the end of 2008.

- In line with a February 21, 2007 announcement, Denmark withdrew its 460 troops from the Basra area.

- In August 2007, Lithuania withdrew its 53 troops.

- In 2007, Georgia increased its Iraq force to 2,000 (from 850) to assist the policing the Iran-Iraq border at Al Kut, a move that Georgian officials said was linked to its efforts to obtain NATO membership. However, in August 2008, the United States airlifted the Georgian troops back home to deal with the Russian incursion into Georgia. They, and the Kazakh contingent, held a "closeout" ceremony on October 20, 2008 in Wasit, where they were based.

- Britain, despite its redeployments discussed above, continues to constitute the largest non-U.S. foreign force in Iraq. In line with plans announced in 2007, British forces have been reduced from 7,100 to about 4,000, adopting an "overwatch" mission in southern Iraq. The force was expected to be reduced to about 2,500 by July 2008, but Britain suspended the planned reduction because of the March 2008 Basra combat. Still, reports quoting British officials say that the majority of the force might be out of Iraq by mid-2009, with some possibly going to Afghanistan.

- Poland's 900 troops (down from a high of 2,600 in 2005) are in the process of leaving Iraq. Poland had led the multinational force based near Diwaniyah and includes forces from the following foreign countries: Armenia, Slovakia, Denmark, El Salvador, Ukraine, Romania, Lithuania, Latvia, Mongolia, and Kazakhstan. The pullout was announced following the October 2007 election of Prime Minister Donald Tusk, considered less pro-U.S. than his predecessor.

- On June 1, 2008, in line with announcements by Australia's Prime Minister Kevin Rudd, Australia's 550 person contingent left Iraq. The contingent had already been reduced from 1,500 troops. In part to compensate, Australia will provide $160 million in aid to Iraqi farmers, and will keep naval and other forces in the region, and Australian civilians involved in training the ISF and advising the Iraqi government will remain.

- El Salvador said on December 11, 2007 that it would continue its 290 soldier contribution into 2008. It rotated in another contingent of that size in August 2008.

NATO/EU/Other Civilian Training. As noted above, all NATO countries have now agreed to train the ISF through the NTM-I, as well as to contribute funds or equipment. In talks with visiting Prime Minister Maliki in April 2008, NATO said it would expand the equip and train mission for the ISF. Several NATO countries and others are offering to also train civilian personnel. In addition to the security training offers discussed above, European Union (EU) leaders have offered to help train Iraqi police, administrators, and judges outside Iraq.

Iraq Study Group Report, Legislative Proposals, and Options for the Obama Administration

In formulating the "troop surge" strategy announced on January 10, 2007, President Bush said he weighed the December 6, 2006, report of the Iraq Study Group, as well as input from several other reviews, including one directed by the Joint Chiefs of Staff and another by the National Security Council. The incoming Obama Administration is likely to place less emphasis on Iraq than has the Bush Administration - in part to free up resources for stabilizing Afghanistan – and appears to seek to wind down U.S. involvement there, judging from statements of President-elect Obama during the campaign. For a comparison of various legislative proposals on Iraq, see CRS Report RL34172, *Operation Iraqi Freedom and Detainee Issues: Major Votes from the 110th Congress*, by Kim Walker Klarman, Lisa Mages, and Pat Towell.

Iraq Study Group Report

The Obama Administration might draw on the Iraq Study Group report, produced in late 2006. Among the most significant of the 79 recommendations, some of which were discussed previously and many of which came to be adopted by the Bush Administration, are the following:[42]

- Transition from U.S.-led combat to Iraqi security self-reliance by early 2008 (Recommendations 40-45), with continued U.S. combat against AQ-I, force protection, and training and equipping the ISF. The "troop surge" strategy rejected an early transition to ISF-led combat, but the Administration noted that the Iraq Study Group expressed support for a temporary surge such as was implemented.[43]

- Heightened regional and international diplomacy, including with Iran and Syria, and including the holding of a major international conference in Baghdad (Recommendations 1-12). After appearing to reject this recommendation, the Administration later backed the regional diplomatic process discussed above.

- As part of an international approach, renewed commitment to Arab-Israeli peace (Recommendations 13-17). This was not a major feature

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[42] A CRS general distribution memo, available on request, has information on the 79 recommendations and the status of implementation.

[43] Full text of the report is at [http://www.usip.org]. The Iraq Study Group itself was launched in March 2006; chosen by mutual agreement among its congressional organizers to co-chair were former Secretary of State James Baker and former Chairman of the House International Relations Committee Lee Hamilton. The eight other members of the Group are from both parties and have held high positions in government. The group was funded by the conference report on P.L. 109-234, FY2006 supplemental, which provided $1 million to the U.S. Institute of Peace for operations of the group.

of the President's plan, although he implemented stepped up U.S. diplomacy led by Secretary of State Rice on the issue.

- Additional economic, political, and military support for the stabilization of Afghanistan (Recommendation 18). This was not specified in the President's January 10, 2007, plan, although, separately, there have been increases in U.S. troops and aid for Afghanistan. The Obama Administration is likely to place significant weight on this recommendation. (See CRS Report RL30588, *Afghanistan: Post-War Governance, Security, and U.S. Policy*, by Kenneth Katzman.)

- Setting benchmarks for the Iraqi government to achieve political reconciliation, security, and governance, including possibly withholding some U.S. support if the Iraqi government refuses or fails to do so (Recommendations 19-37). The Bush Administration opposed reducing support for the Iraqi government if it fails to uphold commitments, but President Bush signed P.L. 110-28, which linked U.S. economic aid to progress on the benchmarks.

