

# CRS Report for Congress

## Iraq: Post-Saddam Governance and Security

Updated December 28, 2006

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Prepared for Members and  
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## Summary

Operation Iraqi Freedom overthrew Saddam Hussein's regime, but Iraq remains unstable because of Sunni Arab resentment and a related insurgency, compounded by Sunni-Shiite violence that some believe has grown into a civil war. Mounting U.S. casualties and financial costs — without clear signs of security progress — have intensified a debate within the United States over the wisdom of the invasion and whether to wind down U.S. involvement without completely accomplishing initial U.S. goals. U.S. Defense Department reports are expressing more pessimism about security in Iraq and they, as well as Bush Administration officials, are expressing some frustration at the unwillingness of the Iraqi government to disband sectarian militias that are committing violence against civilians of rival sects. U.S. difficulties in Iraq are reflected in reported Administration memos by outgoing Defense Secretary Rumsfeld, National Security Adviser Stephen Hadley, and in the December 6, 2006, report of the Iraq Study Group co-chaired by former Secretary of State James Baker and former House International Relations Committee chair Lee Hamilton.

Administration officials say President Bush, who has recently said that progress is slower and less extensive than was expected, will address the nation on new initiatives in Iraq in early 2007. In statements prior to his December 2006 re-evaluation of policy, he has indicated that U.S. forces should remain in Iraq until the country is able to provide for its own security, saying that, over the longer term, Iraq can still become a model for reform throughout the Middle East and a partner in the global war on terrorism. He and other officials assert that U.S. policy has shown some important successes: two elections (January and December 2005) that chose an interim and then a full-term parliament and government; a referendum that adopted a permanent constitution (October 15, 2005); progress in building Iraq's security forces; and economic growth. While continuing to build, equip, and train Iraqi security units, the Administration has worked to include more Sunni Arabs in the power structure, particularly the security institutions.

Some in Congress — as well as the Iraq Study Group — believe that major new initiatives are required. The Study Group recommendations focus on intensified regional diplomacy to enlist help from neighboring states to calm their protegee factions in Iraq. Others believe that U.S. counter-insurgent operations are hampered by insufficient U.S. troop levels, but several Members and outside experts maintain that sectarian violence is placing U.S. forces in the middle of civil war and that setting a timetable for withdrawal, or otherwise reducing U.S. support for the Baghdad government, might force compromise among Iraqi factions. Still others maintain that the U.S. approach should focus not on counter-insurgent combat but on reconstruction and policing of towns and cities cleared of insurgents, including neighborhoods of Baghdad.

This report is updated regularly. See also CRS Report RS21968, *Iraq: Elections, Government, and Constitution*, by Kenneth Katzman; CRS Report RL31833, *Iraq: Recent Developments in Reconstruction Assistance*, by Curt Tarnoff; and CRS Report RL31701, *Iraq: U.S. Military Operations*, by Steve Bowman.

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# 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).<sup>1</sup> Iraq had been a province of the Ottoman empire until British forces defeated the Ottomans in World War I and took control of what is now Iraq in 1918. Britain had tried to take Iraq from the Ottomans in Iraq 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 son, Faysal II, who was only four years old.

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 his pro-British Prime Minister Nuri al-Sa'id who had also served under his predecessors, 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 Baathist 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, who ruled until the Baath Party coup of July 1968. Following the Baath seizure, Bakr returned to government as President of Iraq and Saddam Hussein, a civilian, became the second most powerful leader as 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

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<sup>1</sup> See Eisenstadt, Michael, and Eric Mathewson, eds, *U.S. Policy in Post-Saddam Iraq: Lessons from the British Experience*. Washington Institute for Near East Policy, 2003. Members of the Hashemite family rule neighboring Jordan.

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 Hussein, secular Shiites held high party positions, but Sunnis, mostly from Saddam's home town of Tikrit, dominated the highest party and security 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.

## 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 militarily overthrow Saddam Hussein in the 1991 war because the United Nations had approved only the liberation of Kuwait, because the Arab states in the coalition opposed an advance to Baghdad, and because the Administration feared becoming bogged down in a high-casualty occupation.<sup>2</sup> 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 rebels. Many Iraqi Shiites blamed the United States for not intervening to prevent suppression of the uprisings. 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.

About two months after the failure of these uprisings, President George H.W. Bush reportedly sent Congress an intelligence finding that the United States would try to promote a military coup against Saddam Hussein. The Administration apparently believed that a coup from within the regime could produce a favorable government without fragmenting Iraq. After a reported July 1992 coup failed, there was a U.S. decision to shift to supporting the Kurdish, Shiite, and other oppositionists that were coalescing into a broad movement.<sup>3</sup>

Support for Iraq's opposition was one facet of broader U.S. policy to pressure Saddam Hussein. The main elements of U.S. containment policy during the 1990s consisted of U.N. Security Council-authorized weapons inspections, an international economic embargo, and U.S.-led enforcement of "no fly zones" over northern and southern Iraq. The implementation of these policies is discussed in CRS Report RL32379, *Iraq: Former Regime Weapons Programs, Human Rights Violations, and U.S. Policy*, by Kenneth Katzman.

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<sup>2</sup> Bush, George H.W., and Brent Scowcroft. *A World Transformed*. Alfred A. Knopf, Inc. 1998.

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

## Major Anti-Saddam Factions

Although U.S. policy after the 1991 war emphasized containment, the United States built ties to and progressively increased support for several of the secular and religious opposition factions discussed below. Some of these factions have provided major figures in post-Saddam politics, while also fielding militias that are allegedly conducting acts of sectarian reprisals in post-Saddam Iraq.

**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 have authoritarian leaderships. The INC’s Executive Committee selected Ahmad Chalabi, a secular Shiite Muslim from a prominent banking family, to run the INC on a daily basis. Chalabi, who is about 67 years old, was educated in the United States (Massachusetts Institute of Technology) as a mathematician. As an Iraqi governance structure was established, Chalabi was one of the rotating presidents of the Iraq Governing Council (IGC). Since 2004, Chalabi has allied with and then fallen out with Shiite Islamist factions; he was one of three deputy prime ministers in the 2005 transition government, and he has since left Iraq for London. (A table on U.S. appropriations for the Iraqi opposition, including the INC, is an appendix).<sup>4</sup>

Another secular group, the Iraq National Accord (INA), was 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).<sup>5</sup> It is led by Dr. Iyad al-Allawi, a Baathist who purportedly helped Saddam Hussein silence Iraqi dissidents in Europe in the mid-1970s.<sup>6</sup> Allawi, who is about 60 years old (born 1946 in Baghdad), fell out with Saddam in the mid-1970s, became a neurologist and presided over the Iraqi Student Union in Europe. He survived an alleged Saddam regime assassination attempt in London in 1978. He is a secular Shiite Muslim, but many INA members are Sunnis. The INA enjoyed Clinton Administration support in 1996 after squabbling among other opposition groups reduced their viability.<sup>7</sup> However,

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<sup>4</sup> Chalabi’s father was president of the Senate in the monarchy that was overthrown in the 1958 military coup, and the family fled to Jordan. He taught math at the American University of Beirut in 1977 and, in 1978, he founded the Petra Bank in Jordan. He later ran afoul of Jordanian authorities on charges of embezzlement and he left Jordan, possibly with some help from members of Jordan’s royal family, in 1989. In April 1992, he was convicted in absentia of embezzling \$70 million from the bank and sentenced to 22 years in prison. The Jordanian government subsequently repaid depositors a total of \$400 million. In a fallout with his former U.S. backers, 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. The case was later dropped.

<sup>5</sup> Brinkley, Joel. “Ex-CIA Aides Say Iraq Leader Helped Agency in 90’s Attacks,” *New York Times*, June 9, 2004.

<sup>6</sup> Hersh, Seymour. “Annals of National Security: Plan B,” *The New Yorker*, June 28, 2004.

<sup>7</sup> An account of this shift in U.S. strategy is essayed in Hoagland, Jim. “How CIA’s Secret (continued...)”

the INA proved penetrated by Iraq's intelligence services, which 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 KDP, to help it capture Irbil from the PUK. The incursion enabled Baghdad to rout INC and INA agents in the north.

**The Kurds.** The Kurds, who are mostly Sunni Muslims but are not Arabs, are probably the most pro-U.S. of all major groups. They have a historic fear of persecution by the Arab majority and want to, at the very least, preserve the autonomy of the post-1991 Gulf war period. The Kurds, both through legal procedures as well as population movements, are trying to secure the city of Kirkuk, which the Kurds covet as a source of oil, and they have adopted a new oil development law that some see as an attempt to secure oil resources located in the Kurdish region for the Kurds alone. The Kurds achieved insertion of language in the permanent constitution requiring a vote by December 2007 on whether Kirkuk might formally join the Kurdish administered region. (The Iraq Study Group report, released December 6, 2006, in Recommendation 30 believes that this referendum should be delayed, a proposal strongly criticized by Kurdish leaders.)<sup>8</sup> For now, both major Kurdish factions — the Patriotic Union of Kurdistan (PUK) led by Jalal Talabani, and the Kurdistan Democratic Party (KDP) led by Masud Barzani — are participating in Iraqi politics, the PUK more so than the KDP. Both were on the IGC; Talabani went on to become Iraq's president, while Barzani, on June 12, 2005, was named "president of Kurdistan" by the 111-seat Kurdish regional assembly that was elected on January 30, 2005. (For an extended discussion, see CRS Report RS22079, *The Kurds in Post-Saddam Iraq*, by Kenneth Katzman and Alfred B. Prados.)

**Shiite Islamists: Ayatollah Sistani, SCIRI, Da'wa Party, and Sadr.** Shiite Islamist organizations have come to power in post-Saddam politics; Shiites constitute about 60% of the population but were under-represented in all pre-2003 governments. Several Shiite factions cooperated with the U.S. regime change efforts of the 1990s, but others had no contact with the United States. The undisputed Shiite religious leader, Grand Ayatollah Ali al-Sistani, remained in Iraq, albeit with a low profile, during Saddam Hussein's regime, and he was not involved in U.S.-backed regime change efforts during the 1990s. As the "*marja-e-taqlid*" (source of emulation) and, since 1992, as the most senior of the four Shiite clerics that lead the Najaf-based "*Hawza al-Ilmiyah*" (a grouping of seminaries), he is a major political force in post-Saddam politics.<sup>9</sup> He has a network of agents (*wakils*) throughout Iraq and among Shiites outside Iraq.

About 85 years old, Sistani was born in Iran and studied in Qom, Iran, before relocating to Najaf at the age of 21. His mentor, the former head of the *Hawza*, was

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<sup>7</sup> (...continued)

War On Saddam Collapsed," *Washington Post*, June 26, 1997.

<sup>8</sup> The report can be obtained at [<http://www.usip.org>].

<sup>9</sup> 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.



Ayatollah Abol Qasem Musavi-Khoi. Like Khoi, Sistani generally opposes a direct role for clerics in government, but he believes in clerical supervision of political leaders. He wants Iraq to maintain its Islamic culture and favors modest dress for women, and curbs on sales of alcohol and Western music and entertainment.<sup>10</sup> He was treated for heart trouble in the United Kingdom in August 2004.

**Supreme Council for the Islamic Revolution in Iraq (SCIRI).** Within the “United Iraqi Alliance” (UIA) of Shiite political groupings, SCIRI shares power with other factions, but SCIRI’s influence is bolstered by the fielding of a militia force, the “Badr Brigades.” SCIRI founders were in exile in Iran after a major crackdown in 1980 by Saddam, who accused pro-Khomeini Iraqi Shiite Islamists of trying to overthrow him. During Ayatollah Khomeini’s exile in Najaf (1964-1978), he was hosted by Grand Ayatollah Muhsin al-Hakim, father of the Hakim brothers (including current leader Abd al-Aziz) that founded SCIRI. The Ayatollah was then head of the *Hawza*. SCIRI leaders say they do not seek to establish an Iranian-style Islamic republic, but SCIRI reportedly receives substantial amounts of financial and other aid from Iran. Although it was a member of the INC in the early 1990s, SCIRI refused to accept U.S. funds, although it did have contacts with the United States. When Abd al-Aziz al-Hakim visited Washington D.C. in early December 2006, the Bush Administration reportedly urged him to give greater support to the government of Prime Minister Nuri al-Maliki, although Hakim urged greater U.S. military efforts against Sunni insurgents. (See also CRS Report RS22323, *Iran’s Influence in Iraq*, by Kenneth Katzman.)

**Da’wa Party/Ibrahim al-Jafari and Nuri al-Maliki.** The Da’wa (Islamic Call) Party is both an ally and sometime rival of SCIRI. Da’wa did not directly join the U.S.-led effort to overthrow Saddam Hussein during the 1990s. Its leader is 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, is the number two Da’wa leader. Although there is no public evidence that Jafari or Maliki were involved in any terrorist activity, 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. Lebanese Hezbollah was founded by Lebanese clerics loyal to Da’wa founder Ayatollah Mohammad Baqr Al Sadr and Khomeini, and there continue to be personal and ideological linkages between Lebanese Hezbollah and Da’wa (as well as with SCIRI). Hezbollah 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.** As discussed further throughout this paper, Moqtada Al Sadr is emerging as a major — some believe the single most powerful — figure in Iraq. He has been viewed as a young firebrand who lacks religious and political weight. However, the more established Shiite factions, as well as Iranian diplomats, are building ties to him because of his large following, particularly among poorer Shiites who identify with other “oppressed Muslims” such as the Palestinians

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

and who are therefore skeptical of any U.S. presence in the Middle East. By fully participating in the December 15, 2005, elections, Sadr appeared to distance himself from his uprisings in 2003 and 2004, although tensions flared again in 2006 between Sadr's militia forces and international (particularly British) forces in Iraq as well as against rival Shiite factions and Iraqi security forces. During 2003-2004, he used Friday prayer sermons in Kufa (near Najaf) to agitate for a U.S. withdrawal, and he did not join any Iraqi governments. Pro-Sadr candidates also won pluralities in several southern Iraqi provincial council elections. (In Recommendation 35, the Iraq Study Group recommended that the United States find a way to talk to Sadr, as well as Sistani, who does not meet with U.S. officials, as well as with other parties except Al Qaeda-Iraq.)

**Table 1. Major Shiite, Kurdish, and Secular Factions**

Iraq National Accord/Iyad al-Allawi	Consists of many 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.
Kurds/KDP and PUK	Two main Kurdish factions. Talabani became president of Iraq after January 2005 and remains so. Barzani has tried to secure his clan's base in the Kurdish north. Together, field up to 100,000 <i>peshmerga</i> militia. Their joint slate won 75 seats in January 2005 election but only 53 in December.
Grand Ayatollah Ali al-Sistani	Undisputed leading Shiite theologian in Iraq. No formal position in government but has used his broad Shiite popularity to become instrumental in major questions facing it and in U.S. decisions on Iraq. Helped forge UIA and brokered compromise over the selection of a Prime Minister nominee in April 2006. Strongly 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 armed parties and militias for defense in sectarian warfare.
Supreme Council for the Islamic Revolution in Iraq (SCIRI)	Best-organized and most pro-Iranian Shiite Islamist party. 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. One of his top aides, Bayan Jabr, is now Finance Minister, and another, Adel Abd al-Mahdi, is a deputy president. Controls 5,000 fighter "Badr Brigades" militia. As part of UIA, SCIRI has about 30 of its members in parliament. Supports formation of Shiite "region" composed of nine southern provinces. Has tense relations with Da'wa Party despite common ideology and heritage.
Da'wa (Islamic Call) Party	Oldest organized Shiite Islamist party (founded 1957), active against Saddam Hussein in early 1980s. Founder, Mohammad Baqr al-Sadr, was ally of Iran's Ayatollah Khomeini and was hung by Saddam regime in 1980. Da'wa supporters 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 SCIRI. Has no organized militia and a lower proportion of clerics than does SCIRI. Part of UIA, controls about 28 seats in parliament.

Moqtada Al-Sadr Faction	Young (about 31), the lone surviving son of the revered Ayatollah Mohammed Sadiq al-Sadr (killed, along with his other two sons, by regime security forces in 1999 after he began agitating against Saddam), and relative of Da'wa Party founder Ayatollah Mohammad Baqr Al Sadr. Inherited father's political base in "Sadr City," a large (2 million population) Shiite district of Baghdad, but also strong in Diwaniyah, Basra, Amarah, and other major Shiite cities. Mercurial, has both challenged and worked with U.S. in Iraq. Still 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. Formed "Mahdi Army" militia in 2003, although some militia elements now believed beyond Sadr's control. Now part of UIA, controls 32 seats in new parliament and ministries of health, transportation, and agriculture (plus one organization of ministerial rank). Opposes large Shiite "region" in the south and is an ally and pillar of Prime Minister Nuri al-Maliki.
Fadilah Party	<i>Fadilah</i> (Virtue) holds about 15 seats in the 2006-2010 parliament as part of the UIA coalition. Loyal to Ayatollah Mohammad Yacoubi, it is a splinter group of the Sadr's faction. Holds seats on several provincial councils in the Shiite provinces and controls the protection force (Facilities Protection Service) for the oil installations in Basra. Governor of Basra Province is <i>Fadilah</i> member, helping party's efforts to dominate the provincial government there.
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. Party militiamen play major role in policing areas of the province.
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. Islamic Amal won two seats in the January 30 election and has a member in the new cabinet (Minister of Civil Society Affairs).
Ayatollah Hassani Faction	Another Karbala-based faction, loyal to Ayatollah Mahmoud al-Hassani. His armed followers clashed with local Iraqi security forces in Karbala in mid-August 2006. Hassani, along with <i>Fadilah</i> , are considered opponents of Iran because of Iran's support for SCIRI and Da'wa Party.

## Clinton Administration Policy/Iraq Liberation Act

During 1997-1998, Iraq's obstructions of U.N. weapons of mass destruction (WMD) inspections led to growing congressional calls to overthrow Saddam, beginning with an FY1998 supplemental appropriations act (P.L. 105-174). The sentiment was reflected more strongly in the "Iraq Liberation Act" (ILA, P.L. 105-338, October 31, 1998). This law, signed by President Clinton despite doubts about opposition capabilities, was viewed as an expression of congressional support for the concept of promoting an Iraqi insurgency with U.S. air power. The Bush Administration has cited the ILA as evidence of a bipartisan consensus that Saddam should be toppled.

The ILA stated that it should be the policy of the United States to “support efforts” to remove the regime headed by Saddam Hussein. In mid-November 1998, President Clinton publicly articulated that regime change was a component of U.S. policy toward Iraq. Section 8 states 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 provides for post-Saddam “transition assistance” to Iraqi groups with “democratic goals.” The law also 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.

The signing of the ILA coincided with new crises over Iraq’s obstructions of U.N. weapons inspections. On December 15, 1998, U.N. inspectors were withdrawn, and a three-day U.S. and British bombing campaign against suspected Iraqi WMD facilities followed (Operation Desert Fox, December 16-19, 1998). On February 5, 1999, President Clinton made seven opposition groups eligible to receive U.S. military assistance under the ILA (P.D. 99-13): INC; INA; SCIRI; KDP; PUK; the Islamic Movement of Iraqi Kurdistan (IMIK);<sup>11</sup> and the small Movement for Constitutional Monarchy (MCM).

In May 1999, the Clinton Administration provided \$5 million worth of training and “non-lethal” defense articles under the ILA. During 1999-2000, about 150 oppositionists underwent civil administration training at Hurlburt air base in Florida, including Defense Department-run civil affairs training to administer a post-Saddam government. The Hurlburt trainees were not brought into Operation Iraqi Freedom or into the Free Iraqi Forces that deployed to Iraq. However, the Clinton Administration decided that the opposition was not sufficiently capable to merit weapons or combat training.

## **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 Administration initially to continue its predecessor’s emphasis on containment.<sup>12</sup> Some accounts say that the Administration was planning, prior to September 11, to confront Iraq militarily, but President Bush has denied this. During its first year, Administration policy tried to strengthen containment of Iraq, which the Administration said was rapidly eroding, by achieving U.N. Security Council adoption (Resolution 1409, May 14, 2002) of a “smart sanctions” plan. The plan

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<sup>11</sup> 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.

<sup>12</sup> One account of Bush Administration internal debates on the strategy is found in Hersh, Seymour. “The Debate Within,” *The New Yorker*, Mar. 11, 2002.

relaxed U.N.-imposed restrictions on exports to Iraq of purely civilian equipment<sup>13</sup> 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 changed to 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 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 leaders visited reportedly urged greater U.S. attention to the Arab-Israeli dispute and opposed war with Iraq.

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 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 reported memoranda (the "Downing Street Memo") by British intelligence officials, based on conversations with U.S. officials. That memo reportedly said that by mid-2002 the Administration had already decided to go to war against Iraq and that it sought to develop information about Iraq to support that judgment. President Bush and 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" to the United States.)

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 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

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<sup>13</sup> For more information on this program, see CRS Report RL30472, *Iraq: Oil For Food Program, Illicit Trade, and Investigations*, by Kenneth Katzman and Christopher Blanchard.

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,”<sup>14</sup> 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,<sup>15</sup> although U.S. forces have found some chemical weapons caches left over from the Iran-Iraq war.<sup>16</sup> The UNMOVIC work remains formally active.<sup>17</sup>

- *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 had a direct connection to 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.<sup>18</sup>

## Operation Iraqi Freedom (OIF)

Although it is not certain when the Administration decided on an invasion, in mid-2002 the Administration began ordering a force to the region that, by early 2003, gave the President an active option to take that step. 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 to destabilize Saddam Hussein. In August 2002, the State and Defense Departments jointly invited six major opposition groups to Washington, D.C. At the same time, the Administration expanded its ties to several groups, particularly those composed of ex-military officers. The Administration also began training about 5,000 oppositionists to assist U.S. forces,<sup>19</sup> although reportedly only about 70 completed training at an air base (Taszar) in Hungary, eventually serving as translators during the war. At the same time, the Administration opposed a move by the major factions to declare a provisional government, believing that

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<sup>14</sup> The full text of the Duelfer report is available at [<http://news.findlaw.com/hdocs/docs/iraq/cia93004wmdrpt.html>].

<sup>15</sup> 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.

<sup>16</sup> Pincus, Walter. “Munitions Found in Iraq Renew Debate.” *Washington Post*, July 1, 2006.

<sup>17</sup> For information on UNMOVIC’s ongoing activities, see [<http://www.unmovic.org/>].

<sup>18</sup> *9/11 Commission Report*, p. 66.

<sup>19</sup> Deyoung, Karen, and Daniel Williams, “Training of Iraqi Exiles Authorized,” *Washington Post*, Oct. 19, 2002.

doing so would prevent the emergence of secular, pro-democracy groups after Saddam's fall.

In an effort to obtain U.N. backing for confronting Iraq — support that then Secretary of State Powell reportedly argued was needed — President Bush urged the United Nations General Assembly (September 12, 2002) that the U.N. Security Council should enforce its 16 existing WMD-related resolutions on Iraq. The Administration subsequently agreed to give 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. In January and February 2003, UNMOVIC Director Hans Blix and International Atomic Energy Agency (IAEA) Director Mohammad al-Baradei briefed the Security Council on WMD inspections that resumed November 27, 2002. Although they were not denied access to suspect sites, they criticized Iraq for failing to actively cooperate to clear up outstanding questions, but also noted progress and said that Iraq might not have retained any WMD. The Bush Administration asserted that Iraq was not complying with Resolution 1441 because it was not pro-actively revealing information.

During this period, Congress debated the costs and risks of an invasion. It adopted H.J.Res. 114, authorizing the President to use military force against Iraq if he determines that doing so is in the national interest and would enforce U.N. Security Council resolutions. 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).

In Security Council debate, opponents of war, including France, Russia, China, and Germany, said the pre-war WMD inspections showed that Iraq could be disarmed peacefully or contained indefinitely. The United States, along with Britain, Spain, and Bulgaria, maintained that Iraq had not fundamentally decided to disarm. At a March 16, 2003, summit meeting with the leaders of Britain, Spain, and Bulgaria at the Azores, President Bush asserted that diplomatic options to disarm Iraq had failed. The following evening, President Bush gave Saddam Hussein and his sons, Uday and Qusay, an ultimatum to leave Iraq within 48 hours to avoid war. They refused 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<sup>20</sup> “coalition of the willing” force assembled, a substantial proportion of which remained afloat or 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 post-major combat evaluation (“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

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<sup>20</sup> 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*, Mar. 27, 2003, p. A19.

WMD was used by Iraq, although it did fire some ballistic missiles into Kuwait; it is not clear whether those missiles were of prohibited ranges (greater than 150 km). The regime vacated Baghdad on April 9, 2003, although Saddam Hussein appeared with supporters that day in Baghdad's mostly Sunni Adhamiya district. (Saddam was captured in December 2003, and subsequently tried in Iraq and, on November 5, 2006, convicted for "willful killing" of Shiite civilians in Dujail in 1982; trial on other charges is still ongoing. On December 26, 2006, an appeals court upheld the rulings in the case, meaning Saddam might be executed in January 2007.

## Post-Saddam Governance and Transition

According to the Bush Administration's November 30, 2005, "Strategy for Victory," the U.S. long-term goal is to enable Iraq to be stable, unified, and democratic, able to provide for its own security, a partner in the global war on terrorism, and a model for reform in Middle East. The formal political transition has advanced, but insurgent violence is still widespread, and sectarian violence has increased to the point that senior U.S. officials say that it is now the pre-eminent security threat in Iraq, with "potential" for full fledged civil war. Some experts say Iraq is already in a state of civil war, by some definitions of the term.

**Occupation Period, Coalition Provisional Authority (CPA), and Ambassador Paul Bremer.** After the fall of the regime, the United States set up an occupation structure, reportedly grounded in 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), within the Department of Defense, created by a January 20, 2003 executive order. The Administration's immediate post-war policy did not make use of an extensive State Department initiative, called the "Future of Iraq Project," that spent at least a year before the war drawing up plans for administering Iraq after the fall of Saddam. The State Department project, which cost \$5 million, had 15 working groups on major issues.<sup>21</sup> Garner tried to quickly establish a representative successor Iraqi regime. He and White House envoy Zalmay Khalilzad (now Ambassador to Iraq) organized a meeting in Nassiriyah (April 15, 2003) of about 100 Iraqis of varying views and ethnicities. A subsequent meeting of over 250 notables was held in Baghdad (April 26, 2003), ending in agreement to hold a broader meeting one month later to name an interim administration. However, senior U.S. officials reportedly disliked Garner's toleration of Iraqis naming themselves as local leaders, among other measures.