- Giving greater control over police and police commando units to the Iraqi Ministry of Defense, which is considered less sectarian than the Ministry of Interior that controls these forces, and reforming the Ministry of Interior (Recommendations 50-61). Assigning the lead role in advising and training the anti-crime portions of the police forces to the U.S. Department of Justice. These recommendations have not been implemented.

- Securing and expanding Iraq's oil sector (Recommendations 62-63). The Administration is prodding Iraq to pass the pending oil laws, which would encourage foreign investment in Iraq's energy sector.

- Increasing economic aid to Iraq and enlisting more international donations of assistance (Recommendations 64-67). President Bush's 2007 security plan increased aid, as discussed above, although U.S. aid is now being reduced because of large projected Iraqi surpluses.

In the 110th Congress, an amendment to H.R. 2764, the FY2008 foreign aid bill, would have revived the Iraq Study Group (providing $1 million for its operations) to help assess future policy after the "troop surge." The provision was not incorporated into the Consolidated appropriation (P.L. 110-161). In the Senate, some Senators from both parties in June 2007 proposed legislation (S. 1545) to adopt the recommendations of the Group as U.S. policy.

Further Options: Altering Troop Levels or Mission

The sections below discuss options that have been under discussion even before the report of the Iraq Study Group, the troop surge, or the recently completed U.S. presidential campaign.

Further Troop Increase. Some argued that the "surge" was too limited — concentrated mainly in Baghdad and Anbar — and that the United States should have increased troops levels in Iraq even further to prevent Sunni insurgents from re-infiltrating cleared areas. This option faded during 2008 because of progress produced by the surge, and virtually no one argues for this option at this time.

Immediate and Complete Withdrawal. The Bush Administration strongly opposes this option, arguing that the ISF are not ready to secure Iraq alone and that doing so would result in full-scale civil war, possible collapse of the elected Iraqi government, revival of AQ-I activities, emboldening of Al Qaeda more generally, and increased involvement of regional powers in the fighting in Iraq. Supporters of the Bush Administration position say that Al Qaeda terrorists might "follow us home" — conduct attacks in the United States — if there were a rapid withdrawal. During the campaign, President-elect Obama argued for a withdrawal of U.S. combat forces over a 16-month period, which is somewhat faster than what is provided for under the negotiated SOFA.

Some Members have argued for immediate withdrawal by saying that the decision to invade Iraq was a mistake, that the large U.S. presence in Iraq inflames the insurgency, and that U.S. forces are policing a civil war. Those who support an immediate withdrawal include most of the approximately 70 Members of the "Out of Iraq Congressional Caucus," formed in June 2005. In the 110th Congress, some legislation (H.R. 508 and H.R. 413) would repeal the original war authorization.

In the 109th Congress, Representative John Murtha, ranking member (now chairman) of the Defense Appropriations Subcommittee, introduced a resolution (H.J.Res. 73) calling for a U.S. withdrawal "at the earliest practicable date" and the maintenance of an "over the horizon" U.S. presence, mostly in Kuwait, from which U.S. forces could continue to battle AQ-I. A related resolution, H.Res. 571 (written by Representative Duncan Hunter, then chairman of the House Armed Services Committee), expressed the sense "that the deployment of U.S. forces in Iraq be terminated immediately;" it failed 403-3 on November 18, 2005. Representative Murtha introduced a similar bill in the 110th Congress (H.J.Res. 18); a few other bills (S. 121, H.R. 663, H.R. 455, and H.R. 645) contain similar provisions.

Withdrawal Timetable. The Bush Administration had long opposed mandating a withdrawal timetable on the grounds that doing so would allow insurgents to "wait out" a U.S. withdrawal. The Iraq Study Group suggested winding down of the U.S. combat mission by early 2008 but did not recommend a firm timetable. Forms of this option exhibit some support in Congress, and President-elect Obama's proposed timetable for reduction was mentioned above. Iraqi leaders also long opposed a timetable, but their growing confidence caused Maliki to express agreement with Iraqi factions that want to see a withdrawal timetable. That timetable was relatively firm in the negotiated SOFA.

Various legislation to require a timetable did not become law. A binding provision of a FY2007 supplemental appropriations legislation (H.R. 1591) required the president, as a condition of maintaining U.S. forces in Iraq, to certify (by July 1, 2007) that Iraq had made progress toward several political reconciliation benchmarks, and by October 1, 2007 that the benchmarks have been met. Even if the

requirements were met, the amendment would require the start of a redeployment from Iraq by March 1, 2008, to be completed by September 1, 2008. The bill passed the House on March 23, 2007. The Senate-passed version of H.R. 1591 set a non-binding goal for U.S. withdrawal of March 1, 2008. The conference report retained the benchmark certification requirement and the same dates for the start of a withdrawal but made the completion of any withdrawal (by March 31, 2008, not September 1, 2008) a goal rather than a firm deadline. President Bush vetoed the conference report on May 1, 2007, and the veto was sustained. The revised provision in the FY2007 supplemental (P.L. 110-28) was discussed previously.

A House bill, (H.R. 2956), which mandates a beginning of withdrawal within 120 days and completion by April 1, 2008, was adopted on July 12, 2007 by a vote of 223-201. A proposed amendment (S.Amdt. 2087) to H.R. 1585 contained a similar provision. A Senate bill (S. 433), would set a deadline for withdrawing combat troops by March 31, 2008.

On November 13, 2007, some in Congress revived the idea, in an FY2008 supplemental appropriation (H.R. 4156), of setting a target date (December 15, 2008) for a U.S. withdrawal, except for force protection and "counter-terrorism" operations. The bill would require the withdrawal to start within 30 days of enactment. The bill passed the House but cloture was not invoked in the Senate. The debate over a timetable for withdrawal continued in consideration of a FY2008 supplemental appropriation, but was not included in the enacted version (P.L. 110-252).