In May 2003, the Administration named ambassador L. Paul Bremer to replace Garner by heading a "Coalition Provisional Authority" (CPA), which subsumed ORHA. The CPA was an occupying authority recognized by U.N. Security Council Resolution 1483 (May 22, 2003). Bremer discontinued Garner's political transition

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<sup>21</sup> 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/>].



process and instead appointed a non-sovereign Iraqi advisory body. On July 13, 2003, he named this 25-member “Iraq Governing Council” (IGC), and 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 itself (a slight majority of Shiite Muslims). The IGC was widely perceived in Iraq as an arm of U.S. decision-making. Although there were some Sunni figures in the CPA-led political structure, such as pro-Western Sunni elder (Shammar tribe) Ghazi al-Yawar, many Sunnis resented the U.S. invasion and opposed the Iraqi bodies. Adding to Sunni resentment were some of the CPA’s most controversial decisions, including not to recall members of the armed forces to service and to pursue “de-Baathification” — a purge from government of about 30,000 Iraqis at four top ranks of the Baath Party. (In Recommendation 27, the Iraq Study Group says that the United States should encourage the reintegration of ex-Baathists into national life.)

## Handover of Sovereignty and Transition Roadmap

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 and direct elections. In November 2003, the United States announced it would return sovereignty to Iraq by June 30, 2004, and that national elections would be held by the end of 2005.

**Transitional Administrative Law (TAL).** The CPA decisions were incorporated into an interim constitution, the Transitional Administrative Law (TAL), which was drafted mostly by the major anti-Saddam factions (signed on March 8, 2004).<sup>22</sup> It 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 permanent government, under the new constitution (if it passed), would be held by December 15, 2005. The new government would take office by December 31, 2005. Under the TAL, any three provinces could veto the constitution by a two-thirds majority. If that happened, a new draft was to be developed and voted on by October 15, 2006. In that case, the December 15, 2005, elections would have been for another interim National Assembly. The Kurds maintained their autonomous “Kurdistan Regional Government.” They were given powers to contradict or alter the application of Iraqi law in their provinces, and their *peshmerga* militia were allowed to operate. Islam was designated “a source,” but not the primary source, of law, and no law could be passed that contradicts such rights as peaceful assembly; free expression; and the right to strike and demonstrate.

**Interim (Allawi) Government/Sovereignty Handover.** The TAL did not directly address the formation of the interim government that would assume sovereignty. Sistani’s opposition torpedoed an initial U.S. plan to select a national assembly through nationwide “caucuses.” After considering several other options,

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<sup>22</sup> The text of the TAL can be obtained from the CPA website at [<http://cpa-iraq.org/government/TAL.html>].

the United States tapped U.N. envoy Lakhdar Brahimi to select that government.<sup>23</sup> Dominated by senior faction leaders, it was named and began work on June 1, 2004. The formal handover ceremony occurred on June 28, 2004, two days before the advertised June 30 date, partly to confuse insurgents. There was a ceremonial president (Ghazi al-Yawar), and Iyad al-Allawi was Prime Minister, 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 ministries were headed by Sunni Arabs.

**U.N. Backing of New Government/Coalition Military Mandate.** The Administration asserts that it has consistently sought U.N. and partner country involvement in Iraq efforts. 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).<sup>24</sup> The size of UNAMI in Iraq has increased to a few hundred, headed by former Pakistani diplomat Ashraf Jahangir Qazi, primarily focused on promoting political reconciliation, election assistance, and monitoring human rights practices and humanitarian affairs. In an attempt to satisfy the requirements of several nations for greater U.N. backing of the coalition force presence, the United States achieved adoption of Resolution 1511 (October 16, 2003), authorizing a “multinational force under *unified* [meaning U.S.] command.” (In Recommendations 7 and 26 and several other recommendations, the Iraq Study Group calls for increased U.N. participation in reconciliation and international diplomacy on Iraq.)

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

- It “authorize[d]” the U.S.-led coalition to secure Iraq, a provision interpreted as giving the coalition responsibility for security. Iraqi forces are “a principal partner” in the U.S.-led coalition, and the relationship between U.S. and Iraqi forces is spelled out in an annexed exchange of letters between the United States and Iraq. The U.S.-led coalition retained the ability to take prisoners.
- It 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) and Resolution

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<sup>23</sup> Chandrasekaran, Rajiv. “Envoy Urges U.N.-Chosen Iraqi Government,” *Washington Post*, Apr. 15, 2004.

<sup>24</sup> Its mandate has been renewed each year since, most recently by Resolution 1700 (Aug. 10, 2006).

1723 (November 28, 2006) each extended the coalition military mandate for an additional year (now lasting until at least December 31, 2007), unless earlier “requested by the Iraqi government.” The renewal resolutions also required review of the mandate on June 15, 2006 and June 15, 2007, respectively.

- Resolution 1546 deferred the issue of the status of foreign forces (Status of Forces Agreement, SOFA) to an elected Iraqi government. No SOFA has been signed to date, and U.S. forces operate in Iraq and use its facilities under temporary memoranda of understanding. Major facilities include Balad, Tallil, and Al Asad air bases, as well as the arms depot at Taji; all are being built up with U.S. military construction funds in various appropriations. Former Secretary of Defense Rumsfeld said in July 2005 that U.S. military lawyers are working with the Iraqis on a SOFA or other arrangements that would cover U.S. operations in Iraq for the duration of U.S. involvement there.
- In subsequent related developments, the Defense Appropriation for FY2007 (P.L. 109-289) contains a provision, first passed in the House version of the measure, prohibiting use of U.S. funds to establish permanent military installations or bases in Iraq. The same law contains a provision that the Defense Department not agree to allow U.S. forces in Iraq to be subject to Iraqi law. (In Recommendation 22, the Iraq Study Group recommends that the President should state that the United States does not seek permanent military bases in Iraq.)
- It established a 100-seat “Interim National Council” to serve as an interim parliament. The body, selected in August,<sup>25</sup> did not have legislative power but was able to veto government decisions with a two-thirds majority. The council held some televised “hearings;” it disbanded after the January 2005 elections for a parliament.

**Post-Handover U.S. Structure in Iraq.** The following were additional consequences of the handover, designed in part to lower the profile of U.S. influence over post-handover Iraq.

- As of the June 28, 2004, handover, the state of occupation ceased. Subsequently, 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 1,100 U.S. personnel.<sup>26</sup> Negroponte was succeeded in July 2005 by Ambassador Zalmay Khalilzad, who was previously Ambassador to Afghanistan and who takes an activist approach.

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<sup>25</sup> Tavernise, Sabrina. “In Climax To a Tumultuous 4-Day Debate, Iraq Chooses An Assembly,” *New York Times*, Aug. 19, 2004.

<sup>26</sup> See CRS Report RS21867, *U.S. Embassy in Iraq*, by Susan B. Epstein.

(Press reports in late 2006 say he will leave at the end of 2006 and be replaced by Ryan Crocker, currently Ambassador to Pakistan, subject to Senate confirmation.) An FY2005 supplemental appropriations, P.L. 109-13, provided \$592 million of \$658 million requested to construct a new embassy in Baghdad and to fund embassy operations. The large new embassy complex, with 21 buildings on 104 acres, is under construction. The FY2006 supplemental appropriation (P.L. 109-234) provided \$1.327 billion for U.S. embassy operations and security. (In Recommendations 73-76, the Iraq Study Group report lays out several initiatives that could be taken “to ensure that [the United States] has personnel with the right skills serving in Iraq.”)

- Iraq gained control over its oil revenues and the Development Fund for Iraq (DFI), subject to monitoring for at least one year (until June 2005) by the U.N.-mandated International Advisory and Monitoring Board (IAMB). Resolution 1723 (November 28, 2006) extends the IAMB monitoring of the DFI until December 31, 2007, subject to review by June 15, 2007. Resolution 1546 also gave Iraq responsibility for close-out of the “oil-for-food program;”<sup>27</sup> Resolution 1483 ended that program as of November 21, 2003. (In Recommendation 23, the Iraq Study Group says the President should restate that the United States does not seek to control Iraq’s oil.)
- Reconstruction management and advising of Iraq’s ministries were taken over by the State Department through the U.S. Embassy and a unit called the “Iraq Reconstruction and Management Office (IRMO).” IRMO, headed since June 2006 by Ambassador Joseph Saloom, has about 150 U.S. civilian personnel working outside Baghdad at the Provincial Reconstruction Teams, or PRTs, discussed further below. A separate “Project Contracting Office (PCO),” headed by Brig. Gen. William McCoy (now under the Persian Gulf division of the Army Corps of Engineers), funds infrastructure projects such as roads, power plants, and school renovations.

## Governmental and Constitution Votes in 2005

After the handover of sovereignty, the United States and Iraq began focusing on the three national votes that would be held in 2005. On January 30, 2005, elections were held for a transitional National Assembly, 18 provincial councils, and the Kurdish regional assembly. Sunnis, still resentful of the U.S. invasion, mostly boycotted, and no major Sunni slates were offered. This enabled the UIA to win a slim majority (140 of the 275 seats) and to ally with the Kurds (75 seats) to dominate the government formed subsequently. PUK leader Jalal Talabani was named president; Ibrahim al-Jafari became Prime Minister. U.S. officials said publicly this

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<sup>27</sup> For information on that program, see CRS Report RL30472, *Iraq: Oil-for-Food Program, Illicit Trade, and Investigations*, by Kenneth Katzman and Christopher Blanchard.

government was not sufficiently inclusive of the Sunni minority, even though it had a Sunni Arab as Assembly speaker; deputy president; deputy prime minister; Defense Minister; and five other ministers. (Discussed further in CRS Report RS21968, *Iraq: Elections, Government, and Constitution*, by Kenneth Katzman.)

**Permanent Constitution.** Despite Sunni opposition, the constitution was approved on October 15, 2005. Sunni opponents achieved a two-thirds “no” vote in two provinces but not the three needed to defeat the constitution. The crux of Sunni opposition to it was its 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. The Sunnis oppose this concept because their region, unlike those dominated by the Kurds and the Shiites, lacks oil and they depend on the central government for revenues. A promised constitutional review, intended to mollify Sunnis, has not been completed. (In Recommendation 26, the Iraq Study Group recommends that this review be conducted on an urgent basis. Recommendation 28 says that all oil revenues should accrue to the central government, not regions.)

**December 15, 2005, Election.** In this election, some anti-U.S. Sunnis moved further into the political arena: the Sunni “Concord Front” and Iraqi Front for National Dialogue put forward major slates. The results were court-certified on February 10, formally beginning the formation of a government, but the convening of the “Council of Representatives” (COR) was delayed until March 16 by wrangling over the post of Prime Minister. With the UIA alone well short of the two-thirds majority needed to unilaterally form a government, Sunnis, the secular groupings, and the Kurds succeeded in ousting Jafari as Prime Minister and engineering selection instead of his top Da’wa aide, Nuri al-Maliki (April 22). Talabani was selected to continue as president, with two deputies Adel Abd al-Mahdi of SCIRI and Tariq al-Hashimi of the Concord Front. (The former has lost one and the latter has lost three siblings to sectarian violence in 2006.) A COR leadership team was selected as well, with hardline U.S. critic Mahmoud Mashadani as speaker.

Amid U.S. and other congratulations, Maliki named and won approval of a 39-member cabinet (including deputy prime ministers) on May 20, 2006. Among his permanent selections were Kurdish official Barham Salih and Sunni Arab Salam al-Zubaie as deputy prime ministers. Four ministers (environment, human rights, housing, and women’s affairs) are women. Of the 34 permanent ministerial posts named, a total of seven are Sunnis; seven are Kurds; nineteen are Shiites; and one is Christian (minister of human rights, Ms. Wijdan Mikha’il). Sadr loyalists were named to the ministries of agriculture, health, and transportation.

Maliki did not immediately name permanent figures for the major posts of Interior, Defense, and Ministry of State for National Security because major factions could not agree on nominees. After several weeks of negotiation, on June 8, 2006 he achieved COR confirmation of three compromise candidates for those posts. The Defense Minister is Gen. Abdul Qadir Mohammad Jasim al-Mifarji, a Sunni who had been expelled from the Iraqi military and the Baath Party for criticizing Saddam’s decision to invade Kuwait in 1990. The Interior Minister, Jawad al-Bulani, is a Shiite from the UIA bloc but is an engineer by training and not closely affiliated with

any of the major UIA component factions, and he is the subject of reported maneuvers by some major Shiite factions to oust him. The choice for Minister for National Security was Sherwan al-Waili, a Shiite from a Da'wa Party faction.

#### **Prime Minister Nuri Kamal al-Maliki**

Born in 1950 in Karbala, has belonged to Da'wa Party since 1968. Fled Iraq in 1980 after Saddam banned the party, initially to Iran. Fled to Syria when he refused Iran's orders that he join pro-Iranian Shiite militia groups fighting Iraq during the Iran-Iraq war. Headed Da'wa offices in Syria and Lebanon and edited Da'wa Party newspaper. Elected to National Assembly in January 2005 and chaired its "security committee." Publicly supported Hezbollah (which shares a background with his Da'wa Party) during July-August 2006 Israel-Hezbollah conflict, prompting congressional criticism of him during his July 2006 visit to Washington DC. Believed sympathetic to Kurds' efforts to incorporate Kirkuk into the Kurdish region. Has tense relations with SCIRI, whose activists accuse Maliki of surrounding himself with Da'wa members and shutting SCIRI out of his inner circle. Believed to be politically dependent on Sadr's support and has refused to crack down — or allow U.S. crackdowns — on Sadr's Mahdi Army militia, causing U.S. frustration. In October 2006, said he is an ally of the United States but is "not America's man in Iraq." Following the Bush-Maliki meeting in Jordan on November 30, 2006, President Bush reiterated that Maliki is "the right guy for Iraq."

The actions and performance to date of the Maliki government are mixed, and some reports say the Bush Administration might be losing confidence in his ability to reconcile major factions and disband (Shiite) militias. In June 2006, Maliki launched a National Reconciliation and Dialogue Project designed to broker a resolution of sectarian differences, but that program was plagued by debate over who would be eligible to receive any amnesty (whether one had killed Iraqi or American soldiers, for example). The program has failed to date to persuade major insurgent groups to end their activities. Maliki tried to inject momentum into the process in August 2006 by re-hiring 10,000 Ba'ath Party members fired from government jobs after Saddam fell, and a government commission said in early November 2006 that a draft law might allow another 1.5 million Baathists (who renounce their membership) to return to jobs or draw a pension. In August 2006, about 100 tribal leaders agreed to a "Pact of Honor," a pledge to try to halt sectarian violence.

Despite some of the positive steps, factional polarization has widened, primarily between Sunni and Shiite members but also within the Shiite camp. As the new COR session began in September 2006, SCIRI leader Abdul Aziz al-Hakim inflamed tensions by pressing for legislation to implement the constitutional authorization for forming new regions. The broad goal of reducing acrimony led to a tentative September 24 agreement by all Assembly factions to (1) debate the Hakim-proposed legislation; (2) delay the actual formation of any new region for 18 months; and (3) constitute the long-delayed constitutional review commission that was promised by the adopted constitution. However, the committee is to complete its work within one year, not the four months stipulated in the constitution.

Press reports say factional acrimony has since widened. Iraqi Sunni Arabs, as well as a reported memo by National Security Adviser Stephen Hadley, (reported in the *New York Times*, November 29, 2006), question Maliki's commitment to curbing Shiite militias, which Sunni leaders say are committing sectarian killings in the guise of police/security operations. Maliki, for his part, is politically dependent on Sadr's support, and he has been hesitant to force the Mahdi Army to disarm. In high-level visits to Iraq and meetings with Maliki, including a Bush-Maliki meeting in Jordan on November 30, 2006, senior U.S. officials have reportedly tried to forge a new parliamentary coalition among mainstream Shiites, Sunnis, and secular blocs, excluding Sadr, but some reports say this U.S. strategy does not have the backing of Ayatollah Sistani, who has previously sought to ensure full cooperation among all Shiite blocs. Others take the view that commanders in Sadr's Mahdi Army have acquired so much independence that excluding him from a Shiite coalition would not curb sectarian violence. Still others are skeptical than even an all-out U.S. military assault on the Mahdi forces would permanently reduce their activities. Some take the view that, should Maliki refuse or fail to curb Sadr, the United States might try to engineer his replacement by deputy president and SCIRI leader Adel Abd al-Mahdi; President Bush's meeting with SCIRI leader Hakim in Washington, DC in early December 2006 fed such speculation.

Aside from intra-Shiite politics, the December 6, 2006, Iraq Study Group report recommends that steps toward Sunni-Shiite reconciliation be accelerated, such as the review of the constitution, oil revenue sharing, a return of ex-Baathists into national life, and provincial elections. The Study Group (Recommendation 21) says that the United States should reduce its political, military, and economic support for the government if it fails to meet reconciliation milestones. Maliki attempted to signal his concurrence at a national reconciliation conference in Iraq during December 16-17, 2006, at which he publicly invited members of the Saddam-era military to rejoin the new army.

**Regional and International Relations.** The Iraqi government has received diplomatic support, even though most of its neighbors, except Iran, resent the Shiite and Kurdish domination of the regime. As of September 2006, there are 46 foreign missions in Iraq, including most European and Arab countries. Jordan has appointed an ambassador and Kuwait has pledged to do so. Iran upgraded its representation to Ambassador in May 2006. At an Arab League meeting in late March 2006, Arab states pledged to increase their diplomatic representation in Iraq, and to consider other help (aid, debt relief) to bolster the Iraqi government, although movement on appointments has been slow because of attacks on diplomats from Bahrain, Egypt, Algeria, Morocco, and Russia in 2005 and 2006.

At the same time, Turkey is complaining that Iraq's Kurds are harboring the anti-Turkey PKK guerrilla group in northern Iraq, and Turkey has been threatening to send in forces if the U.S.-led coalition and the Iraqi Kurdish factions do not arrest members of that group who are in Iraq. The threat 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).

**Table 2. Major Sunni Factions in Post-Saddam Iraq**

Ghazi al-Yawar (Iraqis Party)	Yawar has cooperated with the U.S. since the invasion. Served as President in the Allawi government and deputy president in the post-January 2005 government, but he is not in the post-2005 permanent government.
Iraqi Concord Front (Tariq al-Hashimi and Adnan al-Dulaymi)	The Front is led by Iraqi Islamic Party (IIP), headed by Tariq al-Hashimi, now a deputy president. IIP withdrew from the January 2005 election but led the Sunni “Concord” coalition in December 2005 elections. Critical of but accepts U.S. presence. Coalition Includes Iraqi General People’s Council of Adnan al-Dulaymi, and the Sunni Endowment. The Front holds 44 seats in new parliament. Hashimi visited the United States in December 2006 and met with President Bush, expressing support for a new governing coalition that would exclude Sadr’s faction.
Iraqi Front for National Dialogue (Saleh al-Mutlak)	Mutlak, an ex-Baathist, was chief negotiator for Sunnis on the new constitution, but was dissatisfied with the outcome and now advocates major revisions to the new constitution. Holds 11 seats in the new parliament. Parliament Speaker Mahmoud Mashadani, a hardliner, is a senior member; in July 2006, he called the U.S. invasion “the work of butchers.”
Muslim Scholars Association (MSA, Harith al-Dhari and Abd al-Salam al-Qubaysi)	Hardline Sunni Islamist group, has boycotted all post-Saddam elections. Believed to have ties to and influence over insurgent factions. Wants timetable for U.S. withdrawal from Iraq. Dhari attended October 2006 meeting in Mecca with other Iraqi religious figures, agreeing to condemn sectarian killings. Nonetheless, 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.
Iraqi Insurgents	Numerous factions and no unified leadership, although an eight group “Mujahedin Shura” was formed in early 2006, led by an Iraqi (Abdullah Rashid al-Baghdadi). Proclaimed an “Islamic State of Iraq” led by Baghdadi (October 2006). 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.
Foreign Fighters/ Al Qaeda in Iraq	Estimated 3,000 in Iraq. Were led by Abu Musab al-Zarqawi, a Jordanian national, until he was killed in U.S. airstrike June 7, 2006. Succeeded by Abu Hamza al-Muhajir. Advocates attacks on Iraqi Shiite civilians to spark civil war. Related foreign fighter faction, which includes some Iraqis, is Ansar al-Sunna, but this group is not in the Mujahedin Shura.



### **Democracy-Building and Local Governance/FY2006 Supplemental.**

The United States and its coalition partners have tried to build civil society and democracy at the local level. U.S. officials say Iraqis are freer than at any time in the past 30 years, with a free press and the ability to organize politically. A State Department report to Congress in October 2006 details how the FY2004 supplemental appropriation (P.L. 108-106) "Iraq Relief and Reconstruction Fund" (IRRF) is being spent ("2207 Report"):

- About \$1.014 billion is allocated for "Democracy Building."
- About \$71 million is allocated for related "Rule of Law" programs.
- About \$159 million is allocated to build and secure courts and train legal personnel.
- About \$128 million is allocated for "Investigations of Crimes Against Humanity," primarily former regime abuses.
- \$10 million is for U.S. Institute of Peace democracy/civil society/conflict resolution activities.
- \$10 million is for the Iraqi Property Claims Commission (which is evaluating Kurdish claims to property taken from Kurds, mainly in Kirkuk, during Saddam's regime).
- \$15 million is to promote human rights and human rights education centers.

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), some of the democracy and rule of law building activities conducted with these funds, aside from assistance for the various elections in Iraq in 2005, include the following:

- 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 laws, promote legal reform, and support the drafting of the permanent constitution.
- Activities to empower local governments, policies that are receiving increasing U.S. attention and additional funding allocations from the IRRF. These programs include (1) the "Community Action Program" (CAP) through which local reconstruction projects are voted on by village and town representatives. About 1,800 community associations have been established thus far; (2) Provincial Reconstruction Development Committees (PRDCs) to empower local governments to decide on reconstruction priorities; and (3) Provincial Reconstruction Teams (PRTs), local enclaves to provide secure conditions for reconstruction, as discussed in the section on security, below. The conference report on an FY2006 supplemental appropriation (P.L. 109-234) designated \$50 million in ESF for Iraq to be used to keep the CAP operating. The House-passed and the Senate version of an FY2007 foreign aid appropriation, H.R. 5522, earmarks another \$50 million in ESF for the CAP.

- Programs to empower women and promote their involvement in Iraqi politics, as well as programs to promote independent media.
- Some funds have been used for easing tensions in cities that have seen substantial U.S.-led anti-insurgency combat, including Fallujah, Ramadi, Sadr City district of Baghdad, and Mosul. In August 2006, another \$130 million in U.S. funds (and \$500 million in Iraqi funds) were allocated to assist Baghdad neighborhoods swept by U.S. and Iraqi forces in “Operation Together Forward.”
- According to Maliki’s national reconciliation plan, a law on elections for provincial councils is to be drafted by the end of 2007 and provincial elections held by June 2007. (Recommendation 29 of the Iraq Study Group report says provincial elections “should be held at the earliest possible date.”)

In addition to what is already allocated, the FY2006 regular foreign aid appropriations (conference report on P.L. 109-102) incorporated a Senate amendment (S.Amdt. 1299, Kennedy) to that legislation providing \$28 million each to the International Republican Institute and the National Democratic Institute for democracy promotion in Iraq. The FY2006 supplemental appropriation (P.L. 109-234) provided another \$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).

## **Economic Reconstruction and U.S. Assistance**

The Administration asserts that economic reconstruction will contribute to stability, although some aspects of that effort appear to be faltering. As discussed in recent reports by the Special Inspector General for Iraq Reconstruction (SIGIR), the difficult security environment has slowed reconstruction.<sup>28</sup> For more detailed information on U.S. spending and economic reconstruction, see CRS Report RL31833, *Iraq: Recent Developments in Reconstruction Assistance*, by Curt Tarnoff.

A total of about \$34 billion has been appropriated for reconstruction funding, of which \$20.917 billion has been appropriated for the “Iraq Relief and Reconstruction Fund” (IRRF) in two supplemental appropriations: FY2003 supplemental, P.L. 108-11, which appropriated about \$2.5 billion; and the FY2004 supplemental appropriations, P.L. 108-106, which provided about \$18.42 billion. Of the IRRF funds, about \$20.307 billion has been obligated, and, of that, about \$16.557 billion has been disbursed. According to State Department weekly reports, the sector allocations for the IRRF are as follows:

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<sup>28</sup> The defense authorization bill for FY2007 (P.L. 109-364) set October 1, 2007, for termination of oversight by the SIGIR. However, P.L. 109-440 extends that term until 10 months after 80% of the IRRF have been expended but includes FY2006 reconstruction funds for Iraq in the definition of the IRRF. The SIGIR’s mandate is therefore expected to extend until some time in 2008.

- \$5.03 billion for Security and Law Enforcement;
- \$1.315 billion for Justice, Public Safety, Infrastructure, and Civil Society;
- \$1.013 billion for Democracy;
- \$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.

**FY2006 Supplemental/FY2007.** To continue reconstruction, the Administration requested FY2006 supplemental funds of \$1.6 billion and \$479 million for FY2007, mainly to help sustain infrastructure already built with U.S. funds. The FY2006 supplemental appropriation (P.L. 109-234) provides \$1.485 billion. The House passed FY2007 foreign aid appropriation (H.R. 5522) provides \$305.8 million in ESF for Iraq reconstruction, about \$175 million less than requested. It also provides requested funds for counter-narcotics (\$254 million) and anti-terrorism (\$18 million). The Senate version of that bill provides the total requested (\$752.785 million), but it allocates the funds as \$453.77 million in ESF; \$108 million in democracy funds (DF); \$171.6 in INCLE (international narcotics and law enforcement funds); and \$18.23 million in anti-terrorism funds (NADR, non-proliferation, anti-terrorism, demining, and related programs). (Foreign Operations programs are currently operating under the terms of a continuing appropriations resolution (H.R. 5631/P.L. 109-289, as amended) that provides funding at the FY2006 level or the House-passed FY2007 level, whichever is less. The continuing appropriations resolution expires on February 15, 2007.)

The FY2007 Defense Appropriation (P.L. 109-289) provides another \$1.7 billion for the Iraqi security forces (discussed further below) and \$500 million in additional funds for the Commanders Emergency Response Program (CERP) under which U.S. military can expend funds for small construction projects intended to build good will with the Iraqi population. (In Recommendation 64, the Iraq Study Group says that U.S. economic assistance to Iraq should be increased to \$5 billion per year rather than be “permitted to decline.” Recommendation 67 calls on the President to appoint a Senior Advisor for Economic Reconstruction in Iraq.)

Iraq provides some additional funds for reconstruction. In 2006, and again in 2007, the Iraqi government has allocated \$2 billion in Iraqi revenues for development activities. U.S. officials are hoping that Iraq will take over the U.S. role as funding source for new reconstruction projects as U.S. funds transition in 2007 to sustainment operations for projects already built.