In the 109th Congress, the timetable issue was debated extensively. In November 2005, Senator Levin introduced an amendment to S. 1042 (FY2006 defense authorization bill) to compel the Administration to work on a timetable for withdrawal during 2006. Then-Chairman of the Senate Armed Services Committee John Warner subsequently submitted a related amendment that stopped short of setting a timetable for withdrawal but required an Administration report on a "schedule for meeting conditions" that could permit a U.S. withdrawal. That measure, which also stated in its preamble that "2006 should be a period of significant transition to full Iraqi sovereignty," achieved bi-partisan support, passing 79-19. It was incorporated, with only slight modifications by House conferees, in the conference report on the bill (H.Rept. 109-360, P.L. 109-163). On June 22, 2006, the Senate debated two Iraq-related amendments to an FY2007 defense authorization bill (S. 2766). One, offered by Senator Kerry, setting a July 1, 2007, deadline for U.S. redeployment from Iraq, was defeated 86-13. Another, sponsored by Senator Levin, called on the Administration to begin redeployment out of Iraq by the end of 2006, but with no deadline for full withdrawal. It was defeated 60-39.

Troop Mission Change. Some argue that the United States should not be policing Iraqi cities and should instead scale back its mission to: (1) operations against AQ-I; (2) an end to active patrolling of Iraqi streets; (3) force protection; and (4) training the ISF. The rationale for a mission change has been to maintain a U.S. presence, possibly long term, to assist the Iraqi government and protect core U.S. interests but without incurring large U.S. casualties. A press report in June 2007 (*Washington Post*, June 10, 2007) said that, if this were the mission of U.S. forces, fulfilling the mission might require retaining about 50,000 - 60,000 U.S. forces. Of these forces, about 20,000 would be assigned to guarantee the security of the Iraqi

government or assist the ISF if it is having difficulty in battle. A change of mission was proposed by several Senators for consideration of the FY2008 defense authorization (H.R. 1585), but was not in the conference report on the bill.

The Bush Administration argues that improving security conditions are already permitting the U.S. mission to be reduced. As noted above, 13 provinces have already been handed over to Provincial Iraqi Control. U.S. forces, according to the Administration, have already been moving to an "overwatch" role focused on supporting and training Iraqi forces rather than taking the lead on combat operations. The mission change idea is partly encapsulated in the SOFA, which requires U.S. forces to pull out of Iraqi urban areas by June 30, 2009.

Planning for Withdrawal. In 2007, some Members maintained that the Administration should plan for a withdrawal if one were decided. Administration officials said they would not publicly discuss the existence or form of such planning because doing so would undermine current policy. However, Secretary Gates toured facilities in Kuwait in August 2007 in what was reported as an effort to become familiar with the capabilities of the U.S. military to carry out a redeployment. Senator Hillary Clinton reportedly was briefed on August 2, 2007 by Defense Department officials on the status of planning for a withdrawal, and she and several others introduced legislation on August 2, 2007 (S. 1950), to require contingency planning for withdrawal. In the House, H.R. 3087 (passed by the House on October 2, 2007 by a vote of 377-46) would require the Administration to give Congress a plan for redeployment from Iraq.

Requiring More Time Between Deployments. Some Members who favor at least a partial pullout do so on the grounds that the Iraq effort is placing too much strain on the U.S. military. A Senate amendment to H.R. 1585, requiring more time between deployments to Iraq, was not agreed to on September 19, 2007 because it only received 56 affirmative votes, not the needed 60 for passage. A similar House bill, H.R. 3159, was passed in the House on August 2, 2007 by a vote of 229-194.

Stepped Up International and Regional Diplomacy

As noted above, many of the Iraq Study Group recommendations propose increased regional and international diplomacy. One idea, included in the Study Group report, was to form a "contact group" of major countries and Iraqi neighbors to prevail on Iraq's factions to compromise. The Administration has taken significant steps in this direction, including a bilateral meeting with Syria at the May 3-4, 2007 meeting on Iraq in Egypt, and the bilateral meetings with Iran in Baghdad discussed above. In the 110th Congress, a few bills (H.R. 744, H.Con.Res. 43, and H.Con.Res. 45) support the Iraq Study Group recommendation for an international conference on Iraq. In the 109th Congress, these ideas were included in several resolutions, including S.J.Res. 36, S.Res. 470, S.J.Res. 33, and S. 1993, although several of these bills also include provisions for timetables for a U.S. withdrawal.

Other ideas involve recruitment of new force donors. In July 2004, then-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. Some Iraqi leaders believed that such

peacekeepers would come from Sunni Muslim states and would inevitably favor Sunni factions within Iraq. On the other hand, several experts believe that the lack of progress in stabilizing Iraq is caused by internal Iraqi disputes and processes and that new regional or international steps would yield minimal results.

Another idea has been to identify a high-level international mediator to negotiate with Iraq's major factions. Some Members of Congress wrote to President Bush in November 2006 asking that he name a special envoy to Iraq to follow up on some of the Administration's efforts to promote political reconciliation in Iraq.

Reorganizing the Political Structure, and "Federalism"

Some experts say that Iraq's legislative achievements and security improvements have not produced lasting political reconciliation and that, at some point, Iraq will again see high levels of violence. Were that to occur, some might argue that the Obama Administration will need to overhaul the political structure to create durable political reconciliation.

Reorganize the Existing Power Structure. Some believe that the existing Iraqi government should be disbanded by the United States and reorganized to be more inclusive of resentful groups, particularly the Sunni Arabs. However, is little agreement on what additional or alternative incentives, if any, would persuade Sunnis leaders and their constituents to fully support the Shiite-dominated government. Some believe that Sunnis might be satisfied by a wholesale cabinet/governmental reshuffle that gives several leading positions, such as that of President, to a Sunni Arab, although many Kurds might resent such a move because a Kurd now holds that post. Some maintain these Sunni grievances can be addressed in the Constitutional Review process under way, and discussed above. Others opposed major governmental change because doing so might necessitate the voiding of the 2005 elections, a move that would appear un-democratic.

Some argue that Iraq could adopt the "Lebanon model" in which major positions are formally allotted to representatives of major factions. For example, Iraqis might agree that henceforth, the President might be a Sunni, the Prime Minister might be Shiite, and the COR Speaker might be Kurdish, or some combination of these allocations. Some believe such as system has worked relatively well in Lebanon helping it avoid all out civil war since the late 1980s, although others argue that Lebanon is perpetually unstable and that this model is not necessarily successful.

Support the Dominant Factions. Another view expressed by some is that the United States should place all its political, military, and economic support behind the mainstream Shiite and Kurdish factions that have all along been the most supportive of the U.S.-led overthrow of Saddam and which dominate Iraq's government. According to this view, sometimes referred to as the "80% solution" (Shiites and Kurds are about 80% of the population),[44] most Sunni Arabs will never fully accept the new order in Iraq and the United States should cease trying to pressure the Shiites and Arabs to try to satisfy them. Others say that the recent U.S. cooperation

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[44] Krauthammer, Charles. "The 20 Percent Solution." *Washington Post* op-ed, July 20, 2007.

with Sunni former insurgents has angered the Shiites and Kurds, and further risks all-out civil war if the United States were to draw down its forces.

Opponents of this strategy say that it is no longer needed because Sunnis have now begun cooperating with the United States, and are beginning to reconcile with the Shiites and Kurds. Others say this is unworkable because the Shiites have now fractured, and the United States now supports one group of Shiites against another - the Sadrists and their allies. These factors demonstrate, according to those with this view, that it is possible to build a multi-sectarian multi-ethnic government in Iraq. Others say that Iraq's Sunni neighbors will not accept a complete U.S. tilt toward the Shiites and Kurds, which would likely result in even further repression of the Sunni Arab minority. Still others say that a further U.S. shift in favor of the Shiites and Kurds would contradict the U.S. commitment to the protection of Iraq's minorities.

"Federalism"/Decentralization/Break-Up Options. Some maintain that Iraq cannot be stabilized as one country and should be broken up, or "hard partitioned," into three separate countries: one Kurdish, one Sunni Arab, and one Shiite Arab.[45] This option is widely opposed by a broad range of Iraqi parties as likely to produce substantial violence as Iraq's major communities separate physically, and that the resulting three countries would be unstable and too small to survive without domination by Iraq's neighbors. Others view this as a U.S. attempt not only to usurp Iraq's sovereignty but to divide the Arab world and thereby enhance U.S. regional domination. Still others view any version of this idea, including the less dramatic derivations discussed below, as unworkable because of the high percentage of mixed Sunni-Shiite Arab families in Iraq that some say would require "dividing bedrooms." This recommendation was rejected by the Iraq Study Group as potentially too violent.

A derivation of the partition idea, propounded by Senator (now Vice President-elect) Joseph Biden and Council on Foreign Relations expert Leslie Gelb (May 1, 2006, *New York Times* op-ed), as well as others, is form — or to not prevent Iraqis from forming — three autonomous regions, dominated by each of the major communities. A former U.S. Ambassador and adviser to the Kurds, Peter Galbraith, as well as others,[46] advocates this option, which some refer to as a "soft partition," but which supporters of the plan say is implementation of the federalism already enshrined in Iraq's constitution. According to this view, decentralizing Iraq into autonomous zones would ensure that Iraq's territorial integrity is preserved while ensuring that these communities do not enter all-out civil war with each other. Others say that decentralization is already de-facto U.S. policy as exhibited by the increasing transfer of authority to Sunni tribes in the Sunni areas and the relative lack of U.S. troops in the Shiite south, and that formalizing the policy would merely confirm the existing direction of U.S. policy and of events on the ground in Iraq. Others say that the Sunni Arabs, who initially opposed federalism in the constitution, now are reconsidering that view and might even want to form their own autonomous Sunni region.

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[45] The pros and cons of some of these plans and proposals is discussed in Cordesman, Anthony. Pandora's Box: Iraqi Federalism, Separatism, "Hard" Partitioning, and U.S. Policy. Center for Strategic and International Studies, October 9, 2007.

[46] Joseph, Edward and Michael O'Hanlon. "The Case for Soft Partition." *USA Today*, October 3, 2007.

The idea will be tested in April 2008 when the voluntarily moratorium ends on forming new regions, agreed in October 2006 by the major factions when the regions law was adopted. However, some believe that popular Shiite support for ISCI's drive to form a major Shiite region in southern Iraq, spanning as many as nine provinces, has faded since the regions law was passed, in part because of the Iranian influence in the south which is increasingly resented.

Proponents of the idea say that options such as this were successful in other cases, particularly in the Balkans, in alleviating sectarian conflict. Proponents add that the idea is a means of bypassing the logjam and inability to reconcile that characterizes national politics in Iraq. Some believe that, to alleviate Iraqi concerns about equitable distribution of oil revenues, an international organization should be tapped to distribute Iraq's oil revenues.