**Oil Revenues.** The oil industry is the driver of Iraq's economy, and rebuilding this industry has received substantial U.S. attention. Before the war, it was widely asserted by Administration officials that Iraq's vast oil reserves, believed second only to those of Saudi Arabia, would fund much, if not all, 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 become a target of insurgents and smugglers. Insurgents have focused their attacks on pipelines in northern Iraq that feed the Iraq-Turkey oil pipeline that is loaded at Turkey's Mediterranean port of Ceyhan. (Iraq's total pipeline system is over 4,300 miles long.) The attacks, coupled with corruption, smuggling, and other deterioration, has kept production and exports below expected levels, although high world oil prices have more than compensating for the output shortfall. The northern export route was shut in early 2006 but is now in operation. The Iraqi government needs to import refined gasoline because it lacks sufficient refining capacity. The alleged smuggling of oil, particularly by the Fadila party that has many members in the oil industry, has been a source of intra-Shiite rivalry and clashes in Basra. (In Recommendation 62, the Iraq Study Group says that the Iraqi government should accelerate oil well refurbishment and that the U.S. military should play a greater role in protecting oil infrastructure.)

A related issue is long-term development of Iraq's oil industry and which foreign energy firms, if any, might receive preference for contracts to explore Iraq's vast reserves. Russia, China, and others are said to fear that the United States will seek to develop Iraq's oil industry with minimal participation of firms from other countries, and China has been seeking, in late 2006, to sign deals to develop Iraqi fields. Iraq's interim government has contracted for a study of the extent of Iraq's oil reserves, and it has contracted with Royal Dutch/Shell to formulate a blueprint to develop the gas sector. Poland reportedly is negotiating with Iraq for possible investments in Iraq's energy sector. As referenced above, in December 2005, it was reported that a Norwegian company, DNO, had contracted with the Kurdish administrative region to explore for oil near the northern city of Zakho, raising the concerns of Iraq's Arabs who view this as a move by the Kurds to control their own oil revenues. The field might eventually produce about 100,000 barrels per day. (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 3. Selected Key Indicators**

Oil						
Oil Production (weekly avg.)	Oil Production (pre-war)	Oil Exports	Oil Exports (pre-war)	Oil Revenue (2004)	Oil Revenue (2005)	Oil Revenue (2006 (to date))
2.14 million barrels per day (mbd)	2.5 mbd	1.51 mbd	2.2 mbd	\$17 billion	\$23.5 billion	\$30.7 billion
Electricity						
Pre-War Load Served (MWh)	Current Load Served	Baghdad (hrs. per day)	National Average (hrs. per day)			
102,000	85,000	6.3	9.3			
Other Economic Indicators						
GDP Growth Rate (2006 anticipated by IMF)			10.6%			
GDP	\$18.9 billion (2002)		\$33.1 billion (2005)			
New Businesses Begun Since 2003			30,000			
U.S. oil imports from Iraq			660,000 bpd			

**Note:** Figures in the table are provided by the State Department "Iraq Weekly Status Report" dated December 20, 2006. 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 most U.S. sanctions on Iraq, beginning with Presidential Determinations issued under authorities provided by P.L. 108-7 (appropriations for FY2003) and P.L. 108-11 (FY2003 supplemental):

- On July 30, 2004, President Bush issued an executive order 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.) The order did not unblock Iraqi assets frozen at that time.
- 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.<sup>29</sup>

- 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.** The Administration is attempting to persuade other countries to forgive Iraq's debt, built up during Saddam's regime, and estimated of Saddam Hussein. The debt is estimated to total about \$116 billion, not including reparations dating to the first Persian Gulf war. In 2004, the "Paris Club" of 19 industrialized nations agreed to cancel about 80% of the \$39 billion Iraq owes them. However, with the exception of Kuwait, the Persian Gulf states that supported Iraq during the Iran-Iraq war have not to date firmly agreed to write-off Iraq's approximately \$50 billion in debt to those countries (Saudi Arabia, Kuwait, United Arab Emirates, and Qatar). 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.<sup>30</sup> On December 13, 2004, the World Trade Organization (WTO) agreed to begin accession talks with Iraq.

## Security Challenges, Responses, and Options

Since the fall of Saddam Hussein, the United States has employed a multi-faceted approach to stabilizing Iraq. However, at a news conference on October 11, 2006, and in subsequent speeches, President Bush has said that U.S. strategy in Iraq might not be producing stability and that progress is insufficient and too slow. The Iraq Study Group says the "...situation in Iraq is grave and deteriorating,"<sup>31</sup> a view that appears widely shared by experts. The deterioration in security is, at least partly, the result of growing sectarian violence — which some major news organizations now openly call a "civil war" — superimposed on a tenacious Sunni-led insurgency. The following sections analyze the U.S.-led approach to securing Iraq.

Congress has mandated two major periodic Administration reports on progress in stabilizing Iraq. A Defense Department quarterly report, which DOD has titled "Measuring Stability and Security in Iraq," was required by an FY2005 supplemental

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<sup>29</sup> 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.

<sup>30</sup> For more information, see CRS Report RL33376, *Iraq's Debt Relief: Procedure and Potential Implications for International Debt Relief*, by Martin A. Weiss.

<sup>31</sup> p.xiii of the Executive Summary of the Iraq Study Group Report. December 6, 2006.

appropriation (P.L. 109-13), and renewed by the FY2007 Defense Appropriation (P.L. 109-289). The latest version was issued in November 2006 and provides some of the information below. Another report, first issued April 6, 2006 (“1227 Report”), is required by Section 1227 of the Defense Authorization Act for FY2006 (P.L. 109-163).

**Table 4. Key Security/Violence Indicators**

Indicator	Previous Level	Current Level
Number of Insurgents (Iraqi citizens)	-	25,000 U.S. estimates; Iraqi estimates run to 40,000, helped by 150,000 supporters
Number of non-Iraqi Fighters in Insurgency	-	1,300 - 3,500
Number of Attacks/day (all types)	120/day (mid-2006)	150/day
Attacks on Infrastructure	13/day (2004)	1/day
Iraqi Police Killed		12,000
Number of Shiite militiamen	20,000 (2003)	80,000 (60,000 Mahdi, 15,000 Badr, 5,000 other)
Internally Displaced Persons	300,000 (August 06)	460,000
Iraqis Leaving Iraq (since fall of Saddam)	-	1.4 million (incl. 700,000 to Jordan, 600,000 to Syria)
Iraq Civilian Deaths	38/day (end 2005)	93/day
Iraqi Army Battalions engaged in operations	-	104
Iraqi Army and Special Operations Battalions in the Lead on Operations	57 (May 2006)	94
National Police Battalions in the Lead	6 (May 2006)	5
Number of Provinces Under Iraqi Security Control	0 (end 2005)	3 (Muthanna, Dhi Qar, and Najaf. Maysan and Wasit to be handed over by February 2007)

**Sources:** Information in this table is provided by a variety of sources, including U.S. government reports on Iraq, Iraqi statements, the Iraq Study Group report, U.N. figures, and press reports.

**Note:** Additional figures on total numbers of Iraqi security forces, by force component, is contained in tables below.

## Sunni Arab-Led Insurgency

The Sunni Arab-led insurgency against U.S. forces and the Iraqi government has defied official U.S. expectations in intensity and duration. The Administration's "National Strategy for Victory in Iraq" (November 30, 2005) said that many insurgents are motivated by opposition to perceived U.S. rule in Iraq, to democracy, and to Shiite political dominance. Others want to return the Baath Party to power, although, according to many experts, some would accept a larger Sunni political role without the Baath. Still others are pro-Al Qaeda fighters, either foreign or Iraqi, that want to defeat the United States and spread radical Islam throughout the region. The insurgent groups are believed to be loosely coordinated within cities and wider provinces. However, in early 2006, a group of Iraqi insurgent factions announced the formation of a national "Mujahedin Shura (Council)" purportedly including Al Qaeda in Iraq.

Despite their growing coordination, the insurgents have failed to derail the political transition,<sup>32</sup> although they have succeeded, to some extent, in painting the Iraqi government as ineffective and in stimulating a debate in the United States over the continuing U.S. commitment in Iraq. Sunni insurgent groups have conducted several large-scale (50 insurgents fighters or more) attacks on police stations and other fixed positions during 2006, in a few cases overrunning Iraqi positions. Other targets include not only U.S. forces and Iraqi officials and security forces but also Iraqi civilians working for U.S. authorities, foreign contractors and aid workers, oil export and gasoline distribution facilities, and water, power, and other infrastructure facilities. A *New York Times* report of December 19, 2006, said that Sunni insurgents had succeeded in destroying many of the power stations that feed electricity to Baghdad, contributing to the relative lack of power there. Whole Sunni-dominated neighborhoods of Baghdad, including Amiriyah, Jihad, Amal, and Doura, not to mention the Anbar Province city of Ramadi, have increasingly served as Sunni insurgent bases, and these districts are also the front lines of sectarian warfare with Shiite militias pushing west from the largely Shiite districts east of the Tigris River in Baghdad.

The U.N. Security Council has adopted the U.S. interpretation of the insurgency in Resolution 1618 (August 4, 2005), condemning the "terrorist attacks that have taken place in Iraq," including attacks on Iraqi election workers and foreign diplomats in Iraq. The FY2006 supplemental (P.L. 109-234) provides \$1.3 million in Treasury Department funds to disrupt insurgent financing.

**Al Qaeda in Iraq/Zarqawi Faction.**<sup>33</sup> A numerically small but politically significant component of the insurgency is non-Iraqi, constituted as an organization called Al Qaeda-Iraq. The faction was founded by Abu Musab al-Zarqawi, a Jordanian Arab who reputedly fought in Afghanistan during the 1980s alongside

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<sup>32</sup> 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.

<sup>33</sup> See CRS Report RL32217, *Iraq and Al Qaeda: Allies or Not?*, by Kenneth Katzman.



other Arab volunteers against the Soviet Union.<sup>34</sup> He was killed in a June 7, 2006, U.S. airstrike and has been succeeded by the little known Abu Hamza al-Muhajir (also known as Abu Ayyub al-Masri), an Egyptian national. Some U.S. commanders say Al Qaeda-Iraq is increasingly gaining political influence among Iraqi Sunnis in Fallujah and other parts of Sunni-inhabited Anbar Province, and Al Qaeda Iraq fighters briefly conducted public shows of force in several cities in Anbar Province in October 2006 and in Mosul in December 2006.

Al Qaeda-Iraq has been a U.S. focus from very early on in the war because of its alleged perpetration of large scale suicide and other bombings against both combatant and civilian targets. This trend began with major suicide bombings in 2003, beginning with one against U.N. headquarters at the Canal Hotel in Baghdad (August 19, 2003),<sup>35</sup> followed by the August 29, 2003 bombing in Najaf that killed SCIRI leader Mohammad Baqr Al Hakim. The faction, and related factions, have also kidnapped a total of over 250 foreigner workers, and killed about 40 of those. Zarqawi's strategy was to spark Sunni-Shiite civil war, an outcome that appears to be developing. In actions intended to spread its activities outside Iraq, Al Qaeda-Iraq reputedly committed the August 19, 2005, failed rocket attack in the Jordanian port of Aqaba against two U.S. warships docked there, as well as the November 10, 2005, bombing of Western-owned hotels in Amman, Jordan.

***Outside Support for Sunni Insurgents.*** Numerous accounts have said that Sunni insurgents are receiving help from neighboring states (money and weapons),<sup>36</sup> although others believe that outside support for the insurgency is not decisive. Largely because of this outside support, the first 17 recommendations of the Iraq Study Group report call for intensified regional diplomacy, including multi-lateral diplomacy with Syria and Iran, in an effort to persuade outside parties not to stoke the violence in Iraq by aiding or protegee factions in Iraq.

In September 2005, U.S. ambassador Khalilzad publicly accused Syria of allowing training camps in Syria for Iraqi insurgents to gather and train before going into Iraq. These reports led to U.S. warnings to and imposition of additional U.S. sanctions against Syria and to the U.S. Treasury Department's blocking of assets of some suspected financiers of the insurgency. Syria tried to deflect the criticism by

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<sup>34</sup> Zarqawi himself came to Iraq in late 2001, along with several hundred associates, after escaping the U.S. war effort in Afghanistan. He made his way to northern Iraq, after transiting Iran and Saddam-controlled Iraq, eventually taking refuge with a Kurdish Islamist faction called Ansar al-Islam near the town of Khurmal. After the Ansar enclave was destroyed in OIF, Zarqawi went to the Sunni Arab areas of Iraq, naming his faction the Association of Unity and Jihad. He then formally affiliated with Al Qaeda (through a reputed exchange of letters) and changed his faction's name to "Al Qaeda Jihad in Mesopotamia (Iraq)." It is named as a Foreign Terrorist Organization (FTO), assuming that designation from the earlier Unity and Jihad title, which was designated as an FTO in October 2004.

<sup>35</sup> Among the dead in the latter bombing was the U.N. representative in Iraq, Sergio Vieira de Mello, and it prompted an evacuation of U.N. personnel from Iraq.

<sup>36</sup> Blanford, Nicholas. "Sealing Syria's Desolate Border," *Christian Science Monitor*, Dec. 21, 2004.

moves such as the February 2005 turnover of Saddam Hussein's half-brother Sabawi to Iraqi authorities. Since January 2006, some senior U.S. commanders in Iraq have said they have been receiving increased cooperation from Syria to prevent insurgent flows across those borders, although the DOD "Measuring Stability" report says that Syria provides help to Sunni insurgents, mainly Baathist factions.