Opponents of the idea say it is being proposed for expediency — to allow the United States to withdraw from Iraq without establishing a unified and strong central government that can defend itself. Still others say the idea does not take sufficient account of Iraq's sense of Iraq national identity, which, despite all difficulties, is still expressed to a wide range of observers and visitors. Others maintain that any soft partition of Iraq would inevitably evolve into drives by the major communities for outright independence. Observers in the Balkans say that the international community had initially planned to preserve a central government of what was Yugoslavia, but that this became untenable and Yugoslavia was broken up into several countries.[47] Others say, drawing some support from recent events between Turkey and the Iraqi Kurds, that the autonomous regions of a decentralized Iraq would inevitably fall under the sway of Iraq's neighbors. Still others say that, no matter how the concept is implemented, there will be substantial bloodshed as populations move into areas where their sect or group predominates.

The federalism, or decentralization, plan gained strength with the passage of on September 26, 2007, of an amendment to the Senate version of H.R. 4986 (P.L. 110-181), an FY2008 defense authorization bill. The amendment passed 75-23 (to H.R. 1585, the original version that was vetoed over other issues), showing substantial bipartisan support. It is a "sense of Congress" that states that:

- The United States should actively support a political settlement, based on the "final provisions" of the Iraqi constitution (reflecting the possibility of major amendments, to the constitution, as discussed above), that creates a federal Iraq and allows for federal regions.

- A conference of Iraqis should be convened to reach a comprehensive political settlement based on the federalism law approved by the COR in October 2006.

- The amendment does not specify how many regions should be formed or that regions would correspond to geographic areas controlled by major Iraqi ethnicities or sects.

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[47] CRS conversations in Croatia, October 2007.

Subsequently, with the exception of the Kurds and some other Iraqi Arab officials, many of the main blocs in Iraq, jointly and separately, came out in opposition to the amendment on some of the grounds discussed above, although many of the Iraqi statements appeared to refer to the amendment as a "partition" plan, an interpretation that proponents of the amendment say is inaccurate. A U.S. Embassy Iraq statement on the amendment also appeared to mischaracterize the legislation, saying "As we have said in the past, attempts to partition or divide Iraq by intimidation, force, or other means into three separate states would produce extraordinary suffering and bloodshed. The United States has made clear our strong opposition to such attempts."

"Coup" or "Strongman" Option. Another option that received substantial discussion in 2007, a time of significant U.S. criticism of Maliki's failure to achieve substantial reconciliation, is for the United States to oust Maliki, either through force or by influencing the COR to vote no confidence in his government. Some believe Maliki should be replaced by a military strongman or some other figure who would crack down on militias, or someone who is more inclined to reach compromise with the restive Sunni Arabs. Some say former Prime Minister Allawi still is trying to position himself as such an alternative figure. However, experts in the United States see no concrete signs that such an option might be under consideration by the Administration, and other accounts say that Iraqi leaders are divided over who would replace Maliki, thus ensuring deadlock and his continuation in office. Using U.S. influence to force out Maliki would, in the view of many, conflict with the U.S. goal of promoting democracy and rule of law in Iraq.

Economic Measures

Some believe that the key to calming Iraq is to accelerate economic reconstruction. Accelerated reconstruction could, in this view, drain support for insurgents by creating employment, improving public services, and creating confidence in the government. This idea, propounded by DOD reconstruction official Paul Brinkley (Deputy Undersecretary of Defense for Business Transformation in Iraq), was incorporated into the President's January 10 initiative, in part by attempting to revive state-owned factories that can employ substantial numbers of Iraqis. Prior to that, the concept of using economic reconstruction to drive political accommodation was reflected in the decision to form PRTs, as discussed above. Others doubt that economic improvement alone will produce major political results because the differences among Iraq's major communities are fundamental and resistant to economic solutions. Another idea has been to set up an Iraqi fund, or trust, that would ensure that all Iraqis share equitably in Iraq's oil wealth. In an op-ed in the *Wall Street Journal* (December 18, 2006) Senator Hillary Rodham Clinton and Senator John Ensign supported the idea of an "Iraq Oil Trust" modeled on the Alaska Permanent Fund. The two put this idea forward in legislation on September 11, 2008 (S. 3470).

Many Members believe that Iraq, now flush with oil revenues and unspent assets, should now begin assuming more of the financial burden for Iraq and that the United States should sharply cut back reconstruction and security funding for Iraq. Some Members advocate that any or all U.S. reconstruction funding for Iraq be provided as loan, not grant. A similar provision to make about half of the $18 billion in U.S. reconstruction funds in the FY2004 supplemental (P.L. 106-108), discussed above,

was narrowly defeated (October 16, 2003, amendment defeated 226-200). A provision of the FY2009 defense authorization (P.L. 110-417) calls for U.S.-Iraq negotiations for Iraq to defray some U.S. combat costs, a provision to which the Administration took exception in its signing statement on the bill. The Administration argues that Iraq is already assuming more of the burden. For example, Iraqi increases in its own security funds allowed the Administration to reduce its FY2009 request for ISF funding to $2.8 billion, from an otherwise $5 billion.