Other assessments say the Sunni insurgents, both Iraqi and non-Iraqi, receive funding from wealthy donors in neighboring countries such as Saudi Arabia,<sup>37</sup> where a number of clerics have publicly called on Saudis to support the Iraqi insurgency. Press reports say that Saudi officials told visiting Vice President Cheney in November 2006 that the Saudis might be compelled to assist Iraq's Sunnis if the United States withdraws from Iraq.

## **Sectarian Violence and Militias/Civil War?**

The security environment in Iraq has become more complex over the past year as Sunni-Shiite sectarian violence has increased. Top U.S. officials now say that sectarian-motivated violence — manifestations of an all-out struggle for political and economic power in Iraq — has now displaced the Sunni-led insurgency as the primary security challenge in Iraq. Senior U.S. officials, most notably the leaders of the Iraq war effort (Gen. John Abizaid and George Casey) at a Senate Armed Services Committee hearing on August 3, 2006, have said the sectarian violence risks becoming all-out civil war, but that they do not consider Iraq in a civil war now. Several experts, on the other hand, say that Iraq is now clearly in at least a low-level civil war. The Iraq Study Group report does not use the term "civil war" to characterize the multi-faceted violence in Iraq.

Most trace the escalation of sectarian violence to the February 22, 2006, Al Qaeda-Iraq bombing of the Askariya Shiite mosque in Samarra. The destruction of its dome set off a wave of purported Shiite militia attacks on about 60 Sunni mosques and the killing of about 400 persons in the first days after the sectarian attacks. Since then, the violence has taken the form of weapons fire (including mortar fire), abductions, and attacks on mosques, markets, and apartment buildings frequented or inhabited by members of the rival sect. Many of those abducted turn up bound and gagged, dumped in rivers, facilities, vehicles, or fields. The sectarian violence was given further impetus by suicide bombings on November 23, 2006, that killed more than 200 mostly Shiites.

The violence has proved difficult to curb because the Sunnis are accusing the Shiites of using their preponderant presence in the emerging security forces, as well as their party-based militias, to commit atrocities against Sunnis. Sunnis report that Shiite militiamen who have joined the security forces are raiding Sunni homes or using their arrest powers to abduct Sunnis, and press accounts (*New York Times*, December 24, 2006) say the attacks are converting mixed Sunni-Shiite districts of

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<sup>37</sup> Krane, Jim. "U.S. Officials: Iraq Insurgency Bigger." Associated Press report published in the *Philadelphia Inquirer*. July 9, 2004; Schmitt, Eric, and Thom Shanker. "Estimates By U.S. See More Rebels With More Funds," *New York Times*, Oct. 22, 2004.

Baghdad, such as Hurriya, into predominantly Shiite districts. Many Shiites, for their part, are blaming Sunni insurgents for attacking Shiite civilians.

The sectarian violence has caused U.S. officials to assert that the new government must dismantle 23 known militias. Of them, seven, including the peshmerga and the Badr Brigades, were recognized in CPA Order 91 as “anti-Saddam forces” and were given incentives in that Order to disband. In the absence of clear actions by the Maliki government, U.S. forces are now conducting some operations to curb them, particularly the Mahdi Army of Moqtada al-Sadr. During July 17-24, 2006, for example, U.S. and Iraqi forces conducted 19 operations against purported sectarian “death squads.” In late 2005, U.S. forces uncovered militia-run detention facilities (“Site 4”) and arrested those (Badr and related Iraqi police) running them. U.S. officials as well as the new Interior Minister Jawad Bolani are moving to remove militiamen and death squad participants from the security forces. In October 2006, Bolani fired 3,000 Ministry employees for alleged sectarian links, and he fired two major commanders of National Police components. On October 3, 2006, an entire brigade of National Police were taken out of duty status for retraining for alleged toleration of sectarian killings in Baghdad. On the other hand, Sunnis in the city of Balad accused U.S. and Iraqi forces of failing to act when Shiite militias killed several dozen Sunnis in sectarian violence in the city on October 14, 2006. In addition, in comments to journalists, some U.S. commanders expressed frustration with Maliki in October 2006 for forcing them to release a suspected Mahdi militia commander captured by U.S. forces and to dismantle U.S. checkpoints in Sadr City, set up to try to prevent Shiite sectarian militiamen from operating.

The strains between Maliki and the United States came after the failure of a U.S.-Iraqi operation to curb both sectarian and insurgent violence in Baghdad itself. This “Operation Together Forward” was announced on July 25, 2006, during the visit of Prime Minister Maliki to the United States, involving about 4,000 additional U.S. troops deployed in Baghdad (supplementing the 9,000 U.S. forces there already). The operation focused on such violent districts as Doura, Amiriyah, Rashid, Ghaziliyah, and Mansour. U.S. commanders said, early on in the operation, that violence in these districts had dropped substantially, over 50% in some cases. However, in late October 2006, U.S. military officials said publicly that the operation had not reduced violence overall and would be “re-focused.”

Iraqi Christians and their churches have become major targets of Shiite and Sunni armed factions, viewing them as allies of the United States. Since the fall of Saddam Hussein, as many as 100,000 Christians might have left Iraq, leaving the current size of the community in Iraq at about 600,000 - 800,000. The two most prominent Christian sects in Iraq are the Chaldean Catholics and the Assyrian Christians.

The three major organized militias in Iraq are discussed below, although it is primarily the Shiite militias and their Sunni antagonists that are believed responsible for sectarian violence.

- *Kurdish Peshmerga.* Together, the KDP and PUK may have as many as 100,000 *peshmergas* (fighters), most of which are providing security in the Kurdish regional area (Dahuk,

Sulaymaniyah, and Irbil Provinces). Some are in the Iraqi Security Forces (ISF) and deployed in such cities as Mosul, Tal Affar, and Baghdad. Peshmerga units 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.

- *Badr Brigades.* This militia is led by Hadi al-Amiri (a member of parliament). The Badr Brigades were recruited, trained, and equipped by Iran's Revolutionary Guard, aligned with Iran's hardliners, during the Iran-Iraq war, during which Badr guerrillas conducted forays from Iran into southern Iraq to attack Baath Party officials. Most Badr fighters were recruited from the ranks of Iraqi prisoners of war held in Iran. However, many Iraqi Shiites viewed SCIRI as an Iranian puppet and Badr operations in southern Iraq during the 1980s and 1990s did not shake Saddam's grip on power. The Badr "Organization" registered as a separate political entity, in addition to its SCIRI parent, during elections in 2005. Badr militiamen play unofficial policing throughout southern Iraq, and many Badr members also reputedly are in the National Police.
- *Mahdi Army.* The Iraq Study Group report says the Mahdi Army might number as high as 60,000, and the November 2006 "Measuring Stability" report says this militia "has replaced Al Qaeda in Iraq as the most dangerous accelerant of potentially self-sustaining sectarian violence in Iraq." This represents a gaining of strength since U.S. military operations suppressed Mahdi uprisings in April and August of 2004. That fighting was ended with compromises under which Mahdi forces stopped fighting (and in some cases traded in some of their weapons for money) in exchange for lenient treatment or releases of prisoners, amnesty for Sadr himself, and reconstruction aid. Mahdi assertiveness since 2005 accounted for a sharp deterioration of relations between the Mahdi Army and British and U.S. forces, and between Sadr and other Iraqi leaders more generally. At least 30 British soldiers have died in suspected Mahdi attacks in southern Iraq since late 2005, including a British helicopter shot down in May 2006. Since mid-2006, U.S. casualties have been occurring in areas where Sadr is strong, including Sadr City, Diwaniyah, and Kut, and U.S. and Iraqi forces fought a major engagement with Mahdi forces in Diwaniyah in October 2006. That followed a major clash between the Mahdi Army and Iraqi forces in Diwaniyah in August 2006, resulting in more than 20 Iraqi troops killed. Mahdi forces also shelled a British base near Amarah in August 2006, contributing to a British decision to leave the base, and the militia took over Amarah briefly for a few days in late October 2006. However, some experts, citing independent minded Mahdi commanders such as one named Abu Deraa, believe Sadr himself has tried to rein in Mahdi violence but no longer has full control of his armed following.

**Iranian Support.** U.S. officials, and some Sunni Iraq political leaders, have repeatedly accused Iran of aiding Shiite militias. On June 22, 2006, General Casey reiterated past assertions by Defense Secretary Rumsfeld and Joint Chiefs of Staff Chairman Peter Pace that the Qods (Jerusalem) Force of Iran's Revolutionary Guard is providing armed Iraqi Shiite factions (most likely Sadr's Mahdi forces) with explosives and weapons. Because of Iran's support for Shiite militias, the United States and Iran announced in March 2006 that they would conduct direct talks on the issue of stabilizing Iraq, but Iran subsequently said the talks were not needed because Iraq had a new government, and no talks have been held. The Iraq Study Group (Recommendations 9, 10, and 11) says that the United States should engage Iran multilaterally to enlist its assistance on Iraq, but in an interview with journalists on December 14, 2006, Secretary of State Rice appeared to reject the Study Group recommendation by saying that the United States would not likely bargain with Iran, such as electing not to try to sanction Iran for its nuclear program advancement, to obtain its assistance in stabilizing Iraq.<sup>38</sup> (For more information, see CRS Report RS22323, *Iran's Influence in Iraq*, by Kenneth Katzman.)

## U.S. Efforts to Restore Security

As outlined in the November 2005 "National Strategy for Victory in Iraq," the Administration continues to try to refine its stabilization strategy, with increasing focus on curbing sectarian violence. Options for further alterations, set to be announced in January 2007, are discussed later in this paper.

**"Clear, Hold, and Build" Strategy/Provincial Reconstruction Teams.** Since November 2005, the Administration has publicly 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, based partly on an idea advanced by Andrew Krepinevich in the September/October 2005 issue of *Foreign Affairs*,<sup>39</sup> says that the United States should devote substantial resources to preventing insurgent re-infiltration and promoting reconstruction in selected areas, cultivating these areas as a model that could eventually expand throughout Iraq. The strategy formed the basis of Operation Together Forward (I and II).

In conjunction with the new U.S. strategy, the Administration has formed Provincial Reconstruction Teams (PRTs), a concept used extensively in Afghanistan. Each PRT is civilian led, composed of about 100 U.S. State Department and USAID officials and contract personnel, to assist local Iraqi governing institutions, such as the provincial councils (elected in the January 2005 elections), representatives of the Iraqi provincial governors, and local ministry representatives. The concept ran into some U.S. military objections to taking on expanded missions, but the debate was resolved with an agreement by DOD to provide security to the U.S.-run PRTs. Thus far, nine PRTs have been inaugurated, of which the following seven are run by the United States: Mosul, Kirkuk, Hilla,

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<sup>38</sup> Kessler, Glenn. "Rice Rejects Overture to Iran and Syria," *Washington Post*, December 15, 2006.

<sup>39</sup> Krepinevich, Andrew. "How to Win in Iraq," *Foreign Affairs*, Sept./Oct. 2005.

Baghdad, Anbar Province, Salah ad-Din Province, and Baquba. Of the two partner-run PRTs, Britain has formed a PRT in Basra, and Italy has formed one in Dhi Qar province. South Korea is expected to open one in the near future.

**PRT Funding.** The FY2006 supplemental request asked for \$400 million for operational costs for the PRTs, of which the enacted version, P.L. 109-234, provides \$229 million. The requested \$675 million for development grants to be distributed by the PRTs is fully funded through the ESF appropriation for Iraq in this law.

**U.S. Counter-Insurgent Combat Operations.** The Administration position is that continued combat operations against the insurgency, and increasingly against sectarian militias, are required. About 145,000 U.S. troops are in Iraq (down from 160,000 there during the December 2005 election period and consistent with 2005 baseline troop levels). Under existing plans, CENTCOM commander Gen. John Abizaid said on September 19, 2006, that this force level is likely to persist into spring 2007 due to the high levels of violence, and Army Chief of Staff Peter Schoomaker said on October 12, 2006, that the Army is developing plans to maintain current troop levels through 2010, if needed. U.S. military headquarters in Baghdad (Combined Joint Task Force-7, CJTF-7) is a multi-national headquarters “Multinational Force-Iraq, MNF-I,” headed by four-star U.S. Gen. George Casey. As of December 2006, the head of Multinational Corps-Iraq, is Lt. Gen. Ray Odierno.

A major focus of U.S. counter-insurgent combat has been Anbar Province, which includes the cities of Fallujah and Ramadi (provincial capital), the latter of which is the most restive of all Iraqi cities and which is assessed to have virtually no functioning governance. However, a reported assessment by a U.S. intelligence officer in August 2006 said that U.S. efforts in Anbar were failing and that the province is “lost” politically. Still, there are about 40,000 U.S. troops in Anbar conducting combat primarily in and around Ramadi. In the run-up to the December 15, 2005, elections, U.S. (and Iraqi) forces conducted several major operations (for example Operations Matador, Dagger, Spear, Lightning, Sword, Hunter, Steel Curtain, and Ram) to clear contingents of foreign fighters and other insurgents from Sunni cities along the Euphrates River.

**Casualties.** As of December 27, 2006, 2,974 U.S. forces and about 250 coalition partner soldiers have died in OIF, as well as over 125 U.S. civilians working on contract to U.S. institutions in Iraq. Of U.S. deaths, 2,828 have occurred since President Bush declared an end to “major combat operations” in Iraq on May 1, 2003, and about 2,391 were by hostile action. There are no firm estimates of numbers of Iraqi civilians killed in hostilities, but one estimate in October 2006 published in the *Lancet*, dismissed by President Bush as inconsistent with other estimates, said over 650,000 Iraqis had died, far above the estimate used by Iraq Body Count, for example, which puts that figure at about 45,000 Iraqi civilian deaths. As of October 2006, about 650 U.S. civilian contractors have been killed in Iraq. (See CRS Report RS22441, *Iraqi Civilian, Police, and Security Force Casualty Estimates*, by Hannah Fischer.)

## Building Iraqi Security Forces (ISF)<sup>40</sup>

A major pillar of existing U.S. policy is to equip and train Iraqi security forces (ISF) that could secure Iraq by themselves. President Bush stated in a June 28, 2005 speech, “Our strategy can be summed up this way: As the Iraqis stand up, we will stand down.”<sup>41</sup> The Iraqi government says that the ISF should be capable of securing Iraq by mid-2007, although U.S. commanders are skeptical that such a target could be met. The Iraq Study Group recommends that the training and equipping of the ISF should be completed by the first quarter of 2008 (Recommendation 42.) With the total ISF goal of 325,000 virtually reached, current Defense Department plans are to increase the number of U.S. forces embedded with or mentoring the ISF from 4,000 to well over 10,000, a plan endorsed by the Iraq Study Group report, although the Study Group envisioned that training effort as part of a transition from U.S.-led combat to supporting ISF-led combat. (Recommendations 43 and 44).

The tables below detail the composition of the ISF and provide Administration assessments of force readiness. As of December 20, there are 323,000 total ISF: 134,700 “operational” military forces under the Ministry of Defense and 188,300 police and police commando forces “trained and equipped” under the Ministry of Interior. The commander of the ISF training mission, the Multinational Transition Security Command - Iraq (MNSTC-I), is Gen. Martin Dempsey. However, police figures include possibly tens of thousands (according to the GAO on March 15, 2005) who are absent-without-leave or might have deserted. The police live in their areas of operation, and attendance is hard to account for. Because of the deficiencies in ISF performance discussed below, in October 2006 former Secretary of Defense Rumsfeld approved an increase in the target level of the Iraqi force by an unspecified numbers said by press sources to be anywhere from 30,000 - 100,000 extra ISF forces.

U.S. commanders say they are progressively turning over greater formal responsibility to the ISF, although areas under ISF control or leadership are not necessarily pacified or stable. In September 2006, the Ministry of Defense began assuming operational control of Iraqi military forces from the U.S.-led coalition. About one-third of the ISF is now under Iraqi operational control. U.S. and partner forces have now turned over to the ISF 40 out of 111 forward operation bases, and as shown in the earlier table, whole provinces are being turned over to ISF control. (A map showing area under Iraqi control and ISF lead can be found in the Iraq Weekly Status Report of the State Department, available at [<http://www.state.gov/p/nea/ci/c3212.htm>]).

The most recent DOD “Measuring Stability” report, released November 2006, reiterates U.S. official statements of progress in building the ISF, while continuing previous criticisms, including the observation that the ISF continue to lack an effective command structure, independent initiative, or commitment to the mission,

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<sup>40</sup> For additional information, see CRS Report RS22093, *Iraq’s New Security Forces: The Challenge of Sectarian and Ethnic Influences*, by Jeremy Sharp.

<sup>41</sup> Speech by President Bush can be found at [<http://www.whitehouse.gov/news/releases/2005/06/print/20050628-7.html>].

and that it could fragment if U.S. troops draw down.<sup>42</sup> U.S. commanders have told journalists recently that it is common for half of an entire ISF unit to desert or refuse to undertake a specified mission.<sup>43</sup> ISF were unable to secure Baghdad under Maliki's security plan for the city, necessitating the infusion of U.S. forces in July-August 2006. Iraqi forces also were unable to prevent looting of the British base, cited above, abandoned by British forces in August 2006 in Amarah.

A major issue is ethnic balance and involvement in sectarian violence. U.S. commanders have consistently acknowledged difficulty recruiting Sunni Arabs into the ISF and have said this is a deficiency they are trying to correct. Most of the ISF, particularly the police, are Shiites, with Kurdish units mainly deployed in the north. There are few units of mixed ethnicity, and, as discussed above, many Sunnis see the ISF as mostly Shiite and Kurdish instruments of repression and responsible for sectarian killings.

The Iraq Study Group and other reports reserve their most vocal criticism for the police forces, particularly the National Police, because of rampant corruption and alleged involvement in sectarian violence, as noted throughout this paper. In 2005, U.S. officials stated that 2006 would be the "year of the police," but little progress has now been noted. The Iraq Study Group (Recommendations 50-61) contain several suggestions for reforming and improving the police, including assigning the lead role in advising and training the anti-crime portions of the police forces to the U.S. Department of Justice, and transferring those police forces that are involved in anti-insurgency operations to the Ministry of Defense from their current organizational structure under the Ministry of Interior.

**Weaponry.** Most observers say the ISF are severely underequipped, dependent primarily on donations of surplus equipment by coalition members. Some of its equipment is discussed in the table below. The October 2006 report of the SIGIR (<http://www.sigir.mil/reports/quarterlyreports/default.aspx>) notes problems with tracking Iraqi weapons; of the approximately 370,000 weapons turned over to Iraq by the United States since Saddam's fall, only 12,000 serial numbers were properly recorded. Some fear that some of these weapons might have fallen into the hands of insurgents or sectarian militias, although it is also possible the weapons are still in Defense and Interior Ministry stocks but are not catalogued. (In Recommendation 45, the Iraq Study Group said the United States should encourage the Iraqi government to accelerate its Foreign Military Sales requests for U.S. arms and that departing U.S. combat units should leave behind some of their equipment for use by the ISF.)

**ISF Funding.** The accelerated training and equipping of the Iraqis is a key part of U.S. policy. The Administration has been shifting much U.S. funding into this training and equipping mission:

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<sup>42</sup> Fallows, James. "Why Iraq Has No Army." *Atlantic Monthly*, December 2005.

<sup>43</sup> Castaneda, Antonio. "Iraqi Desertions Complicate U.S. Mission." *Associated Press*, Jan. 31, 2006.



- According to the State Department, a total of \$5.036 billion in IRRF funds has been allocated to build (train, equip, provide facilities for, and in some cases provide pay for) the ISF. Of those funds, as of September 20, 2006, about \$4.938 billion has been obligated and \$4.621 billion of that has been disbursed.
- An FY2005 supplemental appropriation (P.L. 109-13) provided an additional \$5.7 billion to equip and train the ISF, funds to be controlled by the Department of Defense and provided to MNSTC-I. Of that amount, about \$4.7 billion has been obligated. *Therefore, the total obligated (spent) for the ISF to date is about \$9.6 billion.*
- The FY2006 supplemental (P.L. 109-234) provided another \$3 billion for the ISF but withholds the remaining ISF facilities construction funding.
- The FY2007 Defense appropriations law (P.L. 109-289) provides an additional \$1.7 billion to train and equip the ISF. Some Defense officials said in late October 2006 that there might be a supplemental FY2007 request for additional ISF funding in conjunction with the decision to train more ISF than the 325,000 current goal.

**Table 5. Ministry of Defense Forces**

(As of December 20, 2006)

<b>Force</b>	<b>Size/Strength</b>	<b>IRRF Funds Allocated</b>
Iraqi Army	123,700 total; current goal is 131,000. Forces in units are in 112 battalions (about 70,000 personnel). Trained for eight weeks, paid \$60/month. Has mostly East bloc equipment, including 77 T-72 tanks donated by Poland.	\$1.097 billion for facilities; \$707 million for equipment; \$656 million for training, personnel, and operations
Iraqi Intervention Force	About 3,000 personnel, included in Army total above. Trained for 13 weeks.	
Special Operations Forces	About 1,600 divided between Iraqi Counter-Terrorist Force (ICTF) and a Commando Battalion. Trained for 12 weeks, mostly in Jordan.	
Strategic Infrastructure Battalions	About 2,900 personnel in seven battalions to protect oil pipelines, electricity infrastructure. The goal is 11 battalions.	
Mechanized Police Brigade	About 1,500. Recently transferred from Ministry of Interior control.	
Air Force	About 900, its target size. Has 9 helicopters, 3 C-130s; 14 observation aircraft. Trained for six months. UAE and Jordan to provide other aircraft and helos.	\$28 million allocated for air fields (from funds for Iraqi Army, above)
Navy	About 1,100, the target size. 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 Qasra, Basra port, and Khor al-Amaya oil terminals. Some training by Australian Navy.	
<b>Totals</b>	<b>134,700</b>	
U.S./Other Trainers	U.S. training, including embedding with Iraqi units (10 per battalion), involves about 4,000 U.S. forces (increasing to 10,000), 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.	

**Table 6. Ministry of Interior Forces**

(As of December 20, 2006)

<b>Force/Entity</b>	<b>Size/Strength</b>	<b>IRRF Funds Allocated</b>
Ministry of Interior	Total size unknown. 3,000 employees dismissed in October for corruption/sectarianism.	
Iraqi Police Service (IPS)	135,000, including 1,300 person Highway Patrol. (About the target size.) Gets eight weeks of training, paid \$60 per month. Not organized as battalions.	\$ 1.806 billion
Dignitary Protection	About 500 personnel	
National Police	About 24,400. Comprises "Police Commandos," Public Order Police," and "Mechanized Police." Organized into 28 battalions. Overwhelmingly Shiite. Gets four weeks of counter-insurgency training. Iraq Study Group (Recommendation 50) proposes transfer to MOD control.	
Emergency Response Unit	About 300, able to lead operations. Hostage rescue.	
Border Enforcement Department	28,100. Controls 258 border forts built or under construction. Has Riverine Police component to secure water crossings. Iraq Study Group (Recommendation 51) proposes transfer to MOD control.	\$437 million (incl. \$3 million for stipends to 150 former WMD workers.
<b>Totals (all forces)</b>	<b>188,300. Goal is 195,000</b>	
Training	Training by 2,000 U.S. personnel (DOD-lead) as embeds and partners. 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)	Growing allegations that some of the 145,000 members of the FPS, which are attached to individual ministries, are involved in sectarian violence. U.S. 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. (In Recommendation 54, the Iraq Study Group says the Ministry of Interior should identify, register, and otherwise control FPS.)	\$53 million allocated for this service thus far.

## Coalition-Building and Maintenance<sup>44</sup>

Some believe that the Bush Administration did not exert sufficient efforts to enlist greater international participation in peacekeeping originally and that the U.S. mission in Iraq is being complicated by diminishing foreign military personnel contributions. As of December 20, 2006, 25 other countries are contributing about 16,860 forces, down from about 28,000 in 2005, and the total is expected to fall further. (A list of contributing countries, although not force levels, can be found in the Department of State's "Iraq Weekly Status Report" referenced earlier.) Poland and Britain lead multinational divisions in central and southern Iraq, respectively. The UK-led force (UK forces alone number about 7,500) is based in Basra, but Britain said it will likely halve its force by mid-2007. The Poland-led force (Polish forces number 900, down from a high of 2,600 in 2005) is based in Hilla and include forces from the following foreign countries: Armenia, Slovakia, Denmark, El Salvador, Ukraine, Romania, Lithuania, Latvia, Mongolia, and Kazakhstan. However, Poland says it might withdraw its remaining forces by the end of 2006. Italy completed its withdrawal in December 2006 after turning over Dhi Qar Province over to ISF control.

The coalition shrinkage 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. Among other changes are the following.

- Ukraine, which lost eight soldiers in a January 2005 insurgent attack, withdrew most of its 1,500 forces after the December 2005 elections.
- Bulgaria pulled out its 360-member unit after the December 2005 elections. However, 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 located.
- South Korea withdrew 270 of its almost 3,600 troops in June 2005, and, in line with a November 2005 decision, withdrew another 1,000 in May 2006, bringing its troop level to about 2,200 (based in Irbil in Kurdish-controlled Iraq). The deployment has been extended until the end of 2007.
- Japan completed its withdrawal of its 600-person military reconstruction contingent in Samawah on July 17, 2006. The

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<sup>44</sup> For additional information on international contributions to Iraq peacekeeping and reconstruction, see CRS Report RL32105, *Post-War Iraq: Foreign Contributions to Training, Peacekeeping, and Reconstruction*, by Jeremy Sharp and Christopher Blanchard.

Australian forces protecting the Japanese contingent (450 out of the total Australian deployment in Iraq of 1,350) moved to other areas.

- Denmark said in May 2006 it will keep its forces in Iraq (Basra), although it withdrew 80 of its 530-person force in May 2006.
- In July 2006, Romanian leaders began debating whether to withdraw or reduce its 890 forces in Iraq.

**NATO/EU/Other Offers of 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. 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. At the June 22, 2005 Brussels conference discussed above, the EU pledged a \$130 million package to help Iraq write its permanent constitution and reform government ministries. The FY2005 supplemental appropriations (P.L. 109-13) provides \$99 million to set up a regional counter-terrorism center in Jordan to train Iraqi security personnel and civil servants.