Table 7. Major Factions in Iraq

Major Shiite and Kurdish Factions	
Iraq National Accord (INA)/Iyad al-Allawi	The INA is now a secular bloc (Iraqis List) in parliament. Allawi, about 62 years old (born 1946 in Baghdad), a former Baathist who helped Saddam silence Iraqi dissidents in Europe in the mid-1970s. Subsequently fell out with Saddam, became a neurologist, and presided over the Iraqi Student Union in Europe. Survived an alleged regime assassination attempt in London in 1978. He is a secular Shiite, but many INA members are Sunni ex-Baathists and ex-military officers. Allawi was interim Prime Minister (June 2004-April 2005). Won 40 seats in January 2005 election but only 25 in December 2005. Spends most of his time outside Iraq and reportedly trying to organize a non-sectarian parliamentary governing coalition to replace Maliki. Still boycotting the cabinet.
Iraqi National Congress (INC)/Ahmad Chalabi	Chalabi, who is about 67 years old, 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. 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 with some help from members of Jordan's royal family, in 1989. In April 1992, was convicted in absentia of embezzling $70 million from the bank and sentenced to 22 years in prison. One of the rotating presidents of the Iraq Governing Council (IGC). U.S.-backed Iraqi police raided INC headquarters in Baghdad on May 20, 2004, seizing documents as part of an investigation of various allegations, including provision of U.S. intelligence to Iran. Case later dropped. Since 2004, has allied with and fallen out with Shiite Islamist factions; was one of three deputy prime ministers in the 2005 transition government. No INC seats in parliament, but has chaired Higher National De-Baathification Commission prior to passage of law to reform that process and resisted de-Baathification reform efforts. Now serves as liaison between Baghdad neighborhood committees and the government in attempting to improve public services, giving him entree to senior U.S. military and diplomatic officials, leading to assessments that he is rebuilding his influence. Survived assassination attempt on convoy on September 6, 2008.

Major Shiite and Kurdish Factions	
Kurds/KDP and PUK	Together, the main factions run Kurdistan Regional Government (KRG) with its own executive headed by "president" Masud Barzani, Prime Minister Nechirvan Barzani, and a 111 seat legislature (elected in January 30, 2005 national elections). PUK leader Talabani remains president, despite March 2007 health problems that required treatment in Jordan and the United States. Barzani has tried to secure his clan's base in the Kurdish north and has distanced himself from national politics. Many Kurds are more supportive of outright Kurdish independence than are these leaders. Kurds field up to 100,000 *peshmerga* militia. Their joint slate won 75 seats in January 2005 national election but only 53 in December 2005. Grudgingly supported framework draft oil law sent to parliament, but strongly oppose related draft implementing law that would place 93% of Iraq's oil fields under control of a revived Iraqi National Oil Company (INOC). Both factions intent on securing control of Kirkuk.
Grand Ayatollah Ali al-Sistani	Undisputed leading Shiite theologian in Iraq. About 87 years old, he was born in Iran and studied in Qom, Iran, before relocating to Najaf at the age of 21. No formal position in government but has used his broad Shiite popularity to become instrumental in major political questions. Helped forge UIA and brokered compromise over the selection of a Prime Minister nominee in April 2006. Criticized Israel's July 2006 offensive against Lebanese Hezbollah. However, acknowledges that his influence is waning and that calls for Shiite restraint are unheeded as Shiites look to militias, such as Sadr's, for defense in sectarian warfare. Does not meet with U.S. officials but does meet with U.N. Assistance Mission in Iraq (UNAMI). Has network of agents (*wakils*) throughout Iraq and among Shiites outside Iraq. Treated for heart trouble in Britain in August 2004 and reportedly has reduced his schedule in early 2008. Advocates traditional Islamic practices such as modest dress for women, abstention from alcohol, and curbs on Western music and entertainment.
Supreme Islamic Council of (ISCI)	Best-organized and most pro-Iranian Shiite Islamist party and generally allied with Da'wa Party in UIA. It was established in 1982 by Tehran to centralize Shiite Islamist movements in Iraq. First leader, Mohammad Baqr Al Hakim, killed by bomb in Najaf in August 2003. Current leader is his younger brother, Abd al-Aziz al-Hakim, a lower ranking Shiite cleric and a member of parliament (UIA slate), but he holds no government position. Hakim currently undergoing lung cancer treatment, instilling uncertainty in ISCI leadership. One of his top aides, Bayan Jabr, is now Finance Minister, and another, Adel Abd al-Mahdi, is a deputy president. Controls "Badr Brigades" militia. Son, Ammar al-Hakim, is a key ISCI figure as well and is said to be favored to take over ISCI should his father's condition become fatal. As part of UIA, ISCI has 29 members in parliament. Supports formation of Shiite "region" composed of nine southern provinces and dominates provincial councils on seven of those provinces. Supports draft oil law to develop the oil sector, and broad defense pact with the United States. Party reportedly more popular in the wake of Sadr faction defeat in Basra in spring 2008.

Major Shiite and Kurdish Factions	
Da'wa (Islamic Call) Party	Oldest organized Shiite Islamist party (founded 1957), active against Saddam Hussein in early 1980s. Its founder, Mohammad Baqr al-Sadr, uncle of Moqtada Al Sadr, was ally of Iran's Ayatollah Khomeini and was hung by Saddam regime in 1980. Da'wa members tend to follow senior Lebanese Shiite cleric Mohammad Hossein Fadlallah rather than Iranian clerics, and Da'wa is not as close to Tehran as is ISCI. Has no organized militia and a lower proportion of clerics than does ISCI. Within UIA, its two factions (one loyal to Maliki and one loyal to another figure, parliamentarian Abd al-Karim al-Anizi, control 25 seats in parliament. Da'wa generally supports draft oil law and defense pact with U.S. The Kuwaiti branch of the Da'wa allegedly committed a May 1985 attempted assassination of the Amir of Kuwait and the December 1983 attacks on the U.S. and French embassies in Kuwait. (It was reported in February 2007 that a UIA/Da'wa parliamentarian, Jamal al-Ibrahimi, was convicted by Kuwait for the 1983 attacks.) Lebanese Hezbollah, founded by Lebanese Da'wa activists, attempted to link release of the Americans they held hostage in Lebanon in the 1980s to the release of 17 Da'wa prisoners held by Kuwait for those attacks in the 1980s.
Moqtada Al-Sadr Faction	See text box above.
Fadilah Party	Loyal to Ayatollah Mohammad Yacoubi, who was a leader of the Sadr movement after the death of Moqtada's father in 1999 but was later removed by Moqtada and subsequently broke with the Sadr faction. *Fadilah* (Virtue) won 15 seats parliament as part of the UIA but publicly left that bloc on March 6, 2007 to protest lack of a Fadilah cabinet seat. Holds seats on several provincial councils in the Shiite provinces and dominates Basra provincial council, whose governor, Mohammad Waeli, is a party member. Also controls protection force for oil installations in Basra, and is popular among oil workers and unions in Basra. Opposes draft oil law as too favorable to foreign firms. Considers itself opposed to Iranian influence in Iraq and wants a small (one - three provinces) Shiite region in the south. Instrumental in Basra petition to form a province.
Hezbollah Iraq	Headed by ex-guerrilla leader Abdul Karim Muhammadawi, who was on the IGC and now in parliament. Party's power base is southern marsh areas around Amara (Maysan Province), north of Basra. Has some militiamen. Supports a less formal version of Shiite region in the south than does ISCI.
Tharallah	Led by Sayyid Yusuf al-Musawi. Small Shiite faction in southern Iraq formed from former marsh guerrillas against Saddam. Purportedly pro-Iranian.
Islamic Amal	A relatively small faction, Islamic Amal (Action) Organization is headed by Ayatollah Mohammed Taqi Modarassi, a moderate cleric. Power base is in Karbala, and it conducted attacks there against Saddam regime in the 1980s. 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. One member in the cabinet (Minister of Civil Society Affairs).
Ayatollah Hassani Faction	Another Karbala-based faction, loyal to Ayatollah Mahmoud al-Hassani, who also was a Sadrist leader later removed by Moqtada. His armed followers clashed with local Iraqi security forces in Karbala in mid-August 2006.

Major Sunni Factions	
Iraqi Accord Front (Tariq al-Hashimi and Adnan al-Dulaymi)	Often referred to by Arabic name "Tawafuq," the Accord Front is led by Iraqi Islamic Party (IIP), headed by Tariq al-Hashimi, now a deputy president. C OR Speaker Mahmoud Mashadani, a hardliner, is a senior member; in July 2006, he called the U.S. invasion "the work of butchers." IIP withdrew from the January 2005 election but led the Sunni "Accord front" coalition in December 2005 elections, winning 44 seats in COR. Front, critical but accepting of U.S. presence, also includes Iraqi General People's Council of the hardline Adnan al-Dulaymi, and the National Dialogue Council (Mashhadani's party). Opposes draft oil law as sellout to foreign companies and distrusts Shiite pledges to equitably share oil revenues. Pulled five cabinet ministers out of government on August 1, 2007 but Hashimi stayed deputy president. Now has rejoined the cabinet. Dulaymi widely accused by Shiite Iraqi leaders of hiding weapons for Sunni insurgents, using properties owned by himself and his son. The IIP suspended talks with U.S. forces in October 2008 in response to a U.S. killing of one of its members in an Anbar operation. Grudgingly supports SOFA but wants side pledges on governmental treatment of Sunnis.
Iraqi Front for National Dialogue	Head is Saleh al-Mutlak, an ex-Baathist, was chief negotiator for Sunnis on the new constitution, but was dissatisfied with the outcome and now advocates major revisions. Bloc holds 11 seats, generally aligned with Accord front. Opposes draft oil law on same grounds as Accord front, and has similar position on SOFA to Accord Front.
Muslim Scholars Association (MSA)	Hardline Sunni Islamist group led by clerics Harith al-Dhari and Abd al-Salam al-Qubaysi, has boycotted all post-Saddam elections. Believed to have ties to/influence over insurgent factions. Wants timetable for U.S. withdrawal from Iraq. Iraqi government issued a warrant for Dhari's arrest in November 2006 for suspected ties to the Sunni insurgency, causing Dhari to remain outside Iraq (in Jordan). Headquarters raided at behest of pro-government Sunni Endowment organization in November 2007. Opposes draft oil law and U.S. defense pact.
Sunni Tribes/ "Awakening Movement"/ "Sons of Iraq"	Not an organized faction per se, but begun in Anbar by about 20 tribes, the National Salvation Council formed by Shaykh Abd al-Sattar al-Rishawi (assassinated on September 13) credited by U.S. commanders as a source of anti-Al Qaeda support that is helping calm Anbar Province. Some large tribal confederations include Dulaym (Ramadi-based), Jabburi (mixed Sunni-Shiite tribe), Zobi (near Abu Ghraib), and Shammar (Salahuddin and Diyala regions). Trend has spread to include former Sunni insurgents now serving as local anti-Al Qaeda protection forces in Baghdad, parts of Diyala province, Salahuddin province, and elsewhere. Generally supportive of SOFA with U.S.
Iraqi Insurgents	Numerous factions and no unified leadership. Some groups led by ex-Saddam regime leaders, others by Islamic extremists. Major Iraqi factions include Islamic Army of Iraq, New Baath Party, Muhammad's Army, and the 1920 Revolution Brigades. Perceived as increasingly opposed to AQ-I.
Al Qaeda in Iraq (AQ-I) / Foreign Fighters	AQ-I was led by Abu Musab al-Zarqawi, a Jordanian national, until his death in U.S. airstrike June 7, 2006. Succeeded by Abu Hamza al-Muhajir (Abu Ayyub al-Masri), an Egyptian. Estimated 3,000 in Iraq (about 10-15% of total insurgents) from many nations, including Egypt and Saudi Arabia, but increasingly subordinate to Iraqi Sunni insurgents under the banner of the "Islamic State of Iraq." See CRS Report RL32217, *Al Qaeda in Iraq: Assessment and Outside Links.*