## Iraq Study Group Report and Other Options

President Bush, Congress, and observers are debating U.S. policy in Iraq amid widespread concurrence, including from President Bush, that progress in Iraq is unsatisfactory. In his December 5, 2006, confirmation hearings, Defense Secretary nominee Robert Gates stated emphatically that the United States is not winning in Iraq and that new initiatives are needed. As U.S. public support for the U.S. effort in Iraq has declined, debates emerged in the 109<sup>th</sup> Congress over several congressional resolutions proposing an “exit strategy.” These discussions are likely to continue in the 110<sup>th</sup> Congress over previous proposals as well as the recommendations of the Iraq Study Group. The President has said he will weigh the report of the Study Group, as well as input from several other reviews under way, including one directed by Chairman of the Joint Chiefs of Staff Peter Pace and another under direction of the National Security Council, and new initiatives in Iraq policy will be announced in early January 2007, according to Administration officials. However, some expect that the overall thrust of policy will not change dramatically because President Bush has asserted repeatedly that he believes security would deteriorate dramatically and U.S. security would be directly threatened if the United States were to leave Iraq before “the mission is completed.” In a November 4, 2006, statement, he said that a U.S. pullout could potentially put Iraq’s oil resources under the control of insurgents.<sup>45</sup>

The Iraq Study Group was launched in March 2006; chosen by mutual agreement among its congressional organizers to co-chair are former Secretary of State James Baker and former Chairman of the House International Relations

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<sup>45</sup> Baker, Peter. “Bush Says U.S. Pullout Would Let Radicals Use Oil as a Weapon.” *Washington Post*, Nov. 5, 2006.

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 for operations of the group.

The Group submitted its report to President Bush on December 6, 2006 (full text at [<http://www.usip.org>]). Some of the specific recommendations have been discussed throughout this paper when developments relevant to the recommendation are analyzed. Among the major themes of the 79 recommendations are the following:

- Heightened regional and international diplomacy, including with Iran and Syria, and including the holding of a major international conference in Baghdad (Recommendations 1-12).
- As part of an international approach, renewed commitment to Arab-Israeli peace (Recommendations 13-17).
- Additional economic, political, and military support for the stabilization of Afghanistan (Recommendation 18).
- Setting milestones 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).
- Communicating to the Iraqi leadership that the U.S. military commitment is not open-ended, and prioritizing training of the ISF rather than U.S. direct combat (Recommendations 40-45).
- 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 now controls some of these forces, and reforming the Ministry of Interior (Recommendations 50-58).
- Securing and expanding Iraq's oil sector (Recommendations 62-63).
- Increasing economic aid to Iraq and enlisting more international donations of assistance (Recommendations 64-67).
- Ensuring that the United States has the right skills serving in Iraq and sufficient intelligence on developments there (Recommendations 73-79).

The sections below discuss options that have been under discussion even before the release of the Iraq Study Group report, and some of the ideas discussed may be similar to some of the recommendations of the Study Group.

## Altering Troop Levels or Mission

Many of the options under discussion involve changes to the levels or mission of U.S. forces in Iraq. To date, President Bush has opposed major reductions in troop levels or changes to their mission, stating that the United States must uphold its “commitment” to the Iraqi government. He reportedly reiterated this view in a phone conversation with Prime Minister Maliki on October 16, 2006, in response to reported Maliki fears that the United States might withdraw support for his government. Supporters of the President’s position maintain that the Iraqi government would collapse upon an immediate pullout, causing full-scale civil war, and would represent a victory for terrorists and create chaos in the region, drawing in regional powers to the fighting in Iraq. Others argue that the loss of the Iraq effort could cause terrorists to attempt attacks in the United States itself. H.Res. 861, stating that “... it is not in the national security interest of the United States to set an arbitrary date for the withdrawal or redeployment” of U.S. forces from Iraq passed the House on June 16 by a vote of 256-153, with 5 voting “present.”

**Troop Increase.** Some observers (but not the Study Group report) have said that the United States should increase troops levels in Iraq significantly to tamp down sectarian violence and prevent Sunni insurgents from re-infiltrating areas cleared by U.S. operations. Some experts believe the extra troops needed for such an effort might number about 100,000,<sup>46</sup> although other estimates say that 40,000 additional U.S. forces could make a significant difference. One option reportedly under consideration, and one to which some reports say President Bush may be leaning, is a temporary “surge” of about 20,000 to 30,000 troops for stepped up security efforts in Baghdad as part of a broader effort to prod factional reconciliation and facilitate economic reconstruction in the capital. Some believe that a troop “surge” would need to be relatively sustained, lasting at least 18 months, to have the desired effect.<sup>47</sup> A brigade of U.S. Marines was ordered to Kuwait in December 2006 to support the surge option, should the President decide on that course of action.

Some press reports say that some senior U.S. commanders oppose a temporary surge on the grounds that doing so would not permanently stabilize the capital and would delay the ISF’s taking of more responsibility for security. Outside critics also believe that substantial troop level increases would aggravate Sunni Arabs already resentful of the U.S. intervention in Iraq and would appear to deepen the U.S. commitment without a clear exit strategy. Others believe that increasing U.S. force levels would further the impression that the Iraqi government depends on the United States for its survival.

**Immediate Withdrawal.** Some Members argue that the United States should begin to withdraw immediately, maintaining that the decision to invade Iraq was a mistake in light of the failure thus far to locate WMD, that the large U.S. presence in Iraq is inflaming the insurgency, and that remaining in Iraq will result in additional

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<sup>46</sup> Bersia, John. “The Courage Needed to Win the War,” *Philadelphia Inquirer*, Aug. 9, 2005.

<sup>47</sup> Keane, Jack and Frederick Kagan. “The Right Type of Surge,” *Washington Post* op-ed, December 27, 2006.

U.S. casualties without securing U.S. national interests. Those who take this position include most of the approximately 50 Members of the “Out of Iraq Congressional Caucus,” formed in June 2005. In November 2005, Representative John Murtha, a ranking member and former chairman of the Defense Appropriations Subcommittee, publicly called for an “immediate” pullout (over six months). His resolution (H.J.Res. 73) called for a U.S. withdrawal “at the earliest practicable date” and the maintenance of an “over the horizon” U.S. presence, mostly in Kuwait (some say U.S. troops could be based in the Kurdish north) from which U.S. forces could continue to battle Al Qaeda in Iraq. A related resolution, H.Res. 571 (written by Representative Duncan Hunter, 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. Other bills, such as H.R. 3142 and H.Con.Res. 197, state that it [should be] U.S. policy not to maintain a permanent or long-term presence in Iraq. The FY2006 supplemental (P.L. 109-234) omitted a provision to this effect that was in the Senate version, but a provision along this line was contained in the Defense Appropriation (P.L. 109-289).

**Withdrawal Timetable.** Another alternative is the setting of a timetable for a U.S. withdrawal or the beginning of a withdrawal. The Iraq Study Group suggests a winding down of the U.S. combat mission by early 2008 but does not firmly set such a timetable. The timetable option is typified by H.J.Res. 55, introduced by Representative Neil Abercrombie, which calls on the Administration to begin a withdrawal by October 2006. H.Con.Res. 348, introduced by Representative Mike Thompson, calls for a redeployment of U.S. forces no later than September 30, 2006, although that date has now passed. In November 2005, Senator Levin, who takes the view that the United States needs to force internal compromise in Iraq by threatening to withdraw, introduced an amendment to S. 1042 (FY2006 defense authorization bill) to compel the Administration to work on a timetable for withdrawal during 2006. Reportedly, on November 10, 2005, Chairman of the Senate Armed Services Committee John Warner reworked the Levin proposal into an amendment that stopped short of setting a timetable for withdrawal but requires an Administration report on a “schedule for meeting conditions” that could permit a U.S. withdrawal. That measure, which also states 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 amendment, 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. On July 31, 2006, 12 Democrats, including House Minority Leader Nancy Pelosi and Senate Minority Leader Harry Reid, reportedly wrote to President Bush calling for the beginning of a U.S. withdrawal by the end of 2006, although without a suggested deadline for completing that pullback,



along with a “transition to a more limited mission.”<sup>48</sup> In October 2006, following a trip to Iraq, Senator Warner stated that events in Iraq are “moving sideways” and that the Administration might consider a “change of course” if, in “two or three months” the Iraqi government has not gotten sectarian and other violence under control.<sup>49</sup>

**Troop Reduction.** Perhaps in response to the growing U.S. debate over U.S. involvement in Iraq, General Casey, during a visit to Washington in late June 2006, presented to President Bush options for a substantial drawdown of U.S. forces in Iraq, beginning as early as September 2006. According to reports of the Casey plan, which the Administration said was one option dependent on security progress, U.S. force levels would drop to about 120,000 by September 2006, with a more pronounced reduction to about 100,000 by the end of 2007. These reported plans were similar to some previous reports of plans for reduction. All previous such reported plans have tended to fade as the security situation has not calmed significantly, as is the case currently, and Gen. Abizaid indicated in September 19, 2006, press comments that a troop reduction is unlikely at least until spring 2007.

## International and Regional Diplomacy

As noted above, many of the Iraq Study Group recommendations propose increased regional, multi-lateral, and international diplomacy, beyond steps already taken by the Administration. One idea, included in the Study Group report, is to form a “contact group” of major countries and Iraqi neighbors to prevail on Iraq’s factions to compromise. These ideas were included in several resolutions introduced by Senator Kerry, 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 is 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.

## Political Reconciliation and Reorganization

Some proposals involve different methods for altering Iraq’s power structure so that no major ethnic or sectarian community feels excluded or has incentive to back

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<sup>48</sup> Babington, Charles and Jim VendeHei. “Hill Democrats Unite to Urge Bush to Begin Iraq Pullout.” *Washington Post*, Aug. 1, 2006.

<sup>49</sup> White, Josh. “Warner Downbeat After Iraq Trip.” *Washington Post*, Oct. 6, 2006.

violence. The Iraq Study Group report recommends seeking the involvement of the United Nations, Iraq's neighbors, and other interested countries in promoting reconciliation within Iraq.

**Reorganize the Power Structure.** Some experts believe that adjusting U.S. troop levels would not address the underlying causes of violence in Iraq. Those who want to build a unified and strong central government, including the Bush Administration, have identified the need to assuage Sunni Arab grievances through the political process. The Administration has tried to accomplish that objective, although without complete success to date. There is little agreement on what package of incentives, if any, would persuade most Sunnis leaders — and their constituents — to fully support the government. Some believe that Sunnis might be satisfied by a wholesale cabinet reshuffle that gives several leading positions, such as that of President, to a Sunni Arab.

**Decentralization and Break-Up Options.** Some commentators believe in a more substantial re-distribution of power. They maintain that Iraq cannot be stabilized as one country and should be broken up into three separate countries: one Kurdish, one Sunni Arab, and one Shiite Arab. Another version of this idea, propounded by Senator Biden and Council on Foreign Relations expert Leslie Gelb (May 1, 2006, *New York Times* op-ed) is to form three autonomous regions, dominated by each of the major communities. A former U.S. Ambassador and an adviser to the Kurds, Peter Galbraith, also advocates this option. 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. 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.

Critics of both forms of this idea believe that any segregation of Iraq, legal or de-facto, would cause parts of Iraq to fall firmly under the sway of Iraq's powerful neighbors. Others believe that the act of dividing Iraq's communities in any way would cause widespread violence, particularly in areas of mixed ethnicity, as each community struggles to maximize its territory and its financial prospects. This recommendation was rejected by the Iraq Study Group as potentially too violent and difficult to implement.

**Negotiating With Insurgents.** A related idea is to negotiate with insurgents or insurgent commanders. The Iraq Study Group report welcomes contact with almost all parties in Iraq, with the exception of Al Qaeda-Iraq (Recommendations 34-35). The Administration — and the Iraqi government — appears to have previously adopted this recommendation to some extent. As noted, U.S. Ambassador Khalilzad and various Iraqi leaders, such as President Talabani, have reached out to Sunni politicians known to have ties to the insurgency. Secretary of Defense Rumsfeld confirmed to journalists in June 2005 that such discussions had taken place between insurgent representatives and some U.S. military commanders in the field. The U.S. talks reportedly have been intended to help U.S. forces defeat Zarqawi's foreign insurgent faction. However, no major insurgent faction has lain down arms in response to any talks with U.S. personnel or Iraqi officials, although Iraqi leaders say some insurgent groups have expressed tentative interest in the amnesty plan. The

insurgents who have attended such talks reportedly want an increased role for Sunnis in government, a timetable for U.S. withdrawal, and a withdrawal of the Shiite-dominated ISF from Sunni regions. Some U.S. officials appear to believe that talking directly with insurgents increases insurgent leverage and emboldens them to continue attacks.

**“Coup” or “Strongman” Option.** Another option began receiving discussion in October 2006 as Iraqi elites began to sense a growing rift between the Administration and Maliki. Some Iraqis believe the United States might try to use its influence among Iraqis to force Maliki to resign and replace him with a military strongman or some other figure who would crack down on sectarian militias. However, experts in the United States see no concrete signs that such an option might be under consideration by the Administration. Forcing 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. According to this view, accelerated reconstruction will drain support for insurgents by creating employment, improving public services, and creating confidence in the government. This idea appears to have been incorporated into the President’s “National Strategy for Victory” document and is exemplified by the formation of the 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. In addition, the U.S. plan to transfer most reconstruction management to Iraqis by the end of 2007 might indicate that the Administration has not found this idea persuasive.

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.

**Table 7. U.S. Aid (ESF) to Iraq's 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 (Apr. 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*, Apr. 2004.

Figure 1. Map of Iraq



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