Table 8. Iraq's Government

Position	Name	Ethnicity/Bloc/Party Status
President	Jalal Talabani	Kurd/PUK
Deputy President	Tariq al-Hashimi	Sunni/Accord front
Deputy President	Adel Abd-al-Mahdi	Shiite/UIA/ISCI
Prime Minister	Nuri Kamal al-Maliki	Shiite/UIA/Da'wa
Deputy P.M.	Barham Salih	Kurdistan Alliance/PUK
Deputy P.M.	Rafi al-Issawi	Sunni/Accord front
Min. Agriculture	Ali al-Bahadili	independent Shiite named in October 2007, replaced resigned Sadrist
Min. Communications	Faruq Abd al-Rahman	Accord Front
Min. Culture	Mahir al-Hadithi	Accord Front
Min. Defense	Abdul Qadir al-Ubaydi	Sunni independent
Min. Displacement and Migration	Abd al-Samad Sultan	Shiite Kurd/UIA
Min. Electricity	Karim Wahid	Shiite/UIA/independent
Min. Education	Khudayiir al-Khuzai	Shiite/UIA/Da'wa (Anizi faction)
Min Environment	Mrs. Narmin Uthman	Kurdistan Alliance/PUK
Min. Finance	Bayan Jabr	Shiite/UIA/ISCI
Min. Foreign Affairs	Hoshyar Zebari	Kurdistan Alliance/KDP
Min. Health	Saleh al-Hasnawi	Independent Shiite named October 2007; was held by UIA/Sadr bloc.
Min. Higher Education	Dr. Abd Dhiyab al-Ujayli	Accord Front/IIP
Min. Human Rights	Mrs. Wijdan Mikhail	Christian/Allawi bloc/boycotting
Min. Industry and Minerals	Fawzi al-Hariri	Christian Kurd/Kurdistan Alliance/KDP
Min. Interior	Jawad al-Bulani	Shiite independent
Min. Justice	Safa al-Safi	UIA/independent/acting. Was held by Hashim al-Shibli (Accord front.) Replacement not confirmed.

Position	Name	Ethnicity/Bloc/Party Status
Min. Housing and Construction	Mrs. Bayan Daza'i	Kurdistan Alliance/KDP
Min. Labor and Social Affairs	Mahmud al-Radi	Shiite/UIA/Independent
Min. Oil	Husayn al-Shahristani	Shiite/UIA/Independent/close to Ayatollah Sistani
Min. Planning	Ali Baban	Sunni/formerly Accord Front/IIP
Min. Trade	Abd al-Falah al-Sudani	Shiite/UIA/Da'wa (Anizi faction)
Min. Science and Technology	Ra'id Jahid	Sunni/Allawi bloc/Communist/boycotting
Min. Municipalities and Public Works	Riyad Ghurayyib	Shiite/UIA/ISCI (Badr)
Min. Transportation	Amir Isma'il	Shiite independent
Min. Water Resources	Latif Rashid	Kurdistan Alliance/PUK
Min. Youth and Sports	Jasim al-Jafar	Shiite Turkomen/UIA
Min. State for Civil Society	Mrs. Wijdan Mikhail	Christian/Allawi bloc/boycotting
Min. State National Dialogue Affairs	Akram al-Hakim	Shiite/UIA/ISCI (Hakim family)
Min. State National Security	Shirwan al-Waili	Shiite/UIA/Da'wa
Min. State Foreign Affairs	Dr. Muhammad al-Dulaymi	Accord Front
Min. State Provincial Affairs	Khalud al-Majun	female, independent
Min. State Tourism and Antiquities	Qahtan al-Jibburi	Shiite independent
Min. State for Women's Affairs	Dr. Nawal al-Samarr	Accord Front, female
Min. State for COR Affairs	Safa al-Safi	Shiite/UIA/independent

Table 9. U.S. Aid (ESF) to Iraq's Saddam-Era Opposition

(Amounts in millions of U.S. $)

	INC	War crimes	Broadcasting	Unspecified opposition activities	Total
FY1998 (P.L. 105-174)	—	2.0	5.0 (RFE/RL for "Radio Free Iraq")	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 in Iraq)	2.0	6.0 (INC radio)	5.0	25.0
FY2002 (P.L. 107-115)	—	—	—	25.0	25.0
FY2003 (no earmark)	3.1	—	—	6.9	10.0
Total, FY1998-FY2003	18.1	9.0	11.0	49.9 (about 14.5 million of this went to INC)	88.0
FY2004 (request)	—	—	—	0	0

Notes: According to the U.S. Government Accountability Office (April 2004), the INC's Iraqi National Congress Support Foundation (INCSF) received $32.65 million in U.S. 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 "Iraq Liberation Act" — 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 its "Liberty TV," which began in August 2001, from London. The station was funded by FY2001 ESF, with start-up costs of $1 million and an estimated additional $2.7 million per year in operating costs. Liberty TV was sporadic due to funding disruptions resulting from the INC's refusal to accept some State Department decisions on how U.S. funds were to be used. 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, but was halted after the June 2004 return of sovereignty to Iraq. The figures above do not include covert aid provided — the amounts are not known from open sources. Much of the "war crimes" funding was used to translate and publicize documents retrieved from northern Iraq on Iraqi human rights; the translations were placed on 176 CD-Rom disks. During FY2001 and FY2002, the Administration 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. See General Accounting Office Report GAO-04-559, *State Department: Issues Affecting Funding of Iraqi National Congress Support Foundation*, April 2004.

Figure 1. Map of Iraq

Source: Map Resources. Adapted by CRS